

1 AN ACT concerning education.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

20 Sec. 13.2. Transfers among line item appropriations.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 agencies require the approval of the Governor.

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

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

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

26 (2) Disabled Student Transportation Reimbursement

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

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

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

19 (35 ILCS 200/18-200)

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

21 shall not be reduced under the computation under subsections

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

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

24 operating tax rate falling from above the minimum requirement

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

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

5 (35 ILCS 200/18-249)

6 Sec. 18-249. Miscellaneous provisions.

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

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

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

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

1 Section 17. The Illinois Pension Code is amended by
2 changing Sections 16-158 and 17-127 as follows:

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

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

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

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

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

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

1 normal cost for that fiscal year.

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

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

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

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

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

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

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

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

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

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

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

26 For State fiscal years 1996 through 2005, the State

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

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

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

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

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

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

26 Beginning in State fiscal year 2046, the minimum State

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 When assessing payment for any amount due under subsection

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

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

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

1 requiring the same certification.

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

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

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

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

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

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

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

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

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

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

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

25 (40 ILCS 5/17-127) (from Ch. 108 1/2, par. 17-127)

1 Sec. 17-127. Financing; revenues for the Fund.

2 (a) The revenues for the Fund shall consist of: (1) amounts
3 paid into the Fund by contributors thereto and from employer
4 contributions and State appropriations in accordance with this
5 Article; (2) amounts contributed to the Fund by an Employer;
6 (3) amounts contributed to the Fund pursuant to any law now in
7 force or hereafter to be enacted; (4) contributions from any
8 other source; and (5) the earnings on investments.

9 (b) The General Assembly finds that for many years the
10 State has contributed to the Fund an annual amount that is
11 between 20% and 30% of the amount of the annual State
12 contribution to the Article 16 retirement system, and the
13 General Assembly declares that it is its goal and intention to
14 continue this level of contribution to the Fund in the future.

15 (c) Beginning in State fiscal year 1999, the State shall
16 include in its annual contribution to the Fund an additional
17 amount equal to 0.544% of the Fund's total teacher payroll;
18 except that this additional contribution need not be made in a
19 fiscal year if the Board has certified in the previous fiscal
20 year that the Fund is at least 90% funded, based on actuarial
21 determinations. These additional State contributions are
22 intended to offset a portion of the cost to the Fund of the
23 increases in retirement benefits resulting from this
24 amendatory Act of 1998.

25 (d) In addition to any other contribution required under
26 this Article, including the contribution required under

1 subsection (c), the State shall contribute to the Fund the
2 following amounts:

3 (1) For State fiscal year 2017, the State shall
4 contribute \$215,200,000.

5 (2) For State fiscal year 2018, the State shall
6 contribute \$221,300,000.

7 (3) Beginning in State fiscal year 2019, the State
8 shall contribute for each fiscal year an amount to be
9 determined by the Fund, equal to the employer normal cost
10 for that fiscal year, plus the amount allowed pursuant to
11 paragraph (3) of Section 17-142.1, to defray health
12 insurance costs.

13 (e) The Board shall determine the amount of State
14 contributions required for each fiscal year on the basis of the
15 actuarial tables and other assumptions adopted by the Board and
16 the recommendations of the actuary. On or before November 1 of
17 each year, beginning November 1, 2017, the Board shall submit
18 to the State Actuary, the Governor, and the General Assembly a
19 proposed certification of the amount of the required State
20 contribution to the Fund for the next fiscal year, along with
21 all of the actuarial assumptions, calculations, and data upon
22 which that proposed certification is based.

23 On or before January 1 of each year, beginning January 1,
24 2018, the State Actuary shall issue a preliminary report
25 concerning the proposed certification and identifying, if
26 necessary, recommended changes in actuarial assumptions that

1 the Board must consider before finalizing its certification of
2 the required State contributions.

3 (f) On or before January 15, 2018 and each January 15
4 thereafter, the Board shall certify to the Governor and the
5 General Assembly the amount of the required State contribution
6 for the next fiscal year. The certification shall include a
7 copy of the actuarial recommendations upon which it is based
8 and shall specifically identify the Fund's projected employer
9 normal cost for that fiscal year. The Board's certification
10 must note any deviations from the State Actuary's recommended
11 changes, the reason or reasons for not following the State
12 Actuary's recommended changes, and the fiscal impact of not
13 following the State Actuary's recommended changes on the
14 required State contribution.

15 For the purposes of this Article, including issuing
16 vouchers, and for the purposes of subsection (h) of Section 1.1
17 of the State Pension Funds Continuing Appropriation Act, the
18 State contribution specified for State fiscal years 2017 and
19 2018 shall be deemed to have been certified, by operation of
20 law and without official action by the Board or the State
21 Actuary, in the amount provided in subsection (d) of this
22 Section.

23 (g) Beginning in State fiscal year 2017, on the 15th day of
24 each month, or as soon thereafter as may be practicable, the
25 Board shall submit vouchers for payment of State contributions
26 to the Fund, in a total monthly amount of one-twelfth of the

1 required annual State contribution under subsection (d). These
2 vouchers shall be paid by the State Comptroller and Treasurer
3 by warrants drawn on the funds appropriated to the Fund for
4 that fiscal year. If in any month the amount remaining
5 unexpended from all other State appropriations to the Fund for
6 the applicable fiscal year is less than the amount lawfully
7 vouchered under this subsection, the difference shall be paid
8 from the Common School Fund under the continuing appropriation
9 authority provided in Section 1.1 of the State Pension Funds
10 Continuing Appropriation Act.

11 (Source: P.A. 90-548, eff. 12-4-97; 90-566, eff. 1-2-98;
12 90-582, eff. 5-27-98; 90-655, eff. 7-30-98.)

13 Section 18. The State Pension Funds Continuing
14 Appropriation Act is amended by changing Section 1.1 as
15 follows:

16 (40 ILCS 15/1.1)

17 Sec. 1.1. Appropriations to certain retirement systems.

18 (a) There is hereby appropriated from the General Revenue
19 Fund to the General Assembly Retirement System, on a continuing
20 monthly basis, the amount, if any, by which the total available
21 amount of all other appropriations to that retirement system
22 for the payment of State contributions is less than the total
23 amount of the vouchers for required State contributions
24 lawfully submitted by the retirement system for that month

1 under Section 2-134 of the Illinois Pension Code.

2 (b) There is hereby appropriated from the General Revenue
3 Fund to the State Universities Retirement System, on a
4 continuing monthly basis, the amount, if any, by which the
5 total available amount of all other appropriations to that
6 retirement system for the payment of State contributions,
7 including any deficiency in the required contributions of the
8 optional retirement program established under Section 15-158.2
9 of the Illinois Pension Code, is less than the total amount of
10 the vouchers for required State contributions lawfully
11 submitted by the retirement system for that month under Section
12 15-165 of the Illinois Pension Code.

13 (c) There is hereby appropriated from the Common School
14 Fund to the Teachers' Retirement System of the State of
15 Illinois, on a continuing monthly basis, the amount, if any, by
16 which the total available amount of all other appropriations to
17 that retirement system for the payment of State contributions
18 is less than the total amount of the vouchers for required
19 State contributions lawfully submitted by the retirement
20 system for that month under Section 16-158 of the Illinois
21 Pension Code.

22 (d) There is hereby appropriated from the General Revenue
23 Fund to the Judges Retirement System of Illinois, on a
24 continuing monthly basis, the amount, if any, by which the
25 total available amount of all other appropriations to that
26 retirement system for the payment of State contributions is

1 less than the total amount of the vouchers for required State
2 contributions lawfully submitted by the retirement system for
3 that month under Section 18-140 of the Illinois Pension Code.

4 (e) The continuing appropriations provided by subsections
5 (a), (b), (c), and (d) of this Section shall first be available
6 in State fiscal year 1996. The continuing appropriations
7 provided by subsection (h) of this Section shall first be
8 available as provided in that subsection (h).

9 (f) For State fiscal year 2010 only, the continuing
10 appropriations provided by this Section are equal to the amount
11 certified by each System on or before December 31, 2008, less
12 (i) the gross proceeds of the bonds sold in fiscal year 2010
13 under the authorization contained in subsection (a) of Section
14 7.2 of the General Obligation Bond Act and (ii) any amounts
15 received from the State Pensions Fund.

16 (g) For State fiscal year 2011 only, the continuing
17 appropriations provided by this Section are equal to the amount
18 certified by each System on or before April 1, 2011, less (i)
19 the gross proceeds of the bonds sold in fiscal year 2011 under
20 the authorization contained in subsection (a) of Section 7.2 of
21 the General Obligation Bond Act and (ii) any amounts received
22 from the State Pensions Fund.

23 (h) There is hereby appropriated from the Common School
24 Fund to the Public School Teachers' Pension and Retirement Fund
25 of Chicago, on a continuing monthly basis, the amount, if any,
26 by which the total available amount of all other State

1 appropriations to that Retirement Fund for the payment of State
2 contributions under subsection (d) of Section 17-127 of the
3 Illinois Pension Code is less than the total amount of the
4 vouchers for required State contributions lawfully submitted
5 by the Retirement Fund for that month under that Section
6 17-127.

7 (Source: P.A. 96-43, eff. 7-15-09; 96-1497, eff. 1-14-11;
8 96-1511, eff. 1-27-11.)

9 Section 20. The Innovation Development and Economy Act is
10 amended by changing Section 33 as follows:

11 (50 ILCS 470/33)

12 Sec. 33. STAR Bonds School Improvement and Operations Trust
13 Fund.

14 (a) The STAR Bonds School Improvement and Operations Trust
15 Fund is created as a trust fund in the State treasury. Deposits
16 into the Trust Fund shall be made as provided under this
17 Section. Moneys in the Trust Fund shall be used by the
18 Department of Revenue only for the purpose of making payments
19 to school districts in educational service regions that include
20 or are adjacent to the STAR bond district. Moneys in the Trust
21 Fund are not subject to appropriation and shall be used solely
22 as provided in this Section. All deposits into the Trust Fund
23 shall be held in the Trust Fund by the State Treasurer as ex
24 officio custodian separate and apart from all public moneys or

1 funds of this State and shall be administered by the Department
2 exclusively for the purposes set forth in this Section. All
3 moneys in the Trust Fund shall be invested and reinvested by
4 the State Treasurer. All interest accruing from these
5 investments shall be deposited in the Trust Fund.

6 (b) Upon approval of a STAR bond district, the political
7 subdivision shall immediately transmit to the county clerk of
8 the county in which the district is located a certified copy of
9 the ordinance creating the district, a legal description of the
10 district, a map of the district, identification of the year
11 that the county clerk shall use for determining the total
12 initial equalized assessed value of the district consistent
13 with subsection (c), and a list of the parcel or tax
14 identification number of each parcel of property included in
15 the district.

16 (c) Upon approval of a STAR bond district, the county clerk
17 immediately thereafter shall determine (i) the most recently
18 ascertained equalized assessed value of each lot, block, tract,
19 or parcel of real property within the STAR bond district, from
20 which shall be deducted the homestead exemptions under Article
21 15 of the Property Tax Code, which value shall be the initial
22 equalized assessed value of each such piece of property, and
23 (ii) the total equalized assessed value of all taxable real
24 property within the district by adding together the most
25 recently ascertained equalized assessed value of each taxable
26 lot, block, tract, or parcel of real property within the

1 district, from which shall be deducted the homestead exemptions
2 under Article 15 of the Property Tax Code, and shall certify
3 that amount as the total initial equalized assessed value of
4 the taxable real property within the STAR bond district.

5 (d) In reference to any STAR bond district created within
6 any political subdivision, and in respect to which the county
7 clerk has certified the total initial equalized assessed value
8 of the property in the area, the political subdivision may
9 thereafter request the clerk in writing to adjust the initial
10 equalized value of all taxable real property within the STAR
11 bond district by deducting therefrom the exemptions under
12 Article 15 of the Property Tax Code applicable to each lot,
13 block, tract, or parcel of real property within the STAR bond
14 district. The county clerk shall immediately, after the written
15 request to adjust the total initial equalized value is
16 received, determine the total homestead exemptions in the STAR
17 bond district as provided under Article 15 of the Property Tax
18 Code by adding together the homestead exemptions provided by
19 said Article on each lot, block, tract, or parcel of real
20 property within the STAR bond district and then shall deduct
21 the total of said exemptions from the total initial equalized
22 assessed value. The county clerk shall then promptly certify
23 that amount as the total initial equalized assessed value as
24 adjusted of the taxable real property within the STAR bond
25 district.

26 (e) The county clerk or other person authorized by law

1 shall compute the tax rates for each taxing district with all
2 or a portion of its equalized assessed value located in the
3 STAR bond district. The rate per cent of tax determined shall
4 be extended to the current equalized assessed value of all
5 property in the district in the same manner as the rate per
6 cent of tax is extended to all other taxable property in the
7 taxing district.

8 (f) Beginning with the assessment year in which the first
9 destination user in the first STAR bond project in a STAR bond
10 district makes its first retail sales and for each assessment
11 year thereafter until final maturity of the last STAR bonds
12 issued in the district, the county clerk or other person
13 authorized by law shall determine the increase in equalized
14 assessed value of all real property within the STAR bond
15 district by subtracting the initial equalized assessed value of
16 all property in the district certified under subsection (c)
17 from the current equalized assessed value of all property in
18 the district. Each year, the property taxes arising from the
19 increase in equalized assessed value in the STAR bond district
20 shall be determined for each taxing district and shall be
21 certified to the county collector.

22 (g) Beginning with the year in which taxes are collected
23 based on the assessment year in which the first destination
24 user in the first STAR bond project in a STAR bond district
25 makes its first retail sales and for each year thereafter until
26 final maturity of the last STAR bonds issued in the district,

1 the county collector shall, within 30 days after receipt of
2 property taxes, transmit to the Department to be deposited into
3 the STAR Bonds School Improvement and Operations Trust Fund 15%
4 of property taxes attributable to the increase in equalized
5 assessed value within the STAR bond district from each taxing
6 district as certified in subsection (f).

7 (h) The Department shall pay to the regional superintendent
8 of schools whose educational service region includes Franklin
9 and Williamson Counties, for each year for which money is
10 remitted to the Department and paid into the STAR Bonds School
11 Improvement and Operations Trust Fund, the money in the Fund as
12 provided in this Section. The amount paid to each school
13 district shall be allocated proportionately, based on each
14 qualifying school district's fall enrollment for the
15 then-current school year, such that the school district with
16 the largest fall enrollment receives the largest proportionate
17 share of money paid out of the Fund or by any other method or
18 formula that the regional superintendent of schools deems fit,
19 equitable, and in the public interest. The regional
20 superintendent may allocate moneys to school districts that are
21 outside of his or her educational service region or to other
22 regional superintendents.

23 The Department shall determine the distributions under
24 this Section using its best judgment and information. The
25 Department shall be held harmless for the distributions made
26 under this Section and all distributions shall be final.

1 (i) In any year that an assessment appeal is filed, the
2 extension of taxes on any assessment so appealed shall not be
3 delayed. In the case of an assessment that is altered, any
4 taxes extended upon the unauthorized assessment or part thereof
5 shall be abated, or, if already paid, shall be refunded with
6 interest as provided in Section 23-20 of the Property Tax Code.
7 In the case of an assessment appeal, the county collector shall
8 notify the Department that an assessment appeal has been filed
9 and the amount of the tax that would have been deposited in the
10 STAR Bonds School Improvement and Operations Trust Fund. The
11 county collector shall hold that amount in a separate fund
12 until the appeal process is final. After the appeal process is
13 finalized, the county collector shall transmit to the
14 Department the amount of tax that remains, if any, after all
15 required refunds are made. The Department shall pay any amount
16 deposited into the Trust Fund under this Section in the same
17 proportion as determined for payments for that taxable year
18 under subsection (h).

19 (j) In any year that ad valorem taxes are allocated to the
20 STAR Bonds School Improvement and Operations Trust Fund, that
21 allocation shall not reduce or otherwise impact the school aid
22 provided to any school district under the general State school
23 aid formula provided for in Section 18-8.05 of the School Code
24 or the evidence-based funding formula provided for in Section
25 18-8.15 of the School Code.

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

1 Section 25. The County Economic Development Project Area
2 Property Tax Allocation Act is amended by changing Section 7 as
3 follows:

4 (55 ILCS 85/7) (from Ch. 34, par. 7007)

5 Sec. 7. Creation of special tax allocation fund. If a
6 county has adopted property tax allocation financing by
7 ordinance for an economic development project area, the
8 Department has approved and certified the economic development
9 project area, and the county clerk has thereafter certified the
10 "total initial equalized value" of the taxable real property
11 within such economic development project area in the manner
12 provided in subsection (b) of Section 6 of this Act, each year
13 after the date of the certification by the county clerk of the
14 "initial equalized assessed value" until economic development
15 project costs and all county obligations financing economic
16 development project costs have been paid, the ad valorem taxes,
17 if any, arising from the levies upon the taxable real property
18 in the economic development project area by taxing districts
19 and tax rates determined in the manner provided in subsection
20 (b) of Section 6 of this Act shall be divided as follows:

21 (1) That portion of the taxes levied upon each taxable
22 lot, block, tract or parcel of real property which is
23 attributable to the lower of the current equalized assessed
24 value or the initial equalized assessed value of each such

1 taxable lot, block, tract, or parcel of real property
2 existing at the time property tax allocation financing was
3 adopted shall be allocated and when collected shall be paid
4 by the county collector to the respective affected taxing
5 districts in the manner required by the law in the absence
6 of the adoption of property tax allocation financing.

7 (2) That portion, if any, of those taxes which is
8 attributable to the increase in the current equalized
9 assessed valuation of each taxable lot, block, tract, or
10 parcel of real property in the economic development project
11 are, over and above the initial equalized assessed value of
12 each property existing at the time property tax allocation
13 financing was adopted shall be allocated to and when
14 collected shall be paid to the county treasurer, who shall
15 deposit those taxes into a special fund called the special
16 tax allocation fund of the county for the purpose of paying
17 economic development project costs and obligations
18 incurred in the payment thereof.

19 The county, by an ordinance adopting property tax
20 allocation financing, may pledge the funds in and to be
21 deposited in the special tax allocation fund for the payment of
22 obligations issued under this Act and for the payment of
23 economic development project costs. No part of the current
24 equalized assessed valuation of each property in the economic
25 development project area attributable to any increase above the
26 total initial equalized assessed value of such properties shall

1 be used in calculating the general State school aid formula,
2 provided for in Section 18-8 of the School Code, or the
3 evidence-based funding formula, provided for in Section
4 18-8.15 of the School Code, until such time as all economic
5 development projects costs have been paid as provided for in
6 this Section.

7 Whenever a county issues bonds for the purpose of financing
8 economic development project costs, the county may provide by
9 ordinance for the appointment of a trustee, which may be any
10 trust company within the State, and for the establishment of
11 the funds or accounts to be maintained by such trustee as the
12 county shall deem necessary to provide for the security and
13 payment of the bonds. If the county provides for the
14 appointment of a trustee, the trustee shall be considered the
15 assignee of any payments assigned by the county pursuant to the
16 ordinance and this Section. Any amounts paid to the trustee as
17 assignee shall be deposited in the funds or accounts
18 established pursuant to the trust agreement, and shall be held
19 by the trustee in trust for the benefit of the holders of the
20 bonds, and the holders shall have a lien on and a security
21 interest in those bonds or accounts so long as the bonds remain
22 outstanding and unpaid. Upon retirement of the bonds, the
23 trustee shall pay over any excess amounts held to the county
24 for deposit in the special tax allocation fund.

25 When the economic development project costs, including
26 without limitation all county obligations financing economic

1 development project costs incurred under this Act, have been
2 paid, all surplus funds then remaining in the special tax
3 allocation funds shall be distributed by being paid by the
4 county treasurer to the county collector, who shall immediately
5 thereafter pay those funds to the taxing districts having
6 taxable property in the economic development project area in
7 the same manner and proportion as the most recent distribution
8 by the county collector to those taxing districts of real
9 property taxes from real property in the economic development
10 project area.

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

1 development project area and shall only terminate the
2 designation of the economic development project area as to
3 those portions of the economic development project area
4 excluding the area covered by the redevelopment agreement
5 between the owner of the proposed electric generating facility
6 and Grundy County; the county shall adopt an ordinance
7 dissolving the special tax allocation fund for the economic
8 development project area and terminating the designation of the
9 economic development project area as an economic development
10 project area with regard to the electric generating facility
11 property not later than 35 years from the date of adoption of
12 the ordinance adopting property tax allocation financing.
13 Thereafter the rates of the taxing districts shall be extended
14 and taxes levied, collected and distributed in the manner
15 applicable in the absence of the adoption of property tax
16 allocation financing.

17 Nothing in this Section shall be construed as relieving
18 property in economic development project areas from being
19 assessed as provided in the Property Tax Code or as relieving
20 owners of that property from paying a uniform rate of taxes, as
21 required by Section 4 of Article IX of the Illinois
22 Constitution of 1970.

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

24 Section 30. The County Economic Development Project Area
25 Tax Increment Allocation Act of 1991 is amended by changing

1 Section 50 as follows:

2 (55 ILCS 90/50) (from Ch. 34, par. 8050)

3 Sec. 50. Special tax allocation fund.

4 (a) If a county clerk has certified the "total initial
5 equalized assessed value" of the taxable real property within
6 an economic development project area in the manner provided in
7 Section 45, each year after the date of the certification by
8 the county clerk of the "total initial equalized assessed
9 value", until economic development project costs and all county
10 obligations financing economic development project costs have
11 been paid, the ad valorem taxes, if any, arising from the
12 levies upon the taxable real property in the economic
13 development project area by taxing districts and tax rates
14 determined in the manner provided in subsection (b) of Section
15 45 shall be divided as follows:

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

1 (2) That portion, if any, of the taxes that is
2 attributable to the increase in the current equalized
3 assessed valuation of each taxable lot, block, tract, or
4 parcel of real property in the economic development project
5 area, over and above the initial equalized assessed value
6 of each property existing at the time tax increment
7 financing was adopted, shall be allocated to (and when
8 collected shall be paid to) the county treasurer, who shall
9 deposit the taxes into a special fund (called the special
10 tax allocation fund of the county) for the purpose of
11 paying economic development project costs and obligations
12 incurred in the payment of those costs.

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

26 (c) When the economic development projects costs,

1 including without limitation all county obligations financing
2 economic development project costs incurred under this Act,
3 have been paid, all surplus monies then remaining in the
4 special tax allocation fund shall be distributed by being paid
5 by the county treasurer to the county collector, who shall
6 immediately pay the monies to the taxing districts having
7 taxable property in the economic development project area in
8 the same manner and proportion as the most recent distribution
9 by the county collector to those taxing districts of real
10 property taxes from real property in the economic development
11 project area.

12 (d) Upon the payment of all economic development project
13 costs, retirement of obligations, and distribution of any
14 excess monies under this Section, the county shall adopt an
15 ordinance dissolving the special tax allocation fund for the
16 economic development project area and terminating the
17 designation of the economic development project area as an
18 economic development project area. Thereafter, the rates of the
19 taxing districts shall be extended and taxes shall be levied,
20 collected, and distributed in the manner applicable in the
21 absence of the adoption of tax increment allocation financing.

22 (e) Nothing in this Section shall be construed as relieving
23 property in the economic development project areas from being
24 assessed as provided in the Property Tax Code or as relieving
25 owners of that property from paying a uniform rate of taxes as
26 required by Section 4 of Article IX of the Illinois

1 Constitution.

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

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

6 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

7 Sec. 11-74.4-3. Definitions. The following terms, wherever
8 used or referred to in this Division 74.4 shall have the
9 following respective meanings, unless in any case a different
10 meaning clearly appears from the context.

11 (a) For any redevelopment project area that has been
12 designated pursuant to this Section by an ordinance adopted
13 prior to November 1, 1999 (the effective date of Public Act
14 91-478), "blighted area" shall have the meaning set forth in
15 this Section prior to that date.

16 On and after November 1, 1999, "blighted area" means any
17 improved or vacant area within the boundaries of a
18 redevelopment project area located within the territorial
19 limits of the municipality where:

20 (1) If improved, industrial, commercial, and
21 residential buildings or improvements are detrimental to
22 the public safety, health, or welfare because of a
23 combination of 5 or more of the following factors, each of
24 which is (i) present, with that presence documented, to a

1 meaningful extent so that a municipality may reasonably
2 find that the factor is clearly present within the intent
3 of the Act and (ii) reasonably distributed throughout the
4 improved part of the redevelopment project area:

5 (A) Dilapidation. An advanced state of disrepair
6 or neglect of necessary repairs to the primary
7 structural components of buildings or improvements in
8 such a combination that a documented building
9 condition analysis determines that major repair is
10 required or the defects are so serious and so extensive
11 that the buildings must be removed.

12 (B) Obsolescence. The condition or process of
13 falling into disuse. Structures have become ill-suited
14 for the original use.

15 (C) Deterioration. With respect to buildings,
16 defects including, but not limited to, major defects in
17 the secondary building components such as doors,
18 windows, porches, gutters and downspouts, and fascia.
19 With respect to surface improvements, that the
20 condition of roadways, alleys, curbs, gutters,
21 sidewalks, off-street parking, and surface storage
22 areas evidence deterioration, including, but not
23 limited to, surface cracking, crumbling, potholes,
24 depressions, loose paving material, and weeds
25 protruding through paved surfaces.

26 (D) Presence of structures below minimum code

1 standards. All structures that do not meet the
2 standards of zoning, subdivision, building, fire, and
3 other governmental codes applicable to property, but
4 not including housing and property maintenance codes.

5 (E) Illegal use of individual structures. The use
6 of structures in violation of applicable federal,
7 State, or local laws, exclusive of those applicable to
8 the presence of structures below minimum code
9 standards.

10 (F) Excessive vacancies. The presence of buildings
11 that are unoccupied or under-utilized and that
12 represent an adverse influence on the area because of
13 the frequency, extent, or duration of the vacancies.

14 (G) Lack of ventilation, light, or sanitary
15 facilities. The absence of adequate ventilation for
16 light or air circulation in spaces or rooms without
17 windows, or that require the removal of dust, odor,
18 gas, smoke, or other noxious airborne materials.
19 Inadequate natural light and ventilation means the
20 absence of skylights or windows for interior spaces or
21 rooms and improper window sizes and amounts by room
22 area to window area ratios. Inadequate sanitary
23 facilities refers to the absence or inadequacy of
24 garbage storage and enclosure, bathroom facilities,
25 hot water and kitchens, and structural inadequacies
26 preventing ingress and egress to and from all rooms and

1 units within a building.

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

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

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

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

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

21 (L) Lack of community planning. The proposed
22 redevelopment project area was developed prior to or
23 without the benefit or guidance of a community plan.
24 This means that the development occurred prior to the
25 adoption by the municipality of a comprehensive or
26 other community plan or that the plan was not followed

1 at the time of the area's development. This factor must
2 be documented by evidence of adverse or incompatible
3 land-use relationships, inadequate street layout,
4 improper subdivision, parcels of inadequate shape and
5 size to meet contemporary development standards, or
6 other evidence demonstrating an absence of effective
7 community planning.

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

21 (2) If vacant, the sound growth of the redevelopment
22 project area is impaired by a combination of 2 or more of
23 the following factors, each of which is (i) present, with
24 that presence documented, to a meaningful extent so that a
25 municipality may reasonably find that the factor is clearly
26 present within the intent of the Act and (ii) reasonably

1 distributed throughout the vacant part of the
2 redevelopment project area to which it pertains:

3 (A) Obsolete platting of vacant land that results
4 in parcels of limited or narrow size or configurations
5 of parcels of irregular size or shape that would be
6 difficult to develop on a planned basis and in a manner
7 compatible with contemporary standards and
8 requirements, or platting that failed to create
9 rights-of-ways for streets or alleys or that created
10 inadequate right-of-way widths for streets, alleys, or
11 other public rights-of-way or that omitted easements
12 for public utilities.

13 (B) Diversity of ownership of parcels of vacant
14 land sufficient in number to retard or impede the
15 ability to assemble the land for development.

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

19 (D) Deterioration of structures or site
20 improvements in neighboring areas adjacent to the
21 vacant land.

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

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

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

20 (3) If vacant, the sound growth of the redevelopment
21 project area is impaired by one of the following factors
22 that (i) is present, with that presence documented, to a
23 meaningful extent so that a municipality may reasonably
24 find that the factor is clearly present within the intent
25 of the Act and (ii) is reasonably distributed throughout
26 the vacant part of the redevelopment project area to which

1 it pertains:

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

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

6 (C) The area, prior to its designation, is subject
7 to (i) chronic flooding that adversely impacts on real
8 property in the area as certified by a registered
9 professional engineer or appropriate regulatory agency
10 or (ii) surface water that discharges from all or a
11 part of the area and contributes to flooding within the
12 same watershed, but only if the redevelopment project
13 provides for facilities or improvements to contribute
14 to the alleviation of all or part of the flooding.

15 (D) The area consists of an unused or illegal
16 disposal site containing earth, stone, building
17 debris, or similar materials that were removed from
18 construction, demolition, excavation, or dredge sites.

19 (E) Prior to November 1, 1999, the area is not less
20 than 50 nor more than 100 acres and 75% of which is
21 vacant (notwithstanding that the area has been used for
22 commercial agricultural purposes within 5 years prior
23 to the designation of the redevelopment project area),
24 and the area meets at least one of the factors itemized
25 in paragraph (1) of this subsection, the area has been
26 designated as a town or village center by ordinance or

1 comprehensive plan adopted prior to January 1, 1982,
2 and the area has not been developed for that designated
3 purpose.

4 (F) The area qualified as a blighted improved area
5 immediately prior to becoming vacant, unless there has
6 been substantial private investment in the immediately
7 surrounding area.

8 (b) For any redevelopment project area that has been
9 designated pursuant to this Section by an ordinance adopted
10 prior to November 1, 1999 (the effective date of Public Act
11 91-478), "conservation area" shall have the meaning set forth
12 in this Section prior to that date.

13 On and after November 1, 1999, "conservation area" means
14 any improved area within the boundaries of a redevelopment
15 project area located within the territorial limits of the
16 municipality in which 50% or more of the structures in the area
17 have an age of 35 years or more. Such an area is not yet a
18 blighted area but because of a combination of 3 or more of the
19 following factors is detrimental to the public safety, health,
20 morals or welfare and such an area may become a blighted area:

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

1 removed.

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

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

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

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

24 (6) Excessive vacancies. The presence of buildings
25 that are unoccupied or under-utilized and that represent an
26 adverse influence on the area because of the frequency,

1 extent, or duration of the vacancies.

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

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

23 (9) Excessive land coverage and overcrowding of
24 structures and community facilities. The over-intensive
25 use of property and the crowding of buildings and accessory
26 facilities onto a site. Examples of problem conditions

1 warranting the designation of an area as one exhibiting
2 excessive land coverage are: the presence of buildings
3 either improperly situated on parcels or located on parcels
4 of inadequate size and shape in relation to present-day
5 standards of development for health and safety and the
6 presence of multiple buildings on a single parcel. For
7 there to be a finding of excessive land coverage, these
8 parcels must exhibit one or more of the following
9 conditions: insufficient provision for light and air
10 within or around buildings, increased threat of spread of
11 fire due to the close proximity of buildings, lack of
12 adequate or proper access to a public right-of-way, lack of
13 reasonably required off-street parking, or inadequate
14 provision for loading and service.

15 (10) Deleterious land use or layout. The existence of
16 incompatible land-use relationships, buildings occupied by
17 inappropriate mixed-uses, or uses considered to be
18 noxious, offensive, or unsuitable for the surrounding
19 area.

20 (11) Lack of community planning. The proposed
21 redevelopment project area was developed prior to or
22 without the benefit or guidance of a community plan. This
23 means that the development occurred prior to the adoption
24 by the municipality of a comprehensive or other community
25 plan or that the plan was not followed at the time of the
26 area's development. This factor must be documented by

1 evidence of adverse or incompatible land-use
2 relationships, inadequate street layout, improper
3 subdivision, parcels of inadequate shape and size to meet
4 contemporary development standards, or other evidence
5 demonstrating an absence of effective community planning.

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

17 (13) The total equalized assessed value of the proposed
18 redevelopment project area has declined for 3 of the last 5
19 calendar years for which information is available or is
20 increasing at an annual rate that is less than the balance
21 of the municipality for 3 of the last 5 calendar years for
22 which information is available or is increasing at an
23 annual rate that is less than the Consumer Price Index for
24 All Urban Consumers published by the United States
25 Department of Labor or successor agency for 3 of the last 5
26 calendar years for which information is available.

1 (c) "Industrial park" means an area in a blighted or
2 conservation area suitable for use by any manufacturing,
3 industrial, research or transportation enterprise, of
4 facilities to include but not be limited to factories, mills,
5 processing plants, assembly plants, packing plants,
6 fabricating plants, industrial distribution centers,
7 warehouses, repair overhaul or service facilities, freight
8 terminals, research facilities, test facilities or railroad
9 facilities.

10 (d) "Industrial park conservation area" means an area
11 within the boundaries of a redevelopment project area located
12 within the territorial limits of a municipality that is a labor
13 surplus municipality or within 1 1/2 miles of the territorial
14 limits of a municipality that is a labor surplus municipality
15 if the area is annexed to the municipality; which area is zoned
16 as industrial no later than at the time the municipality by
17 ordinance designates the redevelopment project area, and which
18 area includes both vacant land suitable for use as an
19 industrial park and a blighted area or conservation area
20 contiguous to such vacant land.

21 (e) "Labor surplus municipality" means a municipality in
22 which, at any time during the 6 months before the municipality
23 by ordinance designates an industrial park conservation area,
24 the unemployment rate was over 6% and was also 100% or more of
25 the national average unemployment rate for that same time as
26 published in the United States Department of Labor Bureau of

1 Labor Statistics publication entitled "The Employment
2 Situation" or its successor publication. For the purpose of
3 this subsection, if unemployment rate statistics for the
4 municipality are not available, the unemployment rate in the
5 municipality shall be deemed to be the same as the unemployment
6 rate in the principal county in which the municipality is
7 located.

8 (f) "Municipality" shall mean a city, village,
9 incorporated town, or a township that is located in the
10 unincorporated portion of a county with 3 million or more
11 inhabitants, if the county adopted an ordinance that approved
12 the township's redevelopment plan.

13 (g) "Initial Sales Tax Amounts" means the amount of taxes
14 paid under the Retailers' Occupation Tax Act, Use Tax Act,
15 Service Use Tax Act, the Service Occupation Tax Act, the
16 Municipal Retailers' Occupation Tax Act, and the Municipal
17 Service Occupation Tax Act by retailers and servicemen on
18 transactions at places located in a State Sales Tax Boundary
19 during the calendar year 1985.

20 (g-1) "Revised Initial Sales Tax Amounts" means the amount
21 of taxes paid under the Retailers' Occupation Tax Act, Use Tax
22 Act, Service Use Tax Act, the Service Occupation Tax Act, the
23 Municipal Retailers' Occupation Tax Act, and the Municipal
24 Service Occupation Tax Act by retailers and servicemen on
25 transactions at places located within the State Sales Tax
26 Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

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

1 from sales by retailers and servicemen on transactions located
2 in the redevelopment project area or the State Sales Tax
3 Boundary, as the case may be, the certified Initial Sales Tax
4 Amounts, the Adjusted Initial Sales Tax Amounts or the Revised
5 Initial Sales Tax Amounts for the Municipal Retailers'
6 Occupation Tax Act and the Municipal Service Occupation Tax
7 Act. For the State Fiscal Year 1989, this calculation shall be
8 made by utilizing the calendar year 1987 to determine the tax
9 amounts received. For the State Fiscal Year 1990, this
10 calculation shall be made by utilizing the period from January
11 1, 1988, until September 30, 1988, to determine the tax amounts
12 received from retailers and servicemen pursuant to the
13 Municipal Retailers' Occupation Tax and the Municipal Service
14 Occupation Tax Act, which shall have deducted therefrom
15 nine-twelfths of the certified Initial Sales Tax Amounts, the
16 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales
17 Tax Amounts as appropriate. For the State Fiscal Year 1991,
18 this calculation shall be made by utilizing the period from
19 October 1, 1988, to June 30, 1989, to determine the tax amounts
20 received from retailers and servicemen pursuant to the
21 Municipal Retailers' Occupation Tax and the Municipal Service
22 Occupation Tax Act which shall have deducted therefrom
23 nine-twelfths of the certified Initial Sales Tax Amounts,
24 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales
25 Tax Amounts as appropriate. For every State Fiscal Year
26 thereafter, the applicable period shall be the 12 months

1 beginning July 1 and ending June 30 to determine the tax
2 amounts received which shall have deducted therefrom the
3 certified Initial Sales Tax Amounts, the Adjusted Initial Sales
4 Tax Amounts or the Revised Initial Sales Tax Amounts, as the
5 case may be.

6 (i) "Net State Sales Tax Increment" means the sum of the
7 following: (a) 80% of the first \$100,000 of State Sales Tax
8 Increment annually generated within a State Sales Tax Boundary;
9 (b) 60% of the amount in excess of \$100,000 but not exceeding
10 \$500,000 of State Sales Tax Increment annually generated within
11 a State Sales Tax Boundary; and (c) 40% of all amounts in
12 excess of \$500,000 of State Sales Tax Increment annually
13 generated within a State Sales Tax Boundary. If, however, a
14 municipality established a tax increment financing district in
15 a county with a population in excess of 3,000,000 before
16 January 1, 1986, and the municipality entered into a contract
17 or issued bonds after January 1, 1986, but before December 31,
18 1986, to finance redevelopment project costs within a State
19 Sales Tax Boundary, then the Net State Sales Tax Increment
20 means, for the fiscal years beginning July 1, 1990, and July 1,
21 1991, 100% of the State Sales Tax Increment annually generated
22 within a State Sales Tax Boundary; and notwithstanding any
23 other provision of this Act, for those fiscal years the
24 Department of Revenue shall distribute to those municipalities
25 100% of their Net State Sales Tax Increment before any
26 distribution to any other municipality and regardless of

1 whether or not those other municipalities will receive 100% of
2 their Net State Sales Tax Increment. For Fiscal Year 1999, and
3 every year thereafter until the year 2007, for any municipality
4 that has not entered into a contract or has not issued bonds
5 prior to June 1, 1988 to finance redevelopment project costs
6 within a State Sales Tax Boundary, the Net State Sales Tax
7 Increment shall be calculated as follows: By multiplying the
8 Net State Sales Tax Increment by 90% in the State Fiscal Year
9 1999; 80% in the State Fiscal Year 2000; 70% in the State
10 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the
11 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%
12 in the State Fiscal Year 2005; 20% in the State Fiscal Year
13 2006; and 10% in the State Fiscal Year 2007. No payment shall
14 be made for State Fiscal Year 2008 and thereafter.

15 Municipalities that issued bonds in connection with a
16 redevelopment project in a redevelopment project area within
17 the State Sales Tax Boundary prior to July 29, 1991, or that
18 entered into contracts in connection with a redevelopment
19 project in a redevelopment project area before June 1, 1988,
20 shall continue to receive their proportional share of the
21 Illinois Tax Increment Fund distribution until the date on
22 which the redevelopment project is completed or terminated. If,
23 however, a municipality that issued bonds in connection with a
24 redevelopment project in a redevelopment project area within
25 the State Sales Tax Boundary prior to July 29, 1991 retires the
26 bonds prior to June 30, 2007 or a municipality that entered

1 into contracts in connection with a redevelopment project in a
2 redevelopment project area before June 1, 1988 completes the
3 contracts prior to June 30, 2007, then so long as the
4 redevelopment project is not completed or is not terminated,
5 the Net State Sales Tax Increment shall be calculated,
6 beginning on the date on which the bonds are retired or the
7 contracts are completed, as follows: By multiplying the Net
8 State Sales Tax Increment by 60% in the State Fiscal Year 2002;
9 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year
10 2004; 30% in the State Fiscal Year 2005; 20% in the State
11 Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No
12 payment shall be made for State Fiscal Year 2008 and
13 thereafter. Refunding of any bonds issued prior to July 29,
14 1991, shall not alter the Net State Sales Tax Increment.

15 (j) "State Utility Tax Increment Amount" means an amount
16 equal to the aggregate increase in State electric and gas tax
17 charges imposed on owners and tenants, other than residential
18 customers, of properties located within the redevelopment
19 project area under Section 9-222 of the Public Utilities Act,
20 over and above the aggregate of such charges as certified by
21 the Department of Revenue and paid by owners and tenants, other
22 than residential customers, of properties within the
23 redevelopment project area during the base year, which shall be
24 the calendar year immediately prior to the year of the adoption
25 of the ordinance authorizing tax increment allocation
26 financing.

1 (k) "Net State Utility Tax Increment" means the sum of the
2 following: (a) 80% of the first \$100,000 of State Utility Tax
3 Increment annually generated by a redevelopment project area;
4 (b) 60% of the amount in excess of \$100,000 but not exceeding
5 \$500,000 of the State Utility Tax Increment annually generated
6 by a redevelopment project area; and (c) 40% of all amounts in
7 excess of \$500,000 of State Utility Tax Increment annually
8 generated by a redevelopment project area. For the State Fiscal
9 Year 1999, and every year thereafter until the year 2007, for
10 any municipality that has not entered into a contract or has
11 not issued bonds prior to June 1, 1988 to finance redevelopment
12 project costs within a redevelopment project area, the Net
13 State Utility Tax Increment shall be calculated as follows: By
14 multiplying the Net State Utility Tax Increment by 90% in the
15 State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70%
16 in the State Fiscal Year 2001; 60% in the State Fiscal Year
17 2002; 50% in the State Fiscal Year 2003; 40% in the State
18 Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the
19 State Fiscal Year 2006; and 10% in the State Fiscal Year 2007.
20 No payment shall be made for the State Fiscal Year 2008 and
21 thereafter.

22 Municipalities that issue bonds in connection with the
23 redevelopment project during the period from June 1, 1988 until
24 3 years after the effective date of this Amendatory Act of 1988
25 shall receive the Net State Utility Tax Increment, subject to
26 appropriation, for 15 State Fiscal Years after the issuance of

1 such bonds. For the 16th through the 20th State Fiscal Years
2 after issuance of the bonds, the Net State Utility Tax
3 Increment shall be calculated as follows: By multiplying the
4 Net State Utility Tax Increment by 90% in year 16; 80% in year
5 17; 70% in year 18; 60% in year 19; and 50% in year 20.
6 Refunding of any bonds issued prior to June 1, 1988, shall not
7 alter the revised Net State Utility Tax Increment payments set
8 forth above.

9 (l) "Obligations" mean bonds, loans, debentures, notes,
10 special certificates or other evidence of indebtedness issued
11 by the municipality to carry out a redevelopment project or to
12 refund outstanding obligations.

13 (m) "Payment in lieu of taxes" means those estimated tax
14 revenues from real property in a redevelopment project area
15 derived from real property that has been acquired by a
16 municipality which according to the redevelopment project or
17 plan is to be used for a private use which taxing districts
18 would have received had a municipality not acquired the real
19 property and adopted tax increment allocation financing and
20 which would result from levies made after the time of the
21 adoption of tax increment allocation financing to the time the
22 current equalized value of real property in the redevelopment
23 project area exceeds the total initial equalized value of real
24 property in said area.

25 (n) "Redevelopment plan" means the comprehensive program
26 of the municipality for development or redevelopment intended

1 by the payment of redevelopment project costs to reduce or
2 eliminate those conditions the existence of which qualified the
3 redevelopment project area as a "blighted area" or
4 "conservation area" or combination thereof or "industrial park
5 conservation area," and thereby to enhance the tax bases of the
6 taxing districts which extend into the redevelopment project
7 area, provided that, with respect to redevelopment project
8 areas described in subsections (p-1) and (p-2), "redevelopment
9 plan" means the comprehensive program of the affected
10 municipality for the development of qualifying transit
11 facilities. On and after November 1, 1999 (the effective date
12 of Public Act 91-478), no redevelopment plan may be approved or
13 amended that includes the development of vacant land (i) with a
14 golf course and related clubhouse and other facilities or (ii)
15 designated by federal, State, county, or municipal government
16 as public land for outdoor recreational activities or for
17 nature preserves and used for that purpose within 5 years prior
18 to the adoption of the redevelopment plan. For the purpose of
19 this subsection, "recreational activities" is limited to mean
20 camping and hunting. Each redevelopment plan shall set forth in
21 writing the program to be undertaken to accomplish the
22 objectives and shall include but not be limited to:

23 (A) an itemized list of estimated redevelopment
24 project costs;

25 (B) evidence indicating that the redevelopment project
26 area on the whole has not been subject to growth and

1 development through investment by private enterprise,
2 provided that such evidence shall not be required for any
3 redevelopment project area located within a transit
4 facility improvement area established pursuant to Section
5 11-74.4-3.3;

6 (C) an assessment of any financial impact of the
7 redevelopment project area on or any increased demand for
8 services from any taxing district affected by the plan and
9 any program to address such financial impact or increased
10 demand;

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

12 (E) the nature and term of the obligations to be
13 issued;

14 (F) the most recent equalized assessed valuation of the
15 redevelopment project area;

16 (G) an estimate as to the equalized assessed valuation
17 after redevelopment and the general land uses to apply in
18 the redevelopment project area;

19 (H) a commitment to fair employment practices and an
20 affirmative action plan;

21 (I) if it concerns an industrial park conservation
22 area, the plan shall also include a general description of
23 any proposed developer, user and tenant of any property, a
24 description of the type, structure and general character of
25 the facilities to be developed, a description of the type,
26 class and number of new employees to be employed in the

1 operation of the facilities to be developed; and

2 (J) if property is to be annexed to the municipality,
3 the plan shall include the terms of the annexation
4 agreement.

5 The provisions of items (B) and (C) of this subsection (n)
6 shall not apply to a municipality that before March 14, 1994
7 (the effective date of Public Act 88-537) had fixed, either by
8 its corporate authorities or by a commission designated under
9 subsection (k) of Section 11-74.4-4, a time and place for a
10 public hearing as required by subsection (a) of Section
11 11-74.4-5. No redevelopment plan shall be adopted unless a
12 municipality complies with all of the following requirements:

13 (1) The municipality finds that the redevelopment
14 project area on the whole has not been subject to growth
15 and development through investment by private enterprise
16 and would not reasonably be anticipated to be developed
17 without the adoption of the redevelopment plan, provided,
18 however, that such a finding shall not be required with
19 respect to any redevelopment project area located within a
20 transit facility improvement area established pursuant to
21 Section 11-74.4-3.3.

22 (2) The municipality finds that the redevelopment plan
23 and project conform to the comprehensive plan for the
24 development of the municipality as a whole, or, for
25 municipalities with a population of 100,000 or more,
26 regardless of when the redevelopment plan and project was

1 adopted, the redevelopment plan and project either: (i)
2 conforms to the strategic economic development or
3 redevelopment plan issued by the designated planning
4 authority of the municipality, or (ii) includes land uses
5 that have been approved by the planning commission of the
6 municipality.

7 (3) The redevelopment plan establishes the estimated
8 dates of completion of the redevelopment project and
9 retirement of obligations issued to finance redevelopment
10 project costs. Those dates may not be later than the dates
11 set forth under Section 11-74.4-3.5.

12 A municipality may by municipal ordinance amend an
13 existing redevelopment plan to conform to this paragraph
14 (3) as amended by Public Act 91-478, which municipal
15 ordinance may be adopted without further hearing or notice
16 and without complying with the procedures provided in this
17 Act pertaining to an amendment to or the initial approval
18 of a redevelopment plan and project and designation of a
19 redevelopment project area.

20 (3.5) The municipality finds, in the case of an
21 industrial park conservation area, also that the
22 municipality is a labor surplus municipality and that the
23 implementation of the redevelopment plan will reduce
24 unemployment, create new jobs and by the provision of new
25 facilities enhance the tax base of the taxing districts
26 that extend into the redevelopment project area.

1 (4) If any incremental revenues are being utilized
2 under Section 8(a)(1) or 8(a)(2) of this Act in
3 redevelopment project areas approved by ordinance after
4 January 1, 1986, the municipality finds: (a) that the
5 redevelopment project area would not reasonably be
6 developed without the use of such incremental revenues, and
7 (b) that such incremental revenues will be exclusively
8 utilized for the development of the redevelopment project
9 area.

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

1 Section 11-74.4-5, a housing impact study.

2 Part I of the housing impact study shall include (i)
3 data as to whether the residential units are single family
4 or multi-family units, (ii) the number and type of rooms
5 within the units, if that information is available, (iii)
6 whether the units are inhabited or uninhabited, as
7 determined not less than 45 days before the date that the
8 ordinance or resolution required by subsection (a) of
9 Section 11-74.4-5 is passed, and (iv) data as to the racial
10 and ethnic composition of the residents in the inhabited
11 residential units. The data requirement as to the racial
12 and ethnic composition of the residents in the inhabited
13 residential units shall be deemed to be fully satisfied by
14 data from the most recent federal census.

15 Part II of the housing impact study shall identify the
16 inhabited residential units in the proposed redevelopment
17 project area that are to be or may be removed. If inhabited
18 residential units are to be removed, then the housing
19 impact study shall identify (i) the number and location of
20 those units that will or may be removed, (ii) the
21 municipality's plans for relocation assistance for those
22 residents in the proposed redevelopment project area whose
23 residences are to be removed, (iii) the availability of
24 replacement housing for those residents whose residences
25 are to be removed, and shall identify the type, location,
26 and cost of the housing, and (iv) the type and extent of

1 relocation assistance to be provided.

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

5 (7) On and after November 1, 1999, no redevelopment
6 plan shall be adopted, nor an existing plan amended, nor
7 shall residential housing that is occupied by households of
8 low-income and very low-income persons in currently
9 existing redevelopment project areas be removed after
10 November 1, 1999 unless the redevelopment plan provides,
11 with respect to inhabited housing units that are to be
12 removed for households of low-income and very low-income
13 persons, affordable housing and relocation assistance not
14 less than that which would be provided under the federal
15 Uniform Relocation Assistance and Real Property
16 Acquisition Policies Act of 1970 and the regulations under
17 that Act, including the eligibility criteria. Affordable
18 housing may be either existing or newly constructed
19 housing. For purposes of this paragraph (7), "low-income
20 households", "very low-income households", and "affordable
21 housing" have the meanings set forth in the Illinois
22 Affordable Housing Act. The municipality shall make a good
23 faith effort to ensure that this affordable housing is
24 located in or near the redevelopment project area within
25 the municipality.

26 (8) On and after November 1, 1999, if, after the

1 adoption of the redevelopment plan for the redevelopment
2 project area, any municipality desires to amend its
3 redevelopment plan to remove more inhabited residential
4 units than specified in its original redevelopment plan,
5 that change shall be made in accordance with the procedures
6 in subsection (c) of Section 11-74.4-5.

7 (9) For redevelopment project areas designated prior
8 to November 1, 1999, the redevelopment plan may be amended
9 without further joint review board meeting or hearing,
10 provided that the municipality shall give notice of any
11 such changes by mail to each affected taxing district and
12 registrant on the interested party registry, to authorize
13 the municipality to expend tax increment revenues for
14 redevelopment project costs defined by paragraphs (5) and
15 (7.5), subparagraphs (E) and (F) of paragraph (11), and
16 paragraph (11.5) of subsection (q) of Section 11-74.4-3, so
17 long as the changes do not increase the total estimated
18 redevelopment project costs set out in the redevelopment
19 plan by more than 5% after adjustment for inflation from
20 the date the plan was adopted.

21 (o) "Redevelopment project" means any public and private
22 development project in furtherance of the objectives of a
23 redevelopment plan. On and after November 1, 1999 (the
24 effective date of Public Act 91-478), no redevelopment plan may
25 be approved or amended that includes the development of vacant
26 land (i) with a golf course and related clubhouse and other

1 facilities or (ii) designated by federal, State, county, or
2 municipal government as public land for outdoor recreational
3 activities or for nature preserves and used for that purpose
4 within 5 years prior to the adoption of the redevelopment plan.
5 For the purpose of this subsection, "recreational activities"
6 is limited to mean camping and hunting.

7 (p) "Redevelopment project area" means an area designated
8 by the municipality, which is not less in the aggregate than 1
9 1/2 acres and in respect to which the municipality has made a
10 finding that there exist conditions which cause the area to be
11 classified as an industrial park conservation area or a
12 blighted area or a conservation area, or a combination of both
13 blighted areas and conservation areas.

14 (p-1) Notwithstanding any provision of this Act to the
15 contrary, on and after August 25, 2009 (the effective date of
16 Public Act 96-680), a redevelopment project area may include
17 areas within a one-half mile radius of an existing or proposed
18 Regional Transportation Authority Suburban Transit Access
19 Route (STAR Line) station without a finding that the area is
20 classified as an industrial park conservation area, a blighted
21 area, a conservation area, or a combination thereof, but only
22 if the municipality receives unanimous consent from the joint
23 review board created to review the proposed redevelopment
24 project area.

25 (p-2) Notwithstanding any provision of this Act to the
26 contrary, on and after the effective date of this amendatory

1 Act of the 99th General Assembly, a redevelopment project area
2 may include areas within a transit facility improvement area
3 that has been established pursuant to Section 11-74.4-3.3
4 without a finding that the area is classified as an industrial
5 park conservation area, a blighted area, a conservation area,
6 or any combination thereof.

7 (q) "Redevelopment project costs", except for
8 redevelopment project areas created pursuant to subsection
9 ~~subsections~~ (p-1) or (p-2), means and includes the sum total of
10 all reasonable or necessary costs incurred or estimated to be
11 incurred, and any such costs incidental to a redevelopment plan
12 and a redevelopment project. Such costs include, without
13 limitation, the following:

14 (1) Costs of studies, surveys, development of plans,
15 and specifications, implementation and administration of
16 the redevelopment plan including but not limited to staff
17 and professional service costs for architectural,
18 engineering, legal, financial, planning or other services,
19 provided however that no charges for professional services
20 may be based on a percentage of the tax increment
21 collected; except that on and after November 1, 1999 (the
22 effective date of Public Act 91-478), no contracts for
23 professional services, excluding architectural and
24 engineering services, may be entered into if the terms of
25 the contract extend beyond a period of 3 years. In
26 addition, "redevelopment project costs" shall not include

1 lobbying expenses. After consultation with the
2 municipality, each tax increment consultant or advisor to a
3 municipality that plans to designate or has designated a
4 redevelopment project area shall inform the municipality
5 in writing of any contracts that the consultant or advisor
6 has entered into with entities or individuals that have
7 received, or are receiving, payments financed by tax
8 increment revenues produced by the redevelopment project
9 area with respect to which the consultant or advisor has
10 performed, or will be performing, service for the
11 municipality. This requirement shall be satisfied by the
12 consultant or advisor before the commencement of services
13 for the municipality and thereafter whenever any other
14 contracts with those individuals or entities are executed
15 by the consultant or advisor;

16 (1.5) After July 1, 1999, annual administrative costs
17 shall not include general overhead or administrative costs
18 of the municipality that would still have been incurred by
19 the municipality if the municipality had not designated a
20 redevelopment project area or approved a redevelopment
21 plan;

22 (1.6) The cost of marketing sites within the
23 redevelopment project area to prospective businesses,
24 developers, and investors;

25 (2) Property assembly costs, including but not limited
26 to acquisition of land and other property, real or

1 personal, or rights or interests therein, demolition of
2 buildings, site preparation, site improvements that serve
3 as an engineered barrier addressing ground level or below
4 ground environmental contamination, including, but not
5 limited to parking lots and other concrete or asphalt
6 barriers, and the clearing and grading of land;

7 (3) Costs of rehabilitation, reconstruction or repair
8 or remodeling of existing public or private buildings,
9 fixtures, and leasehold improvements; and the cost of
10 replacing an existing public building if pursuant to the
11 implementation of a redevelopment project the existing
12 public building is to be demolished to use the site for
13 private investment or devoted to a different use requiring
14 private investment; including any direct or indirect costs
15 relating to Green Globes or LEED certified construction
16 elements or construction elements with an equivalent
17 certification;

18 (4) Costs of the construction of public works or
19 improvements, including any direct or indirect costs
20 relating to Green Globes or LEED certified construction
21 elements or construction elements with an equivalent
22 certification, except that on and after November 1, 1999,
23 redevelopment project costs shall not include the cost of
24 constructing a new municipal public building principally
25 used to provide offices, storage space, or conference
26 facilities or vehicle storage, maintenance, or repair for

1 administrative, public safety, or public works personnel
2 and that is not intended to replace an existing public
3 building as provided under paragraph (3) of subsection (q)
4 of Section 11-74.4-3 unless either (i) the construction of
5 the new municipal building implements a redevelopment
6 project that was included in a redevelopment plan that was
7 adopted by the municipality prior to November 1, 1999, (ii)
8 the municipality makes a reasonable determination in the
9 redevelopment plan, supported by information that provides
10 the basis for that determination, that the new municipal
11 building is required to meet an increase in the need for
12 public safety purposes anticipated to result from the
13 implementation of the redevelopment plan, or (iii) the new
14 municipal public building is for the storage, maintenance,
15 or repair of transit vehicles and is located in a transit
16 facility improvement area that has been established
17 pursuant to Section 11-74.4-3.3;

18 (5) Costs of job training and retraining projects,
19 including the cost of "welfare to work" programs
20 implemented by businesses located within the redevelopment
21 project area;

22 (6) Financing costs, including but not limited to all
23 necessary and incidental expenses related to the issuance
24 of obligations and which may include payment of interest on
25 any obligations issued hereunder including interest
26 accruing during the estimated period of construction of any

1 redevelopment project for which such obligations are
2 issued and for not exceeding 36 months thereafter and
3 including reasonable reserves related thereto;

4 (7) To the extent the municipality by written agreement
5 accepts and approves the same, all or a portion of a taxing
6 district's capital costs resulting from the redevelopment
7 project necessarily incurred or to be incurred within a
8 taxing district in furtherance of the objectives of the
9 redevelopment plan and project;

10 (7.5) For redevelopment project areas designated (or
11 redevelopment project areas amended to add or increase the
12 number of tax-increment-financing assisted housing units)
13 on or after November 1, 1999, an elementary, secondary, or
14 unit school district's increased costs attributable to
15 assisted housing units located within the redevelopment
16 project area for which the developer or redeveloper
17 receives financial assistance through an agreement with
18 the municipality or because the municipality incurs the
19 cost of necessary infrastructure improvements within the
20 boundaries of the assisted housing sites necessary for the
21 completion of that housing as authorized by this Act, and
22 which costs shall be paid by the municipality from the
23 Special Tax Allocation Fund when the tax increment revenue
24 is received as a result of the assisted housing units and
25 shall be calculated annually as follows:

26 (A) for foundation districts, excluding any school

1 district in a municipality with a population in excess
2 of 1,000,000, by multiplying the district's increase
3 in attendance resulting from the net increase in new
4 students enrolled in that school district who reside in
5 housing units within the redevelopment project area
6 that have received financial assistance through an
7 agreement with the municipality or because the
8 municipality incurs the cost of necessary
9 infrastructure improvements within the boundaries of
10 the housing sites necessary for the completion of that
11 housing as authorized by this Act since the designation
12 of the redevelopment project area by the most recently
13 available per capita tuition cost as defined in Section
14 10-20.12a of the School Code less any increase in
15 general State aid as defined in Section 18-8.05 of the
16 School Code or evidence-based funding as defined in
17 Section 18-8.15 of the School Code attributable to
18 these added new students subject to the following
19 annual limitations:

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

26 (ii) for elementary school districts with a

1 district average 1995-96 Per Capita Tuition Charge
2 of less than \$5,900, no more than 17% of the total
3 amount of property tax increment revenue produced
4 by those housing units that have received tax
5 increment finance assistance under this Act; and

6 (iii) for secondary school districts with a
7 district average 1995-96 Per Capita Tuition Charge
8 of less than \$5,900, no more than 8% of the total
9 amount of property tax increment revenue produced
10 by those housing units that have received tax
11 increment finance assistance under this Act.

12 (B) For alternate method districts, flat grant
13 districts, and foundation districts with a district
14 average 1995-96 Per Capita Tuition Charge equal to or
15 more than \$5,900, excluding any school district with a
16 population in excess of 1,000,000, by multiplying the
17 district's increase in attendance resulting from the
18 net increase in new students enrolled in that school
19 district who reside in housing units within the
20 redevelopment project area that have received
21 financial assistance through an agreement with the
22 municipality or because the municipality incurs the
23 cost of necessary infrastructure improvements within
24 the boundaries of the housing sites necessary for the
25 completion of that housing as authorized by this Act
26 since the designation of the redevelopment project

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

8 (i) for unit school districts, no more than 40%
9 of the total amount of property tax increment
10 revenue produced by those housing units that have
11 received tax increment finance assistance under
12 this Act;

13 (ii) for elementary school districts, no more
14 than 27% of the total amount of property tax
15 increment revenue produced by those housing units
16 that have received tax increment finance
17 assistance under this Act; and

18 (iii) for secondary school districts, no more
19 than 13% of the total amount of property tax
20 increment revenue produced by those housing units
21 that have received tax increment finance
22 assistance under this Act.

23 (C) For any school district in a municipality with
24 a population in excess of 1,000,000, the following
25 restrictions shall apply to the reimbursement of
26 increased costs under this paragraph (7.5):

1 (i) no increased costs shall be reimbursed
2 unless the school district certifies that each of
3 the schools affected by the assisted housing
4 project is at or over its student capacity;

5 (ii) the amount reimbursable shall be reduced
6 by the value of any land donated to the school
7 district by the municipality or developer, and by
8 the value of any physical improvements made to the
9 schools by the municipality or developer; and

10 (iii) the amount reimbursed may not affect
11 amounts otherwise obligated by the terms of any
12 bonds, notes, or other funding instruments, or the
13 terms of any redevelopment agreement.

14 Any school district seeking payment under this
15 paragraph (7.5) shall, after July 1 and before
16 September 30 of each year, provide the municipality
17 with reasonable evidence to support its claim for
18 reimbursement before the municipality shall be
19 required to approve or make the payment to the school
20 district. If the school district fails to provide the
21 information during this period in any year, it shall
22 forfeit any claim to reimbursement for that year.
23 School districts may adopt a resolution waiving the
24 right to all or a portion of the reimbursement
25 otherwise required by this paragraph (7.5). By
26 acceptance of this reimbursement the school district

1 waives the right to directly or indirectly set aside,
2 modify, or contest in any manner the establishment of
3 the redevelopment project area or projects;

4 (7.7) For redevelopment project areas designated (or
5 redevelopment project areas amended to add or increase the
6 number of tax-increment-financing assisted housing units)
7 on or after January 1, 2005 (the effective date of Public
8 Act 93-961), a public library district's increased costs
9 attributable to assisted housing units located within the
10 redevelopment project area for which the developer or
11 redeveloper receives financial assistance through an
12 agreement with the municipality or because the
13 municipality incurs the cost of necessary infrastructure
14 improvements within the boundaries of the assisted housing
15 sites necessary for the completion of that housing as
16 authorized by this Act shall be paid to the library
17 district by the municipality from the Special Tax
18 Allocation Fund when the tax increment revenue is received
19 as a result of the assisted housing units. This paragraph
20 (7.7) applies only if (i) the library district is located
21 in a county that is subject to the Property Tax Extension
22 Limitation Law or (ii) the library district is not located
23 in a county that is subject to the Property Tax Extension
24 Limitation Law but the district is prohibited by any other
25 law from increasing its tax levy rate without a prior voter
26 referendum.

1 The amount paid to a library district under this
2 paragraph (7.7) shall be calculated by multiplying (i) the
3 net increase in the number of persons eligible to obtain a
4 library card in that district who reside in housing units
5 within the redevelopment project area that have received
6 financial assistance through an agreement with the
7 municipality or because the municipality incurs the cost of
8 necessary infrastructure improvements within the
9 boundaries of the housing sites necessary for the
10 completion of that housing as authorized by this Act since
11 the designation of the redevelopment project area by (ii)
12 the per-patron cost of providing library services so long
13 as it does not exceed \$120. The per-patron cost shall be
14 the Total Operating Expenditures Per Capita for the library
15 in the previous fiscal year. The municipality may deduct
16 from the amount that it must pay to a library district
17 under this paragraph any amount that it has voluntarily
18 paid to the library district from the tax increment
19 revenue. The amount paid to a library district under this
20 paragraph (7.7) shall be no more than 2% of the amount
21 produced by the assisted housing units and deposited into
22 the Special Tax Allocation Fund.

23 A library district is not eligible for any payment
24 under this paragraph (7.7) unless the library district has
25 experienced an increase in the number of patrons from the
26 municipality that created the tax-increment-financing

1 district since the designation of the redevelopment
2 project area.

3 Any library district seeking payment under this
4 paragraph (7.7) shall, after July 1 and before September 30
5 of each year, provide the municipality with convincing
6 evidence to support its claim for reimbursement before the
7 municipality shall be required to approve or make the
8 payment to the library district. If the library district
9 fails to provide the information during this period in any
10 year, it shall forfeit any claim to reimbursement for that
11 year. Library districts may adopt a resolution waiving the
12 right to all or a portion of the reimbursement otherwise
13 required by this paragraph (7.7). By acceptance of such
14 reimbursement, the library district shall forfeit any
15 right to directly or indirectly set aside, modify, or
16 contest in any manner whatsoever the establishment of the
17 redevelopment project area or projects;

18 (8) Relocation costs to the extent that a municipality
19 determines that relocation costs shall be paid or is
20 required to make payment of relocation costs by federal or
21 State law or in order to satisfy subparagraph (7) of
22 subsection (n);

23 (9) Payment in lieu of taxes;

24 (10) Costs of job training, retraining, advanced
25 vocational education or career education, including but
26 not limited to courses in occupational, semi-technical or

1 technical fields leading directly to employment, incurred
2 by one or more taxing districts, provided that such costs
3 (i) are related to the establishment and maintenance of
4 additional job training, advanced vocational education or
5 career education programs for persons employed or to be
6 employed by employers located in a redevelopment project
7 area; and (ii) when incurred by a taxing district or taxing
8 districts other than the municipality, are set forth in a
9 written agreement by or among the municipality and the
10 taxing district or taxing districts, which agreement
11 describes the program to be undertaken, including but not
12 limited to the number of employees to be trained, a
13 description of the training and services to be provided,
14 the number and type of positions available or to be
15 available, itemized costs of the program and sources of
16 funds to pay for the same, and the term of the agreement.
17 Such costs include, specifically, the payment by community
18 college districts of costs pursuant to Sections 3-37, 3-38,
19 3-40 and 3-40.1 of the Public Community College Act and by
20 school districts of costs pursuant to Sections 10-22.20a
21 and 10-23.3a of the ~~The~~ School Code;

22 (11) Interest cost incurred by a redeveloper related to
23 the construction, renovation or rehabilitation of a
24 redevelopment project provided that:

25 (A) such costs are to be paid directly from the
26 special tax allocation fund established pursuant to

1 this Act;

2 (B) such payments in any one year may not exceed
3 30% of the annual interest costs incurred by the
4 redeveloper with regard to the redevelopment project
5 during that year;

6 (C) if there are not sufficient funds available in
7 the special tax allocation fund to make the payment
8 pursuant to this paragraph (11) then the amounts so due
9 shall accrue and be payable when sufficient funds are
10 available in the special tax allocation fund;

11 (D) the total of such interest payments paid
12 pursuant to this Act may not exceed 30% of the total
13 (i) cost paid or incurred by the redeveloper for the
14 redevelopment project plus (ii) redevelopment project
15 costs excluding any property assembly costs and any
16 relocation costs incurred by a municipality pursuant
17 to this Act; ~~and~~

18 (E) the cost limits set forth in subparagraphs (B)
19 and (D) of paragraph (11) shall be modified for the
20 financing of rehabilitated or new housing units for
21 low-income households and very low-income households,
22 as defined in Section 3 of the Illinois Affordable
23 Housing Act. The percentage of 75% shall be substituted
24 for 30% in subparagraphs (B) and (D) of paragraph (11);
25 and-

26 (F) instead ~~instead~~ of the eligible costs provided

1 by subparagraphs (B) and (D) of paragraph (11), as
2 modified by this subparagraph, and notwithstanding any
3 other provisions of this Act to the contrary, the
4 municipality may pay from tax increment revenues up to
5 50% of the cost of construction of new housing units to
6 be occupied by low-income households and very
7 low-income households as defined in Section 3 of the
8 Illinois Affordable Housing Act. The cost of
9 construction of those units may be derived from the
10 proceeds of bonds issued by the municipality under this
11 Act or other constitutional or statutory authority or
12 from other sources of municipal revenue that may be
13 reimbursed from tax increment revenues or the proceeds
14 of bonds issued to finance the construction of that
15 housing.

16 The eligible costs provided under this
17 subparagraph (F) of paragraph (11) shall be an eligible
18 cost for the construction, renovation, and
19 rehabilitation of all low and very low-income housing
20 units, as defined in Section 3 of the Illinois
21 Affordable Housing Act, within the redevelopment
22 project area. If the low and very low-income units are
23 part of a residential redevelopment project that
24 includes units not affordable to low and very
25 low-income households, only the low and very
26 low-income units shall be eligible for benefits under

1 this subparagraph (F) of paragraph (11). The standards
2 for maintaining the occupancy by low-income households
3 and very low-income households, as defined in Section 3
4 of the Illinois Affordable Housing Act, of those units
5 constructed with eligible costs made available under
6 the provisions of this subparagraph (F) of paragraph
7 (11) shall be established by guidelines adopted by the
8 municipality. The responsibility for annually
9 documenting the initial occupancy of the units by
10 low-income households and very low-income households,
11 as defined in Section 3 of the Illinois Affordable
12 Housing Act, shall be that of the then current owner of
13 the property. For ownership units, the guidelines will
14 provide, at a minimum, for a reasonable recapture of
15 funds, or other appropriate methods designed to
16 preserve the original affordability of the ownership
17 units. For rental units, the guidelines will provide,
18 at a minimum, for the affordability of rent to low and
19 very low-income households. As units become available,
20 they shall be rented to income-eligible tenants. The
21 municipality may modify these guidelines from time to
22 time; the guidelines, however, shall be in effect for
23 as long as tax increment revenue is being used to pay
24 for costs associated with the units or for the
25 retirement of bonds issued to finance the units or for
26 the life of the redevelopment project area, whichever

1 is later;~~:-~~

2 (11.5) If the redevelopment project area is located
3 within a municipality with a population of more than
4 100,000, the cost of day care services for children of
5 employees from low-income families working for businesses
6 located within the redevelopment project area and all or a
7 portion of the cost of operation of day care centers
8 established by redevelopment project area businesses to
9 serve employees from low-income families working in
10 businesses located in the redevelopment project area. For
11 the purposes of this paragraph, "low-income families"
12 means families whose annual income does not exceed 80% of
13 the municipal, county, or regional median income, adjusted
14 for family size, as the annual income and municipal,
15 county, or regional median income are determined from time
16 to time by the United States Department of Housing and
17 Urban Development.

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

21 ~~(13)~~ After November 1, 1999 (the effective date of Public
22 Act 91-478), none of the redevelopment project costs enumerated
23 in this subsection shall be eligible redevelopment project
24 costs if those costs would provide direct financial support to
25 a retail entity initiating operations in the redevelopment
26 project area while terminating operations at another Illinois

1 location within 10 miles of the redevelopment project area but
2 outside the boundaries of the redevelopment project area
3 municipality. For purposes of this paragraph, termination
4 means a closing of a retail operation that is directly related
5 to the opening of the same operation or like retail entity
6 owned or operated by more than 50% of the original ownership in
7 a redevelopment project area, but it does not mean closing an
8 operation for reasons beyond the control of the retail entity,
9 as documented by the retail entity, subject to a reasonable
10 finding by the municipality that the current location contained
11 inadequate space, had become economically obsolete, or was no
12 longer a viable location for the retailer or serviceman.

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

1 If a special service area has been established pursuant to
2 the Special Service Area Tax Act or Special Service Area Tax
3 Law, then any tax increment revenues derived from the tax
4 imposed pursuant to the Special Service Area Tax Act or Special
5 Service Area Tax Law may be used within the redevelopment
6 project area for the purposes permitted by that Act or Law as
7 well as the purposes permitted by this Act.

8 (q-1) For redevelopment project areas created pursuant to
9 subsection (p-1), redevelopment project costs are limited to
10 those costs in paragraph (q) that are related to the existing
11 or proposed Regional Transportation Authority Suburban Transit
12 Access Route (STAR Line) station.

13 (q-2) For a redevelopment project area located within a
14 transit facility improvement area established pursuant to
15 Section 11-74.4-3.3, redevelopment project costs means those
16 costs described in subsection (q) that are related to the
17 construction, reconstruction, rehabilitation, remodeling, or
18 repair of any existing or proposed transit facility.

19 (r) "State Sales Tax Boundary" means the redevelopment
20 project area or the amended redevelopment project area
21 boundaries which are determined pursuant to subsection (9) of
22 Section 11-74.4-8a of this Act. The Department of Revenue shall
23 certify pursuant to subsection (9) of Section 11-74.4-8a the
24 appropriate boundaries eligible for the determination of State
25 Sales Tax Increment.

26 (s) "State Sales Tax Increment" means an amount equal to

1 the increase in the aggregate amount of taxes paid by retailers
2 and servicemen, other than retailers and servicemen subject to
3 the Public Utilities Act, on transactions at places of business
4 located within a State Sales Tax Boundary pursuant to the
5 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use
6 Tax Act, and the Service Occupation Tax Act, except such
7 portion of such increase that is paid into the State and Local
8 Sales Tax Reform Fund, the Local Government Distributive Fund,
9 the Local Government Tax Fund and the County and Mass Transit
10 District Fund, for as long as State participation exists, over
11 and above the Initial Sales Tax Amounts, Adjusted Initial Sales
12 Tax Amounts or the Revised Initial Sales Tax Amounts for such
13 taxes as certified by the Department of Revenue and paid under
14 those Acts by retailers and servicemen on transactions at
15 places of business located within the State Sales Tax Boundary
16 during the base year which shall be the calendar year
17 immediately prior to the year in which the municipality adopted
18 tax increment allocation financing, less 3.0% of such amounts
19 generated under the Retailers' Occupation Tax Act, Use Tax Act
20 and Service Use Tax Act and the Service Occupation Tax Act,
21 which sum shall be appropriated to the Department of Revenue to
22 cover its costs of administering and enforcing this Section.
23 For purposes of computing the aggregate amount of such taxes
24 for base years occurring prior to 1985, the Department of
25 Revenue shall compute the Initial Sales Tax Amount for such
26 taxes and deduct therefrom an amount equal to 4% of the

1 aggregate amount of taxes per year for each year the base year
2 is prior to 1985, but not to exceed a total deduction of 12%.
3 The amount so determined shall be known as the "Adjusted
4 Initial Sales Tax Amount". For purposes of determining the
5 State Sales Tax Increment the Department of Revenue shall for
6 each period subtract from the tax amounts received from
7 retailers and servicemen on transactions located in the State
8 Sales Tax Boundary, the certified Initial Sales Tax Amounts,
9 Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax
10 Amounts for the Retailers' Occupation Tax Act, the Use Tax Act,
11 the Service Use Tax Act and the Service Occupation Tax Act. For
12 the State Fiscal Year 1989 this calculation shall be made by
13 utilizing the calendar year 1987 to determine the tax amounts
14 received. For the State Fiscal Year 1990, this calculation
15 shall be made by utilizing the period from January 1, 1988,
16 until September 30, 1988, to determine the tax amounts received
17 from retailers and servicemen, which shall have deducted
18 therefrom nine-twelfths of the certified Initial Sales Tax
19 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
20 Initial Sales Tax Amounts as appropriate. For the State Fiscal
21 Year 1991, this calculation shall be made by utilizing the
22 period from October 1, 1988, until June 30, 1989, to determine
23 the tax amounts received from retailers and servicemen, which
24 shall have deducted therefrom nine-twelfths of the certified
25 Initial State Sales Tax Amounts, Adjusted Initial Sales Tax
26 Amounts or the Revised Initial Sales Tax Amounts as

1 appropriate. For every State Fiscal Year thereafter, the
2 applicable period shall be the 12 months beginning July 1 and
3 ending on June 30, to determine the tax amounts received which
4 shall have deducted therefrom the certified Initial Sales Tax
5 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
6 Initial Sales Tax Amounts. Municipalities intending to receive
7 a distribution of State Sales Tax Increment must report a list
8 of retailers to the Department of Revenue by October 31, 1988
9 and by July 31, of each year thereafter.

10 (t) "Taxing districts" means counties, townships, cities
11 and incorporated towns and villages, school, road, park,
12 sanitary, mosquito abatement, forest preserve, public health,
13 fire protection, river conservancy, tuberculosis sanitarium
14 and any other municipal corporations or districts with the
15 power to levy taxes.

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

20 (v) As used in subsection (a) of Section 11-74.4-3 of this
21 Act, "vacant land" means any parcel or combination of parcels
22 of real property without industrial, commercial, and
23 residential buildings which has not been used for commercial
24 agricultural purposes within 5 years prior to the designation
25 of the redevelopment project area, unless the parcel is
26 included in an industrial park conservation area or the parcel

1 has been subdivided; provided that if the parcel was part of a
2 larger tract that has been divided into 3 or more smaller
3 tracts that were accepted for recording during the period from
4 1950 to 1990, then the parcel shall be deemed to have been
5 subdivided, and all proceedings and actions of the municipality
6 taken in that connection with respect to any previously
7 approved or designated redevelopment project area or amended
8 redevelopment project area are hereby validated and hereby
9 declared to be legally sufficient for all purposes of this Act.
10 For purposes of this Section and only for land subject to the
11 subdivision requirements of the Plat Act, land is subdivided
12 when the original plat of the proposed Redevelopment Project
13 Area or relevant portion thereof has been properly certified,
14 acknowledged, approved, and recorded or filed in accordance
15 with the Plat Act and a preliminary plat, if any, for any
16 subsequent phases of the proposed Redevelopment Project Area or
17 relevant portion thereof has been properly approved and filed
18 in accordance with the applicable ordinance of the
19 municipality.

20 (w) "Annual Total Increment" means the sum of each
21 municipality's annual Net Sales Tax Increment and each
22 municipality's annual Net Utility Tax Increment. The ratio of
23 the Annual Total Increment of each municipality to the Annual
24 Total Increment for all municipalities, as most recently
25 calculated by the Department, shall determine the proportional
26 shares of the Illinois Tax Increment Fund to be distributed to

1 each municipality.

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

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

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

10 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

11 Sec. 11-74.4-8. Tax increment allocation financing. A
12 municipality may not adopt tax increment financing in a
13 redevelopment project area after the effective date of this
14 amendatory Act of 1997 that will encompass an area that is
15 currently included in an enterprise zone created under the
16 Illinois Enterprise Zone Act unless that municipality,
17 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,
18 amends the enterprise zone designating ordinance to limit the
19 eligibility for tax abatements as provided in Section 5.4.1 of
20 the Illinois Enterprise Zone Act. A municipality, at the time a
21 redevelopment project area is designated, may adopt tax
22 increment allocation financing by passing an ordinance
23 providing that the ad valorem taxes, if any, arising from the
24 levies upon taxable real property in such redevelopment project
25 area by taxing districts and tax rates determined in the manner

1 provided in paragraph (c) of Section 11-74.4-9 each year after
2 the effective date of the ordinance until redevelopment project
3 costs and all municipal obligations financing redevelopment
4 project costs incurred under this Division have been paid shall
5 be divided as follows, provided, however, that with respect to
6 any redevelopment project area located within a transit
7 facility improvement area established pursuant to Section
8 11-74.4-3.3 in a municipality with a population of 1,000,000 or
9 more, ad valorem taxes, if any, arising from the levies upon
10 taxable real property in such redevelopment project area shall
11 be allocated as specifically provided in this Section:

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

22 (b) Except from a tax levied by a township to retire
23 bonds issued to satisfy court-ordered damages, that
24 portion, if any, of such taxes which is attributable to the
25 increase in the current equalized assessed valuation of
26 each taxable lot, block, tract or parcel of real property

1 in the redevelopment project area over and above the
2 initial equalized assessed value of each property in the
3 project area shall be allocated to and when collected shall
4 be paid to the municipal treasurer who shall deposit said
5 taxes into a special fund called the special tax allocation
6 fund of the municipality for the purpose of paying
7 redevelopment project costs and obligations incurred in
8 the payment thereof. In any county with a population of
9 3,000,000 or more that has adopted a procedure for
10 collecting taxes that provides for one or more of the
11 installments of the taxes to be billed and collected on an
12 estimated basis, the municipal treasurer shall be paid for
13 deposit in the special tax allocation fund of the
14 municipality, from the taxes collected from estimated
15 bills issued for property in the redevelopment project
16 area, the difference between the amount actually collected
17 from each taxable lot, block, tract, or parcel of real
18 property within the redevelopment project area and an
19 amount determined by multiplying the rate at which taxes
20 were last extended against the taxable lot, block, track,
21 or parcel of real property in the manner provided in
22 subsection (c) of Section 11-74.4-9 by the initial
23 equalized assessed value of the property divided by the
24 number of installments in which real estate taxes are
25 billed and collected within the county; provided that the
26 payments on or before December 31, 1999 to a municipal

1 treasurer shall be made only if each of the following
2 conditions are met:

3 (1) The total equalized assessed value of the
4 redevelopment project area as last determined was not
5 less than 175% of the total initial equalized assessed
6 value.

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

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

24 (4) The municipality has not requested that the total
25 initial equalized assessed value of real property be
26 adjusted as provided in subsection (b) of Section

1 11-74.4-9.

2 The conditions of paragraphs (1) through (4) do not
3 apply after December 31, 1999 to payments to a municipal
4 treasurer made by a county with 3,000,000 or more
5 inhabitants that has adopted an estimated billing
6 procedure for collecting taxes. If a county that has
7 adopted the estimated billing procedure makes an erroneous
8 overpayment of tax revenue to the municipal treasurer, then
9 the county may seek a refund of that overpayment. The
10 county shall send the municipal treasurer a notice of
11 liability for the overpayment on or before the mailing date
12 of the next real estate tax bill within the county. The
13 refund shall be limited to the amount of the overpayment.

14 It is the intent of this Division that after the
15 effective date of this amendatory Act of 1988 a
16 municipality's own ad valorem tax arising from levies on
17 taxable real property be included in the determination of
18 incremental revenue in the manner provided in paragraph (c)
19 of Section 11-74.4-9. If the municipality does not extend
20 such a tax, it shall annually deposit in the municipality's
21 Special Tax Increment Fund an amount equal to 10% of the
22 total contributions to the fund from all other taxing
23 districts in that year. The annual 10% deposit required by
24 this paragraph shall be limited to the actual amount of
25 municipally produced incremental tax revenues available to
26 the municipality from taxpayers located in the

1 redevelopment project area in that year if: (a) the plan
2 for the area restricts the use of the property primarily to
3 industrial purposes, (b) the municipality establishing the
4 redevelopment project area is a home-rule community with a
5 1990 population of between 25,000 and 50,000, (c) the
6 municipality is wholly located within a county with a 1990
7 population of over 750,000 and (d) the redevelopment
8 project area was established by the municipality prior to
9 June 1, 1990. This payment shall be in lieu of a
10 contribution of ad valorem taxes on real property. If no
11 such payment is made, any redevelopment project area of the
12 municipality shall be dissolved.

13 If a municipality has adopted tax increment allocation
14 financing by ordinance and the County Clerk thereafter
15 certifies the "total initial equalized assessed value as
16 adjusted" of the taxable real property within such
17 redevelopment project area in the manner provided in
18 paragraph (b) of Section 11-74.4-9, each year after the
19 date of the certification of the total initial equalized
20 assessed value as adjusted until redevelopment project
21 costs and all municipal obligations financing
22 redevelopment project costs have been paid the ad valorem
23 taxes, if any, arising from the levies upon the taxable
24 real property in such redevelopment project area by taxing
25 districts and tax rates determined in the manner provided
26 in paragraph (c) of Section 11-74.4-9 shall be divided as

1 follows, provided, however, that with respect to any
2 redevelopment project area located within a transit
3 facility improvement area established pursuant to Section
4 11-74.4-3.3 in a municipality with a population of
5 1,000,000 or more, ad valorem taxes, if any, arising from
6 the levies upon the taxable real property in such
7 redevelopment project area shall be allocated as
8 specifically provided in this Section:

9 (1) That portion of the taxes levied upon each taxable
10 lot, block, tract or parcel of real property which is
11 attributable to the lower of the current equalized
12 assessed value or "current equalized assessed value as
13 adjusted" or the initial equalized assessed value of
14 each such taxable lot, block, tract, or parcel of real
15 property existing at the time tax increment financing
16 was adopted, minus the total current homestead
17 exemptions under Article 15 of the Property Tax Code in
18 the redevelopment project area shall be allocated to
19 and when collected shall be paid by the county
20 collector to the respective affected taxing districts
21 in the manner required by law in the absence of the
22 adoption of tax increment allocation financing.

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

1 area, over and above the initial equalized assessed
2 value of each property existing at the time tax
3 increment financing was adopted, minus the total
4 current homestead exemptions pertaining to each piece
5 of property provided by Article 15 of the Property Tax
6 Code in the redevelopment project area, shall be
7 allocated to and when collected shall be paid to the
8 municipal Treasurer, who shall deposit said taxes into
9 a special fund called the special tax allocation fund
10 of the municipality for the purpose of paying
11 redevelopment project costs and obligations incurred
12 in the payment thereof.

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

26 Whenever a municipality issues bonds for the purpose of

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

20 When such redevelopment projects costs, including
21 without limitation all municipal obligations financing
22 redevelopment project costs incurred under this Division,
23 have been paid, all surplus funds then remaining in the
24 special tax allocation fund shall be distributed by being
25 paid by the municipal treasurer to the Department of
26 Revenue, the municipality and the county collector; first

1 to the Department of Revenue and the municipality in direct
2 proportion to the tax incremental revenue received from the
3 State and the municipality, but not to exceed the total
4 incremental revenue received from the State or the
5 municipality less any annual surplus distribution of
6 incremental revenue previously made; with any remaining
7 funds to be paid to the County Collector who shall
8 immediately thereafter pay said funds to the taxing
9 districts in the redevelopment project area in the same
10 manner and proportion as the most recent distribution by
11 the county collector to the affected districts of real
12 property taxes from real property in the redevelopment
13 project area.

14 Upon the payment of all redevelopment project costs,
15 the retirement of obligations, the distribution of any
16 excess monies pursuant to this Section, and final closing
17 of the books and records of the redevelopment project area,
18 the municipality shall adopt an ordinance dissolving the
19 special tax allocation fund for the redevelopment project
20 area and terminating the designation of the redevelopment
21 project area as a redevelopment project area. Title to real
22 or personal property and public improvements acquired by or
23 for the municipality as a result of the redevelopment
24 project and plan shall vest in the municipality when
25 acquired and shall continue to be held by the municipality
26 after the redevelopment project area has been terminated.

1 Municipalities shall notify affected taxing districts
2 prior to November 1 if the redevelopment project area is to
3 be terminated by December 31 of that same year. If a
4 municipality extends estimated dates of completion of a
5 redevelopment project and retirement of obligations to
6 finance a redevelopment project, as allowed by this
7 amendatory Act of 1993, that extension shall not extend the
8 property tax increment allocation financing authorized by
9 this Section. Thereafter the rates of the taxing districts
10 shall be extended and taxes levied, collected and
11 distributed in the manner applicable in the absence of the
12 adoption of tax increment allocation financing.

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

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

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

14 (2) That portion, if any, of such taxes which is
15 attributable to the increase in the current equalized
16 assessed valuation of each taxable lot, block, tract,
17 or parcel of real property in the redevelopment project
18 area, over and above the initial equalized assessed
19 value of each property existing at the time tax
20 increment financing was adopted, minus the total
21 current homestead exemptions pertaining to each piece
22 of property provided by Article 15 of the Property Tax
23 Code in the redevelopment project area, shall be
24 allocated to and when collected shall be paid by the
25 county collector as follows:

26 (A) First, that portion which would be payable

1 to a school district whose boundaries are
2 coterminous with such municipality in the absence
3 of the adoption of tax increment allocation
4 financing, shall be paid to such school district in
5 the manner required by law in the absence of the
6 adoption of tax increment allocation financing;
7 then

8 (B) 80% of the remaining portion shall be paid
9 to the municipal Treasurer, who shall deposit said
10 taxes into a special fund called the special tax
11 allocation fund of the municipality for the
12 purpose of paying redevelopment project costs and
13 obligations incurred in the payment thereof; and
14 then

15 (C) 20% of the remaining portion shall be paid
16 to the respective affected taxing districts, other
17 than the school district described in clause (a)
18 above, in the manner required by law in the absence
19 of the adoption of tax increment allocation
20 financing.

21 Nothing in this Section shall be construed as relieving
22 property in such redevelopment project areas from being
23 assessed as provided in the Property Tax Code or as relieving
24 owners of such property from paying a uniform rate of taxes, as
25 required by Section 4 of Article IX of the Illinois
26 Constitution.

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

2 (65 ILCS 5/11-74.6-35)

3 Sec. 11-74.6-35. Ordinance for tax increment allocation
4 financing.

5 (a) A municipality, at the time a redevelopment project
6 area is designated, may adopt tax increment allocation
7 financing by passing an ordinance providing that the ad valorem
8 taxes, if any, arising from the levies upon taxable real
9 property within the redevelopment project area by taxing
10 districts and tax rates determined in the manner provided in
11 subsection (b) of Section 11-74.6-40 each year after the
12 effective date of the ordinance until redevelopment project
13 costs and all municipal obligations financing redevelopment
14 project costs incurred under this Act have been paid shall be
15 divided as follows:

16 (1) That portion of the taxes levied upon each taxable
17 lot, block, tract or parcel of real property that is
18 attributable to the lower of the current equalized assessed
19 value or the initial equalized assessed value or the
20 updated initial equalized assessed value of each taxable
21 lot, block, tract or parcel of real property in the
22 redevelopment project area shall be allocated to and when
23 collected shall be paid by the county collector to the
24 respective affected taxing districts in the manner
25 required by law without regard to the adoption of tax

1 increment allocation financing.

2 (2) That portion, if any, of those taxes that is
3 attributable to the increase in the current equalized
4 assessed value of each taxable lot, block, tract or parcel
5 of real property in the redevelopment project area, over
6 and above the initial equalized assessed value or the
7 updated initial equalized assessed value of each property
8 in the project area, shall be allocated to and when
9 collected shall be paid by the county collector to the
10 municipal treasurer who shall deposit that portion of those
11 taxes into a special fund called the special tax allocation
12 fund of the municipality for the purpose of paying
13 redevelopment project costs and obligations incurred in
14 the payment of those costs and obligations. In any county
15 with a population of 3,000,000 or more that has adopted a
16 procedure for collecting taxes that provides for one or
17 more of the installments of the taxes to be billed and
18 collected on an estimated basis, the municipal treasurer
19 shall be paid for deposit in the special tax allocation
20 fund of the municipality, from the taxes collected from
21 estimated bills issued for property in the redevelopment
22 project area, the difference between the amount actually
23 collected from each taxable lot, block, tract, or parcel of
24 real property within the redevelopment project area and an
25 amount determined by multiplying the rate at which taxes
26 were last extended against the taxable lot, block, track,

1 or parcel of real property in the manner provided in
2 subsection (b) of Section 11-74.6-40 by the initial
3 equalized assessed value or the updated initial equalized
4 assessed value of the property divided by the number of
5 installments in which real estate taxes are billed and
6 collected within the county, provided that the payments on
7 or before December 31, 1999 to a municipal treasurer shall
8 be made only if each of the following conditions are met:

9 (A) The total equalized assessed value of the
10 redevelopment project area as last determined was not
11 less than 175% of the total initial equalized assessed
12 value.

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

17 (C) The municipal clerk has certified to the county
18 clerk that the municipality has issued its obligations
19 to which there has been pledged the incremental
20 property taxes of the redevelopment project area or
21 taxes levied and collected on any or all property in
22 the municipality or the full faith and credit of the
23 municipality to pay or secure payment for all or a
24 portion of the redevelopment project costs. The
25 certification shall be filed annually no later than
26 September 1 for the estimated taxes to be distributed

1 in the following year.

2 The conditions of paragraphs (A) through (C) do not apply
3 after December 31, 1999 to payments to a municipal treasurer
4 made by a county with 3,000,000 or more inhabitants that has
5 adopted an estimated billing procedure for collecting taxes. If
6 a county that has adopted the estimated billing procedure makes
7 an erroneous overpayment of tax revenue to the municipal
8 treasurer, then the county may seek a refund of that
9 overpayment. The county shall send the municipal treasurer a
10 notice of liability for the overpayment on or before the
11 mailing date of the next real estate tax bill within the
12 county. The refund shall be limited to the amount of the
13 overpayment.

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

18 (c) If a municipality has adopted tax increment allocation
19 financing for a redevelopment project area by ordinance and the
20 county clerk thereafter certifies the total initial equalized
21 assessed value or the total updated initial equalized assessed
22 value of the taxable real property within such redevelopment
23 project area in the manner provided in paragraph (a) or (b) of
24 Section 11-74.6-40, each year after the date of the
25 certification of the total initial equalized assessed value or
26 the total updated initial equalized assessed value until

1 redevelopment project costs and all municipal obligations
2 financing redevelopment project costs have been paid, the ad
3 valorem taxes, if any, arising from the levies upon the taxable
4 real property in the redevelopment project area by taxing
5 districts and tax rates determined in the manner provided in
6 paragraph (b) of Section 11-74.6-40 shall be divided as
7 follows:

8 (1) That portion of the taxes levied upon each taxable
9 lot, block, tract or parcel of real property that is
10 attributable to the lower of the current equalized assessed
11 value or the initial equalized assessed value, or the
12 updated initial equalized assessed value of each parcel if
13 the updated initial equalized assessed value of that parcel
14 has been certified in accordance with Section 11-74.6-40,
15 whichever has been most recently certified, of each taxable
16 lot, block, tract, or parcel of real property existing at
17 the time tax increment allocation financing was adopted in
18 the redevelopment project area, shall be allocated to and
19 when collected shall be paid by the county collector to the
20 respective affected taxing districts in the manner
21 required by law without regard to the adoption of tax
22 increment allocation financing.

23 (2) That portion, if any, of those taxes that is
24 attributable to the increase in the current equalized
25 assessed value of each taxable lot, block, tract, or parcel
26 of real property in the redevelopment project area, over

1 and above the initial equalized assessed value of each
2 property existing at the time tax increment allocation
3 financing was adopted in the redevelopment project area, or
4 the updated initial equalized assessed value of each parcel
5 if the updated initial equalized assessed value of that
6 parcel has been certified in accordance with Section
7 11-74.6-40, shall be allocated to and when collected shall
8 be paid to the municipal treasurer, who shall deposit those
9 taxes into a special fund called the special tax allocation
10 fund of the municipality for the purpose of paying
11 redevelopment project costs and obligations incurred in
12 the payment thereof.

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

25 Whenever a municipality issues bonds for the purpose of
26 financing redevelopment project costs, that municipality may

1 provide by ordinance for the appointment of a trustee, which
2 may be any trust company within the State, and for the
3 establishment of any funds or accounts to be maintained by that
4 trustee, as the municipality deems necessary to provide for the
5 security and payment of the bonds. If the municipality provides
6 for the appointment of a trustee, the trustee shall be
7 considered the assignee of any payments assigned by the
8 municipality under that ordinance and this Section. Any amounts
9 paid to the trustee as assignee shall be deposited into the
10 funds or accounts established under the trust agreement, and
11 shall be held by the trustee in trust for the benefit of the
12 holders of the bonds. The holders of those bonds shall have a
13 lien on and a security interest in those funds or accounts
14 while the bonds remain outstanding and unpaid. Upon retirement
15 of the bonds, the trustee shall pay over any excess amounts
16 held to the municipality for deposit in the special tax
17 allocation fund.

18 When the redevelopment projects costs, including without
19 limitation all municipal obligations financing redevelopment
20 project costs incurred under this Law, have been paid, all
21 surplus funds then remaining in the special tax allocation fund
22 shall be distributed by being paid by the municipal treasurer
23 to the municipality and the county collector; first to the
24 municipality in direct proportion to the tax incremental
25 revenue received from the municipality, but not to exceed the
26 total incremental revenue received from the municipality,

1 minus any annual surplus distribution of incremental revenue
2 previously made. Any remaining funds shall be paid to the
3 county collector who shall immediately distribute that payment
4 to the taxing districts in the redevelopment project area in
5 the same manner and proportion as the most recent distribution
6 by the county collector to the affected districts of real
7 property taxes from real property situated in the redevelopment
8 project area.

9 Upon the payment of all redevelopment project costs,
10 retirement of obligations and the distribution of any excess
11 moneys under this Section, the municipality shall adopt an
12 ordinance dissolving the special tax allocation fund for the
13 redevelopment project area and terminating the designation of
14 the redevelopment project area as a redevelopment project area.
15 Thereafter the tax levies of taxing districts shall be
16 extended, collected and distributed in the same manner
17 applicable before the adoption of tax increment allocation
18 financing. Municipality shall notify affected taxing districts
19 prior to November if the redevelopment project area is to be
20 terminated by December 31 of that same year.

21 Nothing in this Section shall be construed as relieving
22 property in a redevelopment project area from being assessed as
23 provided in the Property Tax Code or as relieving owners of
24 that property from paying a uniform rate of taxes, as required
25 by Section 4 of Article IX of the Illinois Constitution.

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

1 Section 40. The Economic Development Project Area Tax
2 Increment Allocation Act of 1995 is amended by changing Section
3 50 as follows:

4 (65 ILCS 110/50)

5 Sec. 50. Special tax allocation fund.

6 (a) If a county clerk has certified the "total initial
7 equalized assessed value" of the taxable real property within
8 an economic development project area in the manner provided in
9 Section 45, each year after the date of the certification by
10 the county clerk of the "total initial equalized assessed
11 value", until economic development project costs and all
12 municipal obligations financing economic development project
13 costs have been paid, the ad valorem taxes, if any, arising
14 from the levies upon the taxable real property in the economic
15 development project area by taxing districts and tax rates
16 determined in the manner provided in subsection (b) of Section
17 45 shall be divided as follows:

18 (1) That portion of the taxes levied upon each taxable
19 lot, block, tract, or parcel of real property that is
20 attributable to the lower of the current equalized assessed
21 value or the initial equalized assessed value of each
22 taxable lot, block, tract, or parcel of real property
23 existing at the time tax increment financing was adopted
24 shall be allocated to (and when collected shall be paid by

1 the county collector to) the respective affected taxing
2 districts in the manner required by law in the absence of
3 the adoption of tax increment allocation financing.

4 (2) That portion, if any, of the taxes that is
5 attributable to the increase in the current equalized
6 assessed valuation of each taxable lot, block, tract, or
7 parcel of real property in the economic development project
8 area, over and above the initial equalized assessed value
9 of each property existing at the time tax increment
10 financing was adopted, shall be allocated to (and when
11 collected shall be paid to) the municipal treasurer, who
12 shall deposit the taxes into a special fund (called the
13 special tax allocation fund of the municipality) for the
14 purpose of paying economic development project costs and
15 obligations incurred in the payment of those costs.

16 (b) The municipality, by an ordinance adopting tax
17 increment allocation financing, may pledge the monies in and to
18 be deposited into the special tax allocation fund for the
19 payment of obligations issued under this Act and for the
20 payment of economic development project costs. No part of the
21 current equalized assessed valuation of each property in the
22 economic development project area attributable to any increase
23 above the total initial equalized assessed value of those
24 properties shall be used in calculating the general State
25 ~~school~~ aid formula under Section 18-8 of the School Code or the
26 evidence-based funding formula under Section 18-8.15 of the

1 School Code, until all economic development projects costs have
2 been paid as provided for in this Section.

3 (c) When the economic development projects costs,
4 including without limitation all municipal obligations
5 financing economic development project costs incurred under
6 this Act, have been paid, all surplus monies then remaining in
7 the special tax allocation fund shall be distributed by being
8 paid by the municipal treasurer to the county collector, who
9 shall immediately pay the monies to the taxing districts having
10 taxable property in the economic development project area in
11 the same manner and proportion as the most recent distribution
12 by the county collector to those taxing districts of real
13 property taxes from real property in the economic development
14 project area.

15 (d) Upon the payment of all economic development project
16 costs, retirement of obligations, and distribution of any
17 excess monies under this Section and not later than 23 years
18 from the date of the adoption of the ordinance establishing the
19 economic development project area, the municipality shall
20 adopt an ordinance dissolving the special tax allocation fund
21 for the economic development project area and terminating the
22 designation of the economic development project area as an
23 economic development project area. Thereafter, the rates of the
24 taxing districts shall be extended and taxes shall be levied,
25 collected, and distributed in the manner applicable in the
26 absence of the adoption of tax increment allocation financing.

1 (e) Nothing in this Section shall be construed as relieving
2 property in the economic development project areas from being
3 assessed as provided in the Property Tax Code or as relieving
4 owners or lessees of that property from paying a uniform rate
5 of taxes as required by Section 4 of Article IX of the Illinois
6 Constitution.

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

8 Section 45. The School Code is amended by changing Sections
9 1A-8, 1B-5, 1B-6, 1B-7, 1B-8, 1C-1, 1C-2, 1D-1, 1E-20, 1F-20,
10 1F-62, 1H-20, 1H-70, 2-3.33, 2-3.51.5, 2-3.62, 2-3.66,
11 2-3.66b, 2-3.80, 2-3.84, 2-3.109a, 3-14.21, 7-14A, 10-17a,
12 10-19, 10-22.5a, 10-22.20, 10-29, 11E-135, 13A-8, 13B-20.20,
13 13B-45, 13B-50, 13B-50.10, 13B-50.15, 14-7.02, 14-7.02b,
14 14-7.03, 14-13.01, 14C-1, 14C-12, 17-1, 17-1.2, 17-1.5,
15 17-2.11, 17-2A, 18-4.3, 18-8.05, 18-8.10, 18-9, 18-12, 26-16,
16 27-8.1, 27A-9, 27A-11, 29-5, 34-2.3, 34-18, 34-18.30, and
17 34-43.1 and by adding Sections 17-3.6 and 18-8.15 as follows:

18 (105 ILCS 5/1A-8) (from Ch. 122, par. 1A-8)

19 Sec. 1A-8. Powers of the Board in Assisting Districts
20 Deemed in Financial Difficulties. To promote the financial
21 integrity of school districts, the State Board of Education
22 shall be provided the necessary powers to promote sound
23 financial management and continue operation of the public
24 schools.

1 (a) The State Superintendent of Education may require a
2 school district, including any district subject to Article 34A
3 of this Code, to share financial information relevant to a
4 proper investigation of the district's financial condition and
5 the delivery of appropriate State financial, technical, and
6 consulting services to the district if the district (i) has
7 been designated, through the State Board of Education's School
8 District Financial Profile System, as on financial warning or
9 financial watch status, (ii) has failed to file an annual
10 financial report, annual budget, deficit reduction plan, or
11 other financial information as required by law, (iii) has been
12 identified, through the district's annual audit or other
13 financial and management information, as in serious financial
14 difficulty in the current or next school year, or (iv) is
15 determined to be likely to fail to fully meet any regularly
16 scheduled, payroll-period obligations when due or any debt
17 service payments when due or both. In addition to financial,
18 technical, and consulting services provided by the State Board
19 of Education, at the request of a school district, the State
20 Superintendent may provide for an independent financial
21 consultant to assist the district review its financial
22 condition and options.

23 (b) The State Board of Education, after proper
24 investigation of a district's financial condition, may certify
25 that a district, including any district subject to Article 34A,
26 is in financial difficulty when any of the following conditions

1 occur:

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

5 (2) The district has issued tax anticipation warrants
6 or tax anticipation notes in anticipation of a second
7 year's taxes when warrants or notes in anticipation of
8 current year taxes are still outstanding, as authorized by
9 Sections 17-16, 34-23, 34-59 and 34-63 of this Code, or has
10 issued short-term debt against 2 future revenue sources,
11 such as, but not limited to, tax anticipation warrants and
12 general State aid or evidence-based funding ~~Aid~~
13 certificates or tax anticipation warrants and revenue
14 anticipation notes.

15 (3) The district has for 2 consecutive years shown an
16 excess of expenditures and other financing uses over
17 revenues and other financing sources and beginning fund
18 balances on its annual financial report for the aggregate
19 totals of the Educational, Operations and Maintenance,
20 Transportation, and Working Cash Funds.

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

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

1 No school district shall be certified by the State Board of
2 Education to be in financial difficulty solely by reason of any
3 of the above circumstances arising as a result of (i) the
4 failure of the county to make any distribution of property tax
5 money due the district at the time such distribution is due or
6 (ii) the failure of this State to make timely payments of
7 general State aid, evidence-based funding, or any of the
8 mandated categoricals; or if the district clearly demonstrates
9 to the satisfaction of the State Board of Education at the time
10 of its determination that such condition no longer exists. If
11 the State Board of Education certifies that a district in a
12 city with 500,000 inhabitants or more is in financial
13 difficulty, the State Board shall so notify the Governor and
14 the Mayor of the city in which the district is located. The
15 State Board of Education may require school districts certified
16 in financial difficulty, except those districts subject to
17 Article 34A, to develop, adopt and submit a financial plan
18 within 45 days after certification of financial difficulty. The
19 financial plan shall be developed according to guidelines
20 presented to the district by the State Board of Education
21 within 14 days of certification. Such guidelines shall address
22 the specific nature of each district's financial difficulties.
23 Any proposed budget of the district shall be consistent with
24 the financial plan submitted to and approved by the State Board
25 of Education.

26 A district certified to be in financial difficulty, other

1 than a district subject to Article 34A, shall report to the
2 State Board of Education at such times and in such manner as
3 the State Board may direct, concerning the district's
4 compliance with each financial plan. The State Board may review
5 the district's operations, obtain budgetary data and financial
6 statements, require the district to produce reports, and have
7 access to any other information in the possession of the
8 district that it deems relevant. The State Board may issue
9 recommendations or directives within its powers to the district
10 to assist in compliance with the financial plan. The district
11 shall produce such budgetary data, financial statements,
12 reports and other information and comply with such directives.
13 If the State Board of Education determines that a district has
14 failed to comply with its financial plan, the State Board of
15 Education may rescind approval of the plan and appoint a
16 Financial Oversight Panel for the district as provided in
17 Section 1B-4. This action shall be taken only after the
18 district has been given notice and an opportunity to appear
19 before the State Board of Education to discuss its failure to
20 comply with its financial plan.

21 No bonds, notes, teachers orders, tax anticipation
22 warrants or other evidences of indebtedness shall be issued or
23 sold by a school district or be legally binding upon or
24 enforceable against a local board of education of a district
25 certified to be in financial difficulty unless and until the
26 financial plan required under this Section has been approved by

1 the State Board of Education.

2 Any financial profile compiled and distributed by the State
3 Board of Education in Fiscal Year 2009 or any fiscal year
4 thereafter shall incorporate such adjustments as may be needed
5 in the profile scores to reflect the financial effects of the
6 inability or refusal of the State of Illinois to make timely
7 disbursements of any general State aid, evidence-based
8 funding, or mandated categorical aid payments due school
9 districts or to fully reimburse school districts for mandated
10 categorical programs pursuant to reimbursement formulas
11 provided in this School Code.

12 (Source: P.A. 96-668, eff. 8-25-09; 96-1423, eff. 8-3-10;
13 97-429, eff. 8-16-11.)

14 (105 ILCS 5/1B-5) (from Ch. 122, par. 1B-5)

15 Sec. 1B-5. When a petition for emergency financial
16 assistance for a school district is allowed by the State Board
17 under Section 1B-4, the State Superintendent shall within 10
18 days thereafter appoint 3 members to serve at the State
19 Superintendent's pleasure on a Financial Oversight Panel for
20 the district. The State Superintendent shall designate one of
21 the members of the Panel to serve as its Chairman. In the event
22 of vacancy or resignation the State Superintendent shall
23 appoint a successor within 10 days of receiving notice thereof.

24 Members of the Panel shall be selected primarily on the
25 basis of their experience and education in financial

1 management, with consideration given to persons knowledgeable
2 in education finance. A member of the Panel may not be a board
3 member or employee of the district for which the Panel is
4 constituted, nor may a member have a direct financial interest
5 in that district.

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

15 The first meeting of the Panel shall be held at the call of
16 the Chairman. The Panel may elect such other officers as it
17 deems appropriate. The Panel shall prescribe the times and
18 places for its meetings and the manner in which regular and
19 special meetings may be called, and shall comply with the Open
20 Meetings Act.

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

24 The Panel and the State Superintendent shall cooperate with
25 each other in the exercise of their respective powers. The
26 Panel shall report not later than September 1 annually to the

1 State Board and the State Superintendent with respect to its
2 activities and the condition of the school district for the
3 previous fiscal year.

4 Any Financial Oversight Panel established under this
5 Article shall remain in existence for not less than 3 years nor
6 more than 10 years from the date the State Board grants the
7 petition under Section 1B-4. If after 3 years the school
8 district has repaid all of its obligations resulting from
9 emergency State financial assistance provided under this
10 Article and has improved its financial situation, the board of
11 education may, not more frequently than once in any 12 month
12 period, petition the State Board to dissolve the Financial
13 Oversight Panel, terminate the oversight responsibility, and
14 remove the district's certification under Section 1A-8 as a
15 district in financial difficulty. In acting on such a petition
16 the State Board shall give additional weight to the
17 recommendations of the State Superintendent and the Financial
18 Oversight Panel.

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

20 (105 ILCS 5/1B-6) (from Ch. 122, par. 1B-6)

21 Sec. 1B-6. General powers. The purpose of the Financial
22 Oversight Panel shall be to exercise financial control over the
23 board of education, and, when approved by the State Board and
24 the State Superintendent of Education, to furnish financial
25 assistance so that the board can provide public education

1 within the board's jurisdiction while permitting the board to
2 meet its obligations to its creditors and the holders of its
3 notes and bonds. Except as expressly limited by this Article,
4 the Panel shall have all powers necessary to meet its
5 responsibilities and to carry out its purposes and the purposes
6 of this Article, including, but not limited to, the following
7 powers:

8 (a) to sue and be sued;

9 (b) to provide for its organization and internal
10 management;

11 (c) to appoint a Financial Administrator to serve as the
12 chief executive officer of the Panel. The Financial
13 Administrator may be an individual, partnership, corporation,
14 including an accounting firm, or other entity determined by the
15 Panel to be qualified to serve; and to appoint other officers,
16 agents, and employees of the Panel, define their duties and
17 qualifications and fix their compensation and employee
18 benefits;

19 (d) to approve the local board of education appointments to
20 the positions of treasurer in a Class I county school unit and
21 in each school district which forms a part of a Class II county
22 school unit but which no longer is subject to the jurisdiction
23 and authority of a township treasurer or trustees of schools of
24 a township because the district has withdrawn from the
25 jurisdiction and authority of the township treasurer and the
26 trustees of schools of the township or because those offices

1 have been abolished as provided in subsection (b) or (c) of
2 Section 5-1, and chief school business official, if such
3 official is not the superintendent of the district. Either the
4 board or the Panel may remove such treasurer or chief school
5 business official;

6 (e) to approve any and all bonds, notes, teachers orders,
7 tax anticipation warrants, and other evidences of indebtedness
8 prior to issuance or sale by the school district; and
9 notwithstanding any other provision of The School Code, as now
10 or hereafter amended, no bonds, notes, teachers orders, tax
11 anticipation warrants or other evidences of indebtedness shall
12 be issued or sold by the school district or be legally binding
13 upon or enforceable against the local board of education unless
14 and until the approval of the Panel has been received;

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

18 (g) to require and approve a school district financial
19 plan;

20 (h) to approve and require revisions of the school district
21 budget;

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

24 (j) to authorize emergency State financial assistance,
25 including requirements regarding the terms and conditions of
26 repayment of such assistance, and to require the board of

1 education to levy a separate local property tax, subject to the
2 limitations of Section 1B-8, sufficient to repay such
3 assistance consistent with the terms and conditions of
4 repayment and the district's approved financial plan and
5 budget;

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

9 (l) to recommend dissolution or reorganization of the
10 school district to the General Assembly if in the Panel's
11 judgment the circumstances so require;

12 (m) to direct a phased reduction in the oversight
13 responsibilities of the Financial Administrator and of the
14 Panel as the circumstances permit;

15 (n) to determine the amount of emergency State financial
16 assistance to be made available to the school district, and to
17 establish an operating budget for the Panel to be supported by
18 funds available from such assistance, with the assistance and
19 the budget required to be approved by the State Superintendent;

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

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

25 (q) to contract for and to accept any gifts, grants or
26 loans of funds or property or financial or other aid in any

1 form from the federal government, State government, unit of
2 local government, school district or any agency or
3 instrumentality thereof, or from any other private or public
4 source, and to comply with the terms and conditions thereof;

5 (r) to pay the expenses of its operations based on the
6 Panel's budget as approved by the State Superintendent from
7 emergency financial assistance funds available to the district
8 or from deductions from the district's general State aid or
9 evidence-based funding;

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

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

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

16 (105 ILCS 5/1B-7) (from Ch. 122, par. 1B-7)

17 Sec. 1B-7. Financial Administrator; Powers and Duties. The
18 Financial Administrator appointed by the Financial Oversight
19 Panel shall serve as the Panel's chief executive officer. The
20 Financial Administrator shall exercise the powers and duties
21 required by the Panel, including but not limited to the
22 following:

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

1 (b) to direct the local board to reorganize its financial
2 accounts, budgetary systems, and internal accounting and
3 financial controls, in whatever manner the Panel deems
4 appropriate to achieve greater financial responsibility and to
5 reduce financial inefficiency, and to provide technical
6 assistance to aid the district in accomplishing the
7 reorganization;

8 (c) to make recommendations to the Financial Oversight
9 Panel concerning the school district's financial plan and
10 budget, and all other matters within the scope of the Panel's
11 authority;

12 (d) to prepare and recommend to the Panel a proposal for
13 emergency State financial assistance for the district,
14 including recommended terms and conditions of repayment, and an
15 operations budget for the Panel to be funded from the emergency
16 assistance or from deductions from the district's general State
17 aid or evidence-based funding;

18 (e) to require the local board to prepare and submit
19 preliminary staffing and budgetary analyses annually prior to
20 February 1 in such manner and form as the Financial
21 Administrator shall prescribe; and

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

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

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

2 Sec. 1B-8. There is created in the State Treasury a special
3 fund to be known as the School District Emergency Financial
4 Assistance Fund (the "Fund"). The School District Emergency
5 Financial Assistance Fund shall consist of appropriations,
6 loan repayments, grants from the federal government, and
7 donations from any public or private source. Moneys in the Fund
8 may be appropriated only to the Illinois Finance Authority and
9 the State Board for those purposes authorized under this
10 Article and Articles 1F and 1H of this Code. The appropriation
11 may be allocated and expended by the State Board for
12 contractual services to provide technical assistance or
13 consultation to school districts to assess their financial
14 condition and to Financial Oversight Panels that petition for
15 emergency financial assistance grants. The Illinois Finance
16 Authority may provide loans to school districts which are the
17 subject of an approved petition for emergency financial
18 assistance under Section 1B-4, 1F-62, or 1H-65 of this Code.
19 Neither the State Board of Education nor the Illinois Finance
20 Authority may collect any fees for providing these services.

21 From the amount allocated to each such school district
22 under this Article the State Board shall identify a sum
23 sufficient to cover all approved costs of the Financial
24 Oversight Panel established for the respective school
25 district. If the State Board and State Superintendent of
26 Education have not approved emergency financial assistance in

1 conjunction with the appointment of a Financial Oversight
2 Panel, the Panel's approved costs shall be paid from deductions
3 from the district's general State aid or evidence-based
4 funding.

5 The Financial Oversight Panel may prepare and file with the
6 State Superintendent a proposal for emergency financial
7 assistance for the school district and for its operations
8 budget. No expenditures from the Fund shall be authorized by
9 the State Superintendent until he or she has approved the
10 request of the Panel, either as submitted or in such lesser
11 amount determined by the State Superintendent.

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

23 The payment of an emergency State financial assistance
24 grant or loan shall be subject to appropriation by the General
25 Assembly. Payment of the emergency State financial assistance
26 loan is subject to the applicable provisions of the Illinois

1 Finance Authority Act. Emergency State financial assistance
2 allocated and paid to a school district under this Article may
3 be applied to any fund or funds from which the local board of
4 education of that district is authorized to make expenditures
5 by law.

6 Any emergency financial assistance grant proposed by the
7 Financial Oversight Panel and approved by the State
8 Superintendent may be paid in its entirety during the initial
9 year of the Panel's existence or spread in equal or declining
10 amounts over a period of years not to exceed the period of the
11 Panel's existence. An emergency financial assistance loan
12 proposed by the Financial Oversight Panel and approved by the
13 Illinois Finance Authority may be paid in its entirety during
14 the initial year of the Panel's existence or spread in equal or
15 declining amounts over a period of years not to exceed the
16 period of the Panel's existence. All loans made by the Illinois
17 Finance Authority for a school district shall be required to be
18 repaid, with simple interest over the term of the loan at a
19 rate equal to 50% of the one-year Constant Maturity Treasury
20 (CMT) yield as last published by the Board of Governors of the
21 Federal Reserve System before the date on which the district's
22 loan is approved by the Illinois Finance Authority, not later
23 than the date the Financial Oversight Panel ceases to exist.
24 The Panel shall establish and the Illinois Finance Authority
25 shall approve the terms and conditions, including the schedule,
26 of repayments. The schedule shall provide for repayments

1 commencing July 1 of each year or upon each fiscal year's
2 receipt of moneys from a tax levy for emergency financial
3 assistance. Repayment shall be incorporated into the annual
4 budget of the school district and may be made from any fund or
5 funds of the district in which there are moneys available. An
6 emergency financial assistance loan to the Panel or district
7 shall not be considered part of the calculation of a district's
8 debt for purposes of the limitation specified in Section 19-1
9 of this Code. Default on repayment is subject to the Illinois
10 Grant Funds Recovery Act. When moneys are repaid as provided
11 herein they shall not be made available to the local board for
12 further use as emergency financial assistance under this
13 Article at any time thereafter. All repayments required to be
14 made by a school district shall be received by the State Board
15 and deposited in the School District Emergency Financial
16 Assistance Fund.

17 In establishing the terms and conditions for the repayment
18 obligation of the school district the Panel shall annually
19 determine whether a separate local property tax levy is
20 required. The board of any school district with a tax rate for
21 educational purposes for the prior year of less than 120% of
22 the maximum rate for educational purposes authorized by Section
23 17-2 shall provide for a separate tax levy for emergency
24 financial assistance repayment purposes. Such tax levy shall
25 not be subject to referendum approval. The amount of the levy
26 shall be equal to the amount necessary to meet the annual

1 repayment obligations of the district as established by the
2 Panel, or 20% of the amount levied for educational purposes for
3 the prior year, whichever is less. However, no district shall
4 be required to levy the tax if the district's operating tax
5 rate as determined under Section 18-8, ~~or~~ 18-8.05, or 18-8.15
6 exceeds 200% of the district's tax rate for educational
7 purposes for the prior year.

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

9 (105 ILCS 5/1C-1)

10 Sec. 1C-1. Purpose. The purpose of this Article is to
11 permit greater flexibility and efficiency in the distribution
12 and use of certain State funds available to local education
13 agencies for the improvement of the quality of educational
14 services pursuant to locally established priorities.

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

18 (Source: P.A. 88-555, eff. 7-27-94; 89-15, eff. 5-30-95;
19 89-397, eff. 8-20-95; 89-626, eff. 8-9-96.)

20 (105 ILCS 5/1C-2)

21 Sec. 1C-2. Block grants.

22 (a) For fiscal year 1999, and each fiscal year thereafter,
23 the State Board of Education shall award to school districts
24 block grants as described in subsection (c). The State Board of

1 Education may adopt rules and regulations necessary to
2 implement this Section. In accordance with Section 2-3.32, all
3 state block grants are subject to an audit. Therefore, block
4 grant receipts and block grant expenditures shall be recorded
5 to the appropriate fund code.

6 (b) (Blank).

7 (c) An Early Childhood Education Block Grant shall be
8 created by combining the following programs: Preschool
9 Education, Parental Training and Prevention Initiative. These
10 funds shall be distributed to school districts and other
11 entities on a competitive basis, except that the State Board of
12 Education shall award to a school district having a population
13 exceeding 500,000 inhabitants 37% of the funds in each fiscal
14 year. Not less than 14% of the Early Childhood Education Block
15 Grant allocation of funds shall be used to fund programs for
16 children ages 0-3. Beginning in Fiscal Year 2016, at least 25%
17 of any additional Early Childhood Education Block Grant funding
18 over and above the previous fiscal year's allocation shall be
19 used to fund programs for children ages 0-3. Once the
20 percentage of Early Childhood Education Block Grant funding
21 allocated to programs for children ages 0-3 reaches 20% of the
22 overall Early Childhood Education Block Grant allocation for a
23 full fiscal year, thereafter in subsequent fiscal years the
24 percentage of Early Childhood Education Block Grant funding
25 allocated to programs for children ages 0-3 each fiscal year
26 shall remain at least 20% of the overall Early Childhood

1 Education Block Grant allocation. However, if, in a given
2 fiscal year, the amount appropriated for the Early Childhood
3 Education Block Grant is insufficient to increase the
4 percentage of the grant to fund programs for children ages 0-3
5 without reducing the amount of the grant for existing providers
6 of preschool education programs, then the percentage of the
7 grant to fund programs for children ages 0-3 may be held steady
8 instead of increased.

9 (Source: P.A. 98-645, eff. 7-1-14; 99-589, eff. 7-21-16.)

10 (105 ILCS 5/1D-1)

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

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

25 (b) The general education block grant shall include the

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

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

1 relieve the district of the administrative burdens that impede
2 efficiency and accompany single-program funding. The General
3 Assembly encourages the board to pursue mandate waivers
4 pursuant to Section 2-3.25g.

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

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

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

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

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

25 (g) Through fiscal year 2017, this ~~This~~ paragraph provides
26 for the treatment of block grants under Article 1C for purposes

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

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

18 (h) Notwithstanding any other provision of law, any school
19 district receiving a block grant under this Section may
20 classify all or a portion of the funds that it receives in a
21 particular fiscal year from any block grant authorized under
22 this Code or from general State aid pursuant to Section 18-8.05
23 of this Code (other than supplemental general State aid) as
24 funds received in connection with any funding program for which
25 it is entitled to receive funds from the State in that fiscal
26 year (including, without limitation, any funding program

1 referred to in subsection (c) of this Section), regardless of
2 the source or timing of the receipt. The district may not
3 classify more funds as funds received in connection with the
4 funding program than the district is entitled to receive in
5 that fiscal year for that program. Any classification by a
6 district must be made by a resolution of its board of
7 education. The resolution must identify the amount of any block
8 grant or general State aid to be classified under this
9 subsection (h) and must specify the funding program to which
10 the funds are to be treated as received in connection
11 therewith. This resolution is controlling as to the
12 classification of funds referenced therein. A certified copy of
13 the resolution must be sent to the State Superintendent of
14 Education. The resolution shall still take effect even though a
15 copy of the resolution has not been sent to the State
16 Superintendent of Education in a timely manner. No
17 classification under this subsection (h) by a district shall
18 affect the total amount or timing of money the district is
19 entitled to receive under this Code. No classification under
20 this subsection (h) by a district shall in any way relieve the
21 district from or affect any requirements that otherwise would
22 apply with respect to the block grant as provided in this
23 Section, including any accounting of funds by source, reporting
24 expenditures by original source and purpose, reporting
25 requirements, or requirements of provision of services.

26 (Source: P.A. 97-238, eff. 8-2-11; 97-324, eff. 8-12-11;

1 97-813, eff. 7-13-12.)

2 (105 ILCS 5/1E-20)

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

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

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

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

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

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

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

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

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

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

1 (105 ILCS 5/1F-20)

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

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

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

19 Members of the Authority shall be selected primarily on the
20 basis of their experience and education in financial
21 management, with consideration given to persons knowledgeable
22 in education finance. Two members of the Authority shall be
23 residents of the school district that the Authority serves. A
24 member of the Authority may not be a member of the district's
25 school board or an employee of the district nor may a member

1 have a direct financial interest in the district.

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

14 The Authority may elect such officers as it deems
15 appropriate.

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

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

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

1 (105 ILCS 5/1F-62)

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

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

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

25 The School Finance Authority may prepare and file with the
26 State Superintendent a proposal for emergency financial

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

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

21 (c) The payment of a State emergency financial assistance
22 grant or loan shall be subject to appropriation by the General
23 Assembly. State emergency financial assistance allocated and
24 paid to a School Finance Authority under this Article may be
25 applied to any fund or funds from which the School Finance
26 Authority is authorized to make expenditures by law.

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

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

19 The School Finance Authority shall establish and the
20 Illinois Finance Authority shall approve the terms and
21 conditions of the loan, including the schedule of repayments.
22 The schedule shall provide for repayments commencing July 1 of
23 each year or upon each fiscal year's receipt of moneys from a
24 tax levy for emergency financial assistance. Repayment shall be
25 incorporated into the annual budget of the district and may be
26 made from any fund or funds of the district in which there are

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

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

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

21 (105 ILCS 5/1H-20)

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

23 (a) Upon establishment of a Financial Oversight Panel under
24 Section 1H-15 of this Code, the State Superintendent shall
25 within 15 working days thereafter appoint 5 members to serve on

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

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

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

25 (d) With the exception of the chairperson, who shall be
26 designated as provided in subsection (a) of this Section, the

1 Panel may elect such officers as it deems appropriate.

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

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

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

11 (105 ILCS 5/1H-70)

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

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

23 (2) issue tax anticipation notes under the provisions
24 of the Tax Anticipation Note Act against taxes levied by
25 either the school board or the Panel pursuant to Section

1 1H-25 of this Code;

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

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

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

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

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

15 (105 ILCS 5/2-3.33) (from Ch. 122, par. 2-3.33)

16 Sec. 2-3.33. Recomputation of claims. To recompute within
17 3 years from the final date for filing of a claim any claim for
18 general State aid reimbursement to any school district and one
19 year from the final date for filing of a claim for
20 evidence-based funding if the claim has been found to be
21 incorrect and to adjust subsequent claims accordingly, and to
22 recompute and adjust any such claims within 6 years from the
23 final date for filing when there has been an adverse court or
24 administrative agency decision on the merits affecting the tax
25 revenues of the school district. However, no such adjustment

1 shall be made regarding equalized assessed valuation unless the
2 district's equalized assessed valuation is changed by greater
3 than \$250,000 or 2%. Any adjustments for claims recomputed for
4 the 2016-2017 school year and prior school years shall be
5 applied to the apportionment of evidence-based funding in
6 Section 18-8.15 of this Code beginning in the 2017-2018 school
7 year and thereafter. However, the recomputation of a claim for
8 evidence-based funding for a school district shall not require
9 the recomputation of claims for all districts, and the State
10 Board of Education shall only make recomputations of
11 evidence-based funding for those districts where an adjustment
12 is required.

13 Except in the case of an adverse court or administrative
14 agency decision, no recomputation of a State aid claim shall be
15 made pursuant to this Section as a result of a reduction in the
16 assessed valuation of a school district from the assessed
17 valuation of the district reported to the State Board of
18 Education by the Department of Revenue under Section 18-8.05 or
19 18-8.15 of this Code unless the requirements of Section 16-15
20 of the Property Tax Code and Section 2-3.84 of this Code are
21 complied with in all respects.

22 This paragraph applies to all requests for recomputation of
23 a general State aid or evidence-based funding claim received
24 after June 30, 2003. In recomputing a general State aid or
25 evidence-based funding claim that was originally calculated
26 using an extension limitation equalized assessed valuation

1 under paragraph (3) of subsection (G) of Section 18-8.05 of
2 this Code or Section 18-8.15 of this Code, a qualifying
3 reduction in equalized assessed valuation shall be deducted
4 from the extension limitation equalized assessed valuation
5 that was used in calculating the original claim.

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

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

19 (105 ILCS 5/2-3.51.5)

20 Sec. 2-3.51.5. School Safety and Educational Improvement
21 Block Grant Program. To improve the level of education and
22 safety of students from kindergarten through grade 12 in school
23 districts and State-recognized, non-public schools. The State
24 Board of Education is authorized to fund a School Safety and
25 Educational Improvement Block Grant Program.

1 (1) For school districts, the program shall provide funding
2 for school safety, textbooks and software, electronic
3 textbooks and the technological equipment necessary to gain
4 access to and use electronic textbooks, teacher training and
5 curriculum development, school improvements, school report
6 cards under Section 10-17a, and criminal history records checks
7 under Sections 10-21.9 and 34-18.5. For State-recognized,
8 non-public schools, the program shall provide funding for
9 secular textbooks and software, criminal history records
10 checks, and health and safety mandates to the extent that the
11 funds are expended for purely secular purposes. A school
12 district or laboratory school as defined in Section 18-8, ~~or~~
13 18-8.05, or 18-8.15 is not required to file an application in
14 order to receive the categorical funding to which it is
15 entitled under this Section. Funds for the School Safety and
16 Educational Improvement Block Grant Program shall be
17 distributed to school districts and laboratory schools based on
18 the prior year's best 3 months average daily attendance. Funds
19 for the School Safety and Educational Improvement Block Grant
20 Program shall be distributed to State-recognized, non-public
21 schools based on the average daily attendance figure for the
22 previous school year provided to the State Board of Education.
23 The State Board of Education shall develop an application that
24 requires State-recognized, non-public schools to submit
25 average daily attendance figures. A State-recognized,
26 non-public school must submit the application and average daily

1 attendance figure prior to receiving funds under this Section.
2 The State Board of Education shall promulgate rules and
3 regulations necessary for the implementation of this program.

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

8 (3) Grants under the School Safety and Educational
9 Improvement Block Grant Program shall be awarded provided there
10 is an appropriation for the program, and funding levels for
11 each district shall be prorated according to the amount of the
12 appropriation.

13 (4) The provisions of this Section are in the public
14 interest, are for the public benefit, and serve secular public
15 purposes.

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

17 (105 ILCS 5/2-3.62) (from Ch. 122, par. 2-3.62)

18 Sec. 2-3.62. Educational service centers.

19 (a) A regional network of educational service centers shall
20 be established by the State Board of Education to coordinate
21 and combine existing services in a manner which is practical
22 and efficient and to provide new services to schools as
23 provided in this Section. Services to be made available by such
24 centers shall include the planning, implementation and
25 evaluation of:

1 (1) (blank);

2 (2) computer technology education;

3 (3) mathematics, science and reading resources for
4 teachers including continuing education, inservice
5 training and staff development.

6 The centers may provide training, technical assistance,
7 coordination and planning in other program areas such as school
8 improvement, school accountability, financial planning,
9 consultation, and services, career guidance, early childhood
10 education, alcohol/drug education and prevention, family life
11 - sex education, electronic transmission of data from school
12 districts to the State, alternative education and regional
13 special education, and telecommunications systems that provide
14 distance learning. Such telecommunications systems may be
15 obtained through the Department of Central Management Services
16 pursuant to Section 405-270 of the Department of Central
17 Management Services Law (20 ILCS 405/405-270). The programs and
18 services of educational service centers may be offered to
19 private school teachers and private school students within each
20 service center area provided public schools have already been
21 afforded adequate access to such programs and services.

22 Upon the abolition of the office, removal from office,
23 disqualification for office, resignation from office, or
24 expiration of the current term of office of the regional
25 superintendent of schools, whichever is earlier, the chief
26 administrative officer of the centers serving that portion of a

1 Class II county school unit outside of a city of 500,000 or
2 more inhabitants shall have and exercise, in and with respect
3 to each educational service region having a population of
4 2,000,000 or more inhabitants and in and with respect to each
5 school district located in any such educational service region,
6 all of the rights, powers, duties, and responsibilities
7 theretofore vested by law in and exercised and performed by the
8 regional superintendent of schools for that area under the
9 provisions of this Code or any other laws of this State.

10 The State Board of Education shall promulgate rules and
11 regulations necessary to implement this Section. The rules
12 shall include detailed standards which delineate the scope and
13 specific content of programs to be provided by each Educational
14 Service Center, as well as the specific planning,
15 implementation and evaluation services to be provided by each
16 Center relative to its programs. The Board shall also provide
17 the standards by which it will evaluate the programs provided
18 by each Center.

19 (b) Centers serving Class 1 county school units shall be
20 governed by an 11-member board, 3 members of which shall be
21 public school teachers nominated by the local bargaining
22 representatives to the appropriate regional superintendent for
23 appointment and no more than 3 members of which shall be from
24 each of the following categories, including but not limited to
25 superintendents, regional superintendents, school board
26 members and a representative of an institution of higher

1 education. The members of the board shall be appointed by the
2 regional superintendents whose school districts are served by
3 the educational service center. The composition of the board
4 will reflect the revisions of this amendatory Act of 1989 as
5 the terms of office of current members expire.

6 (c) The centers shall be of sufficient size and number to
7 assure delivery of services to all local school districts in
8 the State.

9 (d) From monies appropriated for this program the State
10 Board of Education shall provide grants paid from the Personal
11 Property Tax Replacement Fund to qualifying Educational
12 Service Centers applying for such grants in accordance with
13 rules and regulations promulgated by the State Board of
14 Education to implement this Section.

15 Notwithstanding anything to the contrary contained in this
16 Section, the State Board of Education shall award to a school
17 district having a population exceeding 500,000 inhabitants
18 14.9% of the funds appropriated by the General Assembly for any
19 fiscal year for purposes of payment of claims under this
20 Section.

21 (e) The governing authority of each of the 18 regional
22 educational service centers shall appoint a family life - sex
23 education advisory board consisting of 2 parents, 2 teachers, 2
24 school administrators, 2 school board members, 2 health care
25 professionals, one library system representative, and the
26 director of the regional educational service center who shall

1 serve as chairperson of the advisory board so appointed.
2 Members of the family life - sex education advisory boards
3 shall serve without compensation. Each of the advisory boards
4 appointed pursuant to this subsection shall develop a plan for
5 regional teacher-parent family life - sex education training
6 sessions and shall file a written report of such plan with the
7 governing board of their regional educational service center.
8 The directors of each of the regional educational service
9 centers shall thereupon meet, review each of the reports
10 submitted by the advisory boards and combine those reports into
11 a single written report which they shall file with the Citizens
12 Council on School Problems prior to the end of the regular
13 school term of the 1987-1988 school year.

14 (f) The 14 educational service centers serving Class I
15 county school units shall be disbanded on the first Monday of
16 August, 1995, and their statutory responsibilities and
17 programs shall be assumed by the regional offices of education,
18 subject to rules and regulations developed by the State Board
19 of Education. The regional superintendents of schools elected
20 by the voters residing in all Class I counties shall serve as
21 the chief administrators for these programs and services.

22 (Source: P.A. 98-24, eff. 6-19-13; 98-647, eff. 6-13-14; 99-30,
23 eff. 7-10-15.)

24 (105 ILCS 5/2-3.66) (from Ch. 122, par. 2-3.66)

25 Sec. 2-3.66. Truants' alternative and optional education

1 programs. To establish projects to offer modified
2 instructional programs or other services designed to prevent
3 students from dropping out of school, including programs
4 pursuant to Section 2-3.41, and to serve as a part time or full
5 time option in lieu of regular school attendance and to award
6 grants to local school districts, educational service regions
7 or community college districts from appropriated funds to
8 assist districts in establishing such projects. The education
9 agency may operate its own program or enter into a contract
10 with another not-for-profit entity to implement the program.
11 The projects shall allow dropouts, up to and including age 21,
12 potential dropouts, including truants, uninvolved, unmotivated
13 and disaffected students, as defined by State Board of
14 Education rules and regulations, to enroll, as an alternative
15 to regular school attendance, in an optional education program
16 which may be established by school board policy and is in
17 conformance with rules adopted by the State Board of Education.
18 Truants' Alternative and Optional Education programs funded
19 pursuant to this Section shall be planned by a student, the
20 student's parents or legal guardians, unless the student is 18
21 years or older, and school officials and shall culminate in an
22 individualized optional education plan. Such plan shall focus
23 on academic or vocational skills, or both, and may include, but
24 not be limited to, evening school, summer school, community
25 college courses, adult education, preparation courses for high
26 school equivalency testing, vocational training, work

1 experience, programs to enhance self concept and parenting
2 courses. School districts which are awarded grants pursuant to
3 this Section shall be authorized to provide day care services
4 to children of students who are eligible and desire to enroll
5 in programs established and funded under this Section, but only
6 if and to the extent that such day care is necessary to enable
7 those eligible students to attend and participate in the
8 programs and courses which are conducted pursuant to this
9 Section. School districts and regional offices of education may
10 claim general State aid under Section 18-8.05 or evidence-based
11 funding under Section 18-8.15 for students enrolled in truants'
12 alternative and optional education programs, provided that
13 such students are receiving services that are supplemental to a
14 program leading to a high school diploma and are otherwise
15 eligible to be claimed for general State aid under Section
16 18-8.05 or evidence-based funding under Section 18-8.15, as
17 applicable.

18 Notwithstanding anything to the contrary contained in this
19 Section, the State Board of Education shall award to a school
20 district having a population exceeding 500,000 inhabitants
21 26.8% of the funds appropriated by the General Assembly for any
22 fiscal year for purposes of payment of claims under this
23 Section.

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

1 Sec. 2-3.66b. IHOPE Program.

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

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

19 The IHOPE Program shall provide incentive grant funds for
20 regional offices of education and a school district organized
21 under Article 34 of this Code to develop partnerships with
22 school districts, public community colleges, and community
23 groups to build comprehensive plans to re-enroll high school
24 dropouts in their regions or districts.

25 Programs funded through the IHOPE Program shall allow high
26 school dropouts, up to and including age 21 notwithstanding

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

15 (c) In order to be eligible for funding under the IHOPE
16 Program, an interested regional office of education or a school
17 district organized under Article 34 of this Code shall develop
18 an IHOPE Plan to be approved by the State Board of Education.
19 The State Board of Education shall develop rules for the IHOPE
20 Program that shall set forth the requirements for the
21 development of the IHOPE Plan. Each Plan shall involve school
22 districts, public community colleges, and key community
23 programs that work with high school dropouts located in an
24 educational service region or the City of Chicago before the
25 Plan is sent to the State Board for approval. No funds may be
26 distributed to a regional office of education or a school

1 district organized under Article 34 of this Code until the
2 State Board has approved the Plan.

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

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

18 (e) In order to distribute funding based upon the need to
19 ensure delivery of programs that will have the greatest impact,
20 IHOPE Program funding must be distributed based upon the
21 proportion of dropouts in the educational service region or
22 school district, in the case of a school district organized
23 under Article 34 of this Code, to the total number of dropouts
24 in this State. This formula shall employ the dropout data
25 provided by school districts to the State Board of Education.

26 A regional office of education or a school district

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

14 (f) IHOPE categories of programming may include the
15 following:

16 (1) Full-time programs that are comprehensive,
17 year-round programs.

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

21 (3) Online programs and courses in which students take
22 courses and complete on-site, supervised tests that
23 measure the student's mastery of a specific course needed
24 for graduation. Students may take courses online and earn
25 credit or students may prepare to take supervised tests for
26 specific courses for credit leading to receipt of a high

1 school diploma.

2 (4) Dual enrollment in which students attend high
3 school classes in combination with community college
4 classes or students attend community college classes while
5 simultaneously earning high school credit and eventually a
6 high school diploma.

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

11 (1) Small programs (70 to 100 students) at a separate
12 school site with a distinct identity. Programs may be
13 larger with specific need and justification, keeping in
14 mind that it is crucial to keep programs small to be
15 effective.

16 (2) Specific performance-based goals and outcomes and
17 measures of enrollment, attendance, skills, credits,
18 graduation, and the transition to college, training, and
19 employment.

20 (3) Strong, experienced leadership and teaching staff
21 who are provided with ongoing professional development.

22 (4) Voluntary enrollment.

23 (5) High standards for student learning, integrating
24 work experience, and education, including during the
25 school year and after school, and summer school programs
26 that link internships, work, and learning.

1 (6) Comprehensive programs providing extensive support
2 services.

3 (7) Small teams of students supported by full-time paid
4 mentors who work to retain and help those students
5 graduate.

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

9 (9) Learning opportunities that incorporate action
10 into study.

11 (h) Programs funded through the IHOPE Program must report
12 data to the State Board of Education as requested. This
13 information shall include, but is not limited to, student
14 enrollment figures, attendance information, course completion
15 data, graduation information, and post-graduation information,
16 as available.

17 (i) Rules must be developed by the State Board of Education
18 to set forth the fund distribution process to regional offices
19 of education and a school district organized under Article 34
20 of this Code, the planning and the conditions upon which an
21 IHOPE Plan would be approved by State Board, and other rules to
22 develop the IHOPE Program.

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

24 (105 ILCS 5/2-3.80) (from Ch. 122, par. 2-3.80)

25 Sec. 2-3.80. (a) The General Assembly recognizes that

1 agriculture is the most basic and singularly important industry
2 in the State, that agriculture is of central importance to the
3 welfare and economic stability of the State, and that the
4 maintenance of this vital industry requires a continued source
5 of trained and qualified individuals for employment in
6 agriculture and agribusiness. The General Assembly hereby
7 declares that it is in the best interests of the people of the
8 State of Illinois that a comprehensive education program in
9 agriculture be created and maintained by the State's public
10 school system in order to ensure an adequate supply of trained
11 and skilled individuals and to ensure appropriate
12 representation of racial and ethnic groups in all phases of the
13 industry. It is the intent of the General Assembly that a State
14 program for agricultural education shall be a part of the
15 curriculum of the public school system K through adult, and
16 made readily available to all school districts which may, at
17 their option, include programs in education in agriculture as a
18 part of the curriculum of that district.

19 (b) The State Board of Education shall adopt such rules and
20 regulations as are necessary to implement the provisions of
21 this Section. The rules and regulations shall not create any
22 new State mandates on school districts as a condition of
23 receiving federal, State, and local funds by those entities. It
24 is in the intent of the General Assembly that, although this
25 Section does not create any new mandates, school districts are
26 strongly advised to follow the guidelines set forth in this

1 Section.

2 (c) The State Superintendent of Education shall assume
3 responsibility for the administration of the State program
4 adopted under this Section throughout the public school system
5 as well as the articulation of the State program to the
6 requirements and mandates of federally assisted education.
7 There is currently within the State Board of Education an
8 agricultural education unit to assist school districts in the
9 establishment and maintenance of educational programs pursuant
10 to the provisions of this Section. The staffing of the unit
11 shall at all times be comprised of an appropriate number of
12 full-time employees who shall serve as program consultants in
13 agricultural education and shall be available to provide
14 assistance to school districts. At least one consultant shall
15 be responsible for the coordination of the State program, as
16 Head Consultant. At least one consultant shall be responsible
17 for the coordination of the activities of student and
18 agricultural organizations and associations.

19 (d) A committee of 13 agriculturalists representative of
20 the various and diverse areas of the agricultural industry in
21 Illinois shall be established to at least develop a curriculum
22 and overview the implementation of the Build Illinois through
23 Quality Agricultural Education plans of the Illinois
24 Leadership Council for Agricultural Education and to advise the
25 State Board of Education on vocational agricultural education.
26 The Committee shall be composed of the following: (6)

1 agriculturalists representing the Illinois Leadership Council
2 for Agricultural Education; (2) Secondary Agriculture
3 Teachers; (1) "Ag In The Classroom" Teacher; (1) Community
4 College Agriculture Teacher; (1) Adult Agriculture Education
5 Teacher; (1) University Agriculture Teacher Educator; and (1)
6 FFA Representative. All members of the Committee shall be
7 appointed by the Governor by and with the advice and consent of
8 the Senate. The terms of all members so appointed shall be for
9 3 years, except that of the members initially appointed, 5
10 shall be appointed to serve for terms of 1 year, 4 shall be
11 appointed to serve for terms of 2 years and 4 shall be
12 appointed to serve for terms of 3 years. All members of the
13 Committee shall serve until their successors are appointed and
14 qualified. Vacancies in terms shall be filled by appointment of
15 the Governor with the advice and consent of the Senate for the
16 extent of the unexpired term. The State Board of Education
17 shall implement a Build Illinois through Quality Agricultural
18 Education plan following receipt of these recommendations
19 which shall be made available on or before March 31, 1987.
20 Recommendations shall include, but not be limited to, the
21 development of a curriculum and a strategy for the purpose of
22 establishing a source of trained and qualified individuals in
23 agriculture, a strategy for articulating the State program in
24 agricultural education throughout the public school system,
25 and a consumer education outreach strategy regarding the
26 importance of agriculture in Illinois. The committee of

1 agriculturalists shall serve without compensation.

2 (e) A school district that offers a secondary agricultural
3 education program that is approved for State and federal
4 funding must ensure that, at a minimum, all of the following
5 are available to its secondary agricultural education
6 students:

7 (1) An instructional sequence of courses approved by
8 the State Board of Education.

9 (2) A State and nationally affiliated FFA (Future
10 Farmers of America) chapter that is integral to instruction
11 and is not treated solely as an extracurricular activity.

12 (3) A mechanism for ensuring the involvement of all
13 secondary agricultural education students in formal,
14 supervised, agricultural-experience activities and
15 programs.

16 Notwithstanding anything to the contrary contained in this
17 Section, the State Board of Education shall award to a school
18 district having a population exceeding 500,000 inhabitants
19 1.1% of the funds appropriated by the General Assembly for any
20 fiscal year for purposes of payment of claims under this
21 Section.

22 (f) Nothing in this Section may prevent those secondary
23 agricultural education programs that are in operation before
24 the effective date of this amendatory Act of the 94th General
25 Assembly and that do not have an active State and nationally
26 affiliated FFA chapter from continuing to operate or from

1 continuing to receive funding from the State Board of
2 Education.

3 (Source: P.A. 94-855, eff. 1-1-07.)

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

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

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

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

2 (105 ILCS 5/2-3.109a)

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

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

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

11 Sec. 3-14.21. Inspection of schools.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11 (4) (Blank); and

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

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

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

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

26 School districts and community college districts may

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

6 (105 ILCS 5/10-29)

7 Sec. 10-29. Remote educational programs.

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

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

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

24 (B) Any limitations on the number of students or
25 grade levels that may participate in a remote

1 educational program.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 (H) The identification of a parent, guardian, or
26 other responsible adult who will provide direct

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

9 (I) The identification of a school district
10 administrator who will oversee the remote educational
11 program on behalf of the school district and who may be
12 contacted by the student's parents with respect to any
13 issues or concerns with the program.

14 (J) The term of the student's participation in the
15 remote educational program, which may not extend for
16 longer than 12 months, unless the term is renewed by
17 the district in accordance with subdivision (7) of this
18 subsection (a).

19 (K) A description of the specific location or
20 locations in which the program will be delivered. If
21 the remote educational program is to be delivered to a
22 student in any location other than the student's home,
23 the plan must include a written determination by the
24 school district that the location will provide a
25 learning environment appropriate for the delivery of
26 the program. The location or locations in which the

1 program will be delivered shall be deemed a long
2 distance teaching reception area under subsection (a)
3 of Section 10-22.34 of this Code.

4 (L) Certification by the school district that the
5 plan meets all other requirements of this Section.

6 (6) Students participating in a remote educational
7 program must be enrolled in a school district attendance
8 center pursuant to the school district's enrollment policy
9 or policies. A student participating in a remote
10 educational program must be tested as part of all
11 assessments administered by the school district pursuant
12 to Section 2-3.64a-5 of this Code at the attendance center
13 in which the student is enrolled and in accordance with the
14 attendance center's assessment policies and schedule. The
15 student must be included within all accountability
16 determinations for the school district and attendance
17 center under State and federal law.

18 (7) The term of a student's participation in a remote
19 educational program may not extend for longer than 12
20 months, unless the term is renewed by the school district.
21 The district may only renew a student's participation in a
22 remote educational program following an evaluation of the
23 student's progress in the program, a determination that the
24 student's continuation in the program will best serve the
25 student's individual learning needs, and an amendment to
26 the student's written remote educational plan addressing

1 any changes for the upcoming term of the program.

2 For purposes of this Section, a remote educational program
3 does not include instruction delivered to students through an
4 e-learning program approved under Section 10-20.56 of this
5 Code.

6 (b) A school district may, by resolution of its school
7 board, establish a remote educational program.

8 (c) Clock hours of instruction by students in a remote
9 educational program meeting the requirements of this Section
10 may be claimed by the school district and shall be counted as
11 school work for general State aid purposes in accordance with
12 and subject to the limitations of Section 18-8.05 of this Code
13 or evidence-based funding purposes in accordance with and
14 subject to the limitations of Section 18-8.15 of this Code.

15 (d) The impact of remote educational programs on wages,
16 hours, and terms and conditions of employment of educational
17 employees within the school district shall be subject to local
18 collective bargaining agreements.

19 (e) The use of a home or other location outside of a school
20 building for a remote educational program shall not cause the
21 home or other location to be deemed a public school facility.

22 (f) A remote educational program may be used, but is not
23 required, for instruction delivered to a student in the home or
24 other location outside of a school building that is not claimed
25 for general State aid purposes under Section 18-8.05 of this
26 Code or evidence-based funding purposes under Section 18-8.15

1 of this Code.

2 (g) School districts that, pursuant to this Section, adopt
3 a policy for a remote educational program must submit to the
4 State Board of Education a copy of the policy and any
5 amendments thereto, as well as data on student participation in
6 a format specified by the State Board of Education. The State
7 Board of Education may perform or contract with an outside
8 entity to perform an evaluation of remote educational programs
9 in this State.

10 (h) The State Board of Education may adopt any rules
11 necessary to ensure compliance by remote educational programs
12 with the requirements of this Section and other applicable
13 legal requirements.

14 (Source: P.A. 98-972, eff. 8-15-14; 99-193, eff. 7-30-15;
15 99-194, eff. 7-30-15; 99-642, eff. 7-28-16.)

16 (105 ILCS 5/11E-135)

17 Sec. 11E-135. Incentives. For districts reorganizing under
18 this Article and for a district or districts that annex all of
19 the territory of one or more entire other school districts in
20 accordance with Article 7 of this Code, the following payments
21 shall be made from appropriations made for these purposes:

22 (a) (1) For a combined school district, as defined in
23 Section 11E-20 of this Code, or for a unit district, as defined
24 in Section 11E-25 of this Code, for its first year of
25 existence, the general State aid and supplemental general State

1 aid calculated under Section 18-8.05 of this Code or the
2 evidence-based funding calculated under Section 18-8.15 of
3 this Code, as applicable, shall be computed for the new
4 district and for the previously existing districts for which
5 property is totally included within the new district. If the
6 computation on the basis of the previously existing districts
7 is greater, a supplementary payment equal to the difference
8 shall be made for the first 4 years of existence of the new
9 district.

10 (2) For a school district that annexes all of the territory
11 of one or more entire other school districts as defined in
12 Article 7 of this Code, for the first year during which the
13 change of boundaries attributable to the annexation becomes
14 effective for all purposes, as determined under Section 7-9 of
15 this Code, the general State aid and supplemental general State
16 aid calculated under Section 18-8.05 of this Code or the
17 evidence-based funding calculated under Section 18-8.15 of
18 this Code, as applicable, shall be computed for the annexing
19 district as constituted after the annexation and for the
20 annexing and each annexed district as constituted prior to the
21 annexation; and if the computation on the basis of the annexing
22 and annexed districts as constituted prior to the annexation is
23 greater, then a supplementary payment equal to the difference
24 shall be made for the first 4 years of existence of the
25 annexing school district as constituted upon the annexation.

26 (3) For 2 or more school districts that annex all of the

1 territory of one or more entire other school districts, as
2 defined in Article 7 of this Code, for the first year during
3 which the change of boundaries attributable to the annexation
4 becomes effective for all purposes, as determined under Section
5 7-9 of this Code, the general State aid and supplemental
6 general State aid calculated under Section 18-8.05 of this Code
7 or the evidence-based funding calculated under Section 18-8.15
8 of this Code, as applicable, shall be computed for each
9 annexing district as constituted after the annexation and for
10 each annexing and annexed district as constituted prior to the
11 annexation; and if the aggregate of the general State aid and
12 supplemental general State aid or evidence-based funding, as
13 applicable, as so computed for the annexing districts as
14 constituted after the annexation is less than the aggregate of
15 the general State aid and supplemental general State aid or
16 evidence-based funding, as applicable, as so computed for the
17 annexing and annexed districts, as constituted prior to the
18 annexation, then a supplementary payment equal to the
19 difference shall be made and allocated between or among the
20 annexing districts, as constituted upon the annexation, for the
21 first 4 years of their existence. The total difference payment
22 shall be allocated between or among the annexing districts in
23 the same ratio as the pupil enrollment from that portion of the
24 annexed district or districts that is annexed to each annexing
25 district bears to the total pupil enrollment from the entire
26 annexed district or districts, as such pupil enrollment is

1 determined for the school year last ending prior to the date
2 when the change of boundaries attributable to the annexation
3 becomes effective for all purposes. The amount of the total
4 difference payment and the amount thereof to be allocated to
5 the annexing districts shall be computed by the State Board of
6 Education on the basis of pupil enrollment and other data that
7 shall be certified to the State Board of Education, on forms
8 that it shall provide for that purpose, by the regional
9 superintendent of schools for each educational service region
10 in which the annexing and annexed districts are located.

11 (4) For a school district conversion, as defined in Section
12 11E-15 of this Code, or a multi-unit conversion, as defined in
13 subsection (b) of Section 11E-30 of this Code, if in their
14 first year of existence the newly created elementary districts
15 and the newly created high school district, from a school
16 district conversion, or the newly created elementary district
17 or districts and newly created combined high school - unit
18 district, from a multi-unit conversion, qualify for less
19 general State aid under Section 18-8.05 of this Code or
20 evidence-based funding under Section 18-8.15 of this Code than
21 would have been payable under Section 18-8.05 or 18-8.15, as
22 applicable, for that same year to the previously existing
23 districts, then a supplementary payment equal to that
24 difference shall be made for the first 4 years of existence of
25 the newly created districts. The aggregate amount of each
26 supplementary payment shall be allocated among the newly

1 created districts in the proportion that the deemed pupil
2 enrollment in each district during its first year of existence
3 bears to the actual aggregate pupil enrollment in all of the
4 districts during their first year of existence. For purposes of
5 each allocation:

6 (A) the deemed pupil enrollment of the newly created
7 high school district from a school district conversion
8 shall be an amount equal to its actual pupil enrollment for
9 its first year of existence multiplied by 1.25;

10 (B) the deemed pupil enrollment of each newly created
11 elementary district from a school district conversion
12 shall be an amount equal to its actual pupil enrollment for
13 its first year of existence reduced by an amount equal to
14 the product obtained when the amount by which the newly
15 created high school district's deemed pupil enrollment
16 exceeds its actual pupil enrollment for its first year of
17 existence is multiplied by a fraction, the numerator of
18 which is the actual pupil enrollment of the newly created
19 elementary district for its first year of existence and the
20 denominator of which is the actual aggregate pupil
21 enrollment of all of the newly created elementary districts
22 for their first year of existence;

23 (C) the deemed high school pupil enrollment of the
24 newly created combined high school - unit district from a
25 multi-unit conversion shall be an amount equal to its
26 actual grades 9 through 12 pupil enrollment for its first

1 year of existence multiplied by 1.25; and

2 (D) the deemed elementary pupil enrollment of each
3 newly created district from a multi-unit conversion shall
4 be an amount equal to each district's actual grade K
5 through 8 pupil enrollment for its first year of existence,
6 reduced by an amount equal to the product obtained when the
7 amount by which the newly created combined high school -
8 unit district's deemed high school pupil enrollment
9 exceeds its actual grade 9 through 12 pupil enrollment for
10 its first year of existence is multiplied by a fraction,
11 the numerator of which is the actual grade K through 8
12 pupil enrollment of each newly created district for its
13 first year of existence and the denominator of which is the
14 actual aggregate grade K through 8 pupil enrollment of all
15 such newly created districts for their first year of
16 existence.

17 The aggregate amount of each supplementary payment under
18 this subdivision (4) and the amount thereof to be allocated to
19 the newly created districts shall be computed by the State
20 Board of Education on the basis of pupil enrollment and other
21 data, which shall be certified to the State Board of Education,
22 on forms that it shall provide for that purpose, by the
23 regional superintendent of schools for each educational
24 service region in which the newly created districts are
25 located.

26 (5) For a partial elementary unit district, as defined in

1 subsection (a) or (c) of Section 11E-30 of this Code, if, in
2 the first year of existence, the newly created partial
3 elementary unit district qualifies for less general State aid
4 and supplemental general State aid under Section 18-8.05 of
5 this Code or less evidence-based funding under Section 18-8.15
6 of this Code, as applicable, than would have been payable under
7 those Sections ~~that Section~~ for that same year to the
8 previously existing districts that formed the partial
9 elementary unit district, then a supplementary payment equal to
10 that difference shall be made to the partial elementary unit
11 district for the first 4 years of existence of that newly
12 created district.

13 (6) For an elementary opt-in, as described in subsection
14 (d) of Section 11E-30 of this Code, the general State aid or
15 evidence-based funding difference shall be computed in
16 accordance with paragraph (5) of this subsection (a) as if the
17 elementary opt-in was included in an optional elementary unit
18 district at the optional elementary unit district's original
19 effective date. If the calculation in this paragraph (6) is
20 less than that calculated in paragraph (5) of this subsection
21 (a) at the optional elementary unit district's original
22 effective date, then no adjustments may be made. If the
23 calculation in this paragraph (6) is more than that calculated
24 in paragraph (5) of this subsection (a) at the optional
25 elementary unit district's original effective date, then the
26 excess must be paid as follows:

1 (A) If the effective date for the elementary opt-in is
2 one year after the effective date for the optional
3 elementary unit district, 100% of the calculated excess
4 shall be paid to the optional elementary unit district in
5 each of the first 4 years after the effective date of the
6 elementary opt-in.

7 (B) If the effective date for the elementary opt-in is
8 2 years after the effective date for the optional
9 elementary unit district, 75% of the calculated excess
10 shall be paid to the optional elementary unit district in
11 each of the first 4 years after the effective date of the
12 elementary opt-in.

13 (C) If the effective date for the elementary opt-in is
14 3 years after the effective date for the optional
15 elementary unit district, 50% of the calculated excess
16 shall be paid to the optional elementary unit district in
17 each of the first 4 years after the effective date of the
18 elementary opt-in.

19 (D) If the effective date for the elementary opt-in is
20 4 years after the effective date for the optional
21 elementary unit district, 25% of the calculated excess
22 shall be paid to the optional elementary unit district in
23 each of the first 4 years after the effective date of the
24 elementary opt-in.

25 (E) If the effective date for the elementary opt-in is
26 5 years after the effective date for the optional

1 elementary unit district, the optional elementary unit
2 district is not eligible for any additional incentives due
3 to the elementary opt-in.

4 (6.5) For a school district that annexes territory detached
5 from another school district whereby the enrollment of the
6 annexing district increases by 90% or more as a result of the
7 annexation, for the first year during which the change of
8 boundaries attributable to the annexation becomes effective
9 for all purposes as determined under Section 7-9 of this Code,
10 the general State aid and supplemental general State aid or
11 evidence-based funding, as applicable, calculated under this
12 Section shall be computed for the district gaining territory
13 and the district losing territory as constituted after the
14 annexation and for the same districts as constituted prior to
15 the annexation; and if the aggregate of the general State aid
16 and supplemental general State aid or evidence-based funding,
17 as applicable, as so computed for the district gaining
18 territory and the district losing territory as constituted
19 after the annexation is less than the aggregate of the general
20 State aid and supplemental general State aid or evidence-based
21 funding, as applicable, as so computed for the district gaining
22 territory and the district losing territory as constituted
23 prior to the annexation, then a supplementary payment shall be
24 made to the annexing district for the first 4 years of
25 existence after the annexation, equal to the difference
26 multiplied by the ratio of student enrollment in the territory

1 detached to the total student enrollment in the district losing
2 territory for the year prior to the effective date of the
3 annexation. The amount of the total difference and the
4 proportion paid to the annexing district shall be computed by
5 the State Board of Education on the basis of pupil enrollment
6 and other data that must be submitted to the State Board of
7 Education in accordance with Section 7-14A of this Code. The
8 changes to this Section made by Public Act 95-707 are intended
9 to be retroactive and applicable to any annexation taking
10 effect on or after July 1, 2004. For annexations that are
11 eligible for payments under this paragraph (6.5) and that are
12 effective on or after July 1, 2004, but before January 11, 2008
13 (the effective date of Public Act 95-707), the first required
14 yearly payment under this paragraph (6.5) shall be paid in the
15 fiscal year of January 11, 2008 (the effective date of Public
16 Act 95-707). Subsequent required yearly payments shall be paid
17 in subsequent fiscal years until the payment obligation under
18 this paragraph (6.5) is complete.

19 (7) Claims for financial assistance under this subsection
20 (a) may not be recomputed except as expressly provided under
21 Section 18-8.05 or 18-8.15 of this Code.

22 (8) Any supplementary payment made under this subsection
23 (a) must be treated as separate from all other payments made
24 pursuant to Section 18-8.05 or 18-8.15 of this Code.

25 (b) (1) After the formation of a combined school district,
26 as defined in Section 11E-20 of this Code, or a unit district,

1 as defined in Section 11E-25 of this Code, a computation shall
2 be made to determine the difference between the salaries
3 effective in each of the previously existing districts on June
4 30, prior to the creation of the new district. For the first 4
5 years after the formation of the new district, a supplementary
6 State aid reimbursement shall be paid to the new district equal
7 to the difference between the sum of the salaries earned by
8 each of the certificated members of the new district, while
9 employed in one of the previously existing districts during the
10 year immediately preceding the formation of the new district,
11 and the sum of the salaries those certificated members would
12 have been paid during the year immediately prior to the
13 formation of the new district if placed on the salary schedule
14 of the previously existing district with the highest salary
15 schedule.

16 (2) After the territory of one or more school districts is
17 annexed by one or more other school districts as defined in
18 Article 7 of this Code, a computation shall be made to
19 determine the difference between the salaries effective in each
20 annexed district and in the annexing district or districts as
21 they were each constituted on June 30 preceding the date when
22 the change of boundaries attributable to the annexation became
23 effective for all purposes, as determined under Section 7-9 of
24 this Code. For the first 4 years after the annexation, a
25 supplementary State aid reimbursement shall be paid to each
26 annexing district as constituted after the annexation equal to

1 the difference between the sum of the salaries earned by each
2 of the certificated members of the annexing district as
3 constituted after the annexation, while employed in an annexed
4 or annexing district during the year immediately preceding the
5 annexation, and the sum of the salaries those certificated
6 members would have been paid during the immediately preceding
7 year if placed on the salary schedule of whichever of the
8 annexing or annexed districts had the highest salary schedule
9 during the immediately preceding year.

10 (3) For each new high school district formed under a school
11 district conversion, as defined in Section 11E-15 of this Code,
12 the State shall make a supplementary payment for 4 years equal
13 to the difference between the sum of the salaries earned by
14 each certified member of the new high school district, while
15 employed in one of the previously existing districts, and the
16 sum of the salaries those certified members would have been
17 paid if placed on the salary schedule of the previously
18 existing district with the highest salary schedule.

19 (4) For each newly created partial elementary unit
20 district, the State shall make a supplementary payment for 4
21 years equal to the difference between the sum of the salaries
22 earned by each certified member of the newly created partial
23 elementary unit district, while employed in one of the
24 previously existing districts that formed the partial
25 elementary unit district, and the sum of the salaries those
26 certified members would have been paid if placed on the salary

1 schedule of the previously existing district with the highest
2 salary schedule. The salary schedules used in the calculation
3 shall be those in effect in the previously existing districts
4 for the school year prior to the creation of the new partial
5 elementary unit district.

6 (5) For an elementary district opt-in, as described in
7 subsection (d) of Section 11E-30 of this Code, the salary
8 difference incentive shall be computed in accordance with
9 paragraph (4) of this subsection (b) as if the opted-in
10 elementary district was included in the optional elementary
11 unit district at the optional elementary unit district's
12 original effective date. If the calculation in this paragraph
13 (5) is less than that calculated in paragraph (4) of this
14 subsection (b) at the optional elementary unit district's
15 original effective date, then no adjustments may be made. If
16 the calculation in this paragraph (5) is more than that
17 calculated in paragraph (4) of this subsection (b) at the
18 optional elementary unit district's original effective date,
19 then the excess must be paid as follows:

20 (A) If the effective date for the elementary opt-in is
21 one year after the effective date for the optional
22 elementary unit district, 100% of the calculated excess
23 shall be paid to the optional elementary unit district in
24 each of the first 4 years after the effective date of the
25 elementary opt-in.

26 (B) If the effective date for the elementary opt-in is

1 2 years after the effective date for the optional
2 elementary unit district, 75% of the calculated excess
3 shall be paid to the optional elementary unit district in
4 each of the first 4 years after the effective date of the
5 elementary opt-in.

6 (C) If the effective date for the elementary opt-in is
7 3 years after the effective date for the optional
8 elementary unit district, 50% of the calculated excess
9 shall be paid to the optional elementary unit district in
10 each of the first 4 years after the effective date of the
11 elementary opt-in.

12 (D) If the effective date for the elementary opt-in is
13 4 years after the effective date for the partial elementary
14 unit district, 25% of the calculated excess shall be paid
15 to the optional elementary unit district in each of the
16 first 4 years after the effective date of the elementary
17 opt-in.

18 (E) If the effective date for the elementary opt-in is
19 5 years after the effective date for the optional
20 elementary unit district, the optional elementary unit
21 district is not eligible for any additional incentives due
22 to the elementary opt-in.

23 (5.5) After the formation of a cooperative high school by 2
24 or more school districts under Section 10-22.22c of this Code,
25 a computation shall be made to determine the difference between
26 the salaries effective in each of the previously existing high

1 schools on June 30 prior to the formation of the cooperative
2 high school. For the first 4 years after the formation of the
3 cooperative high school, a supplementary State aid
4 reimbursement shall be paid to the cooperative high school
5 equal to the difference between the sum of the salaries earned
6 by each of the certificated members of the cooperative high
7 school while employed in one of the previously existing high
8 schools during the year immediately preceding the formation of
9 the cooperative high school and the sum of the salaries those
10 certificated members would have been paid during the year
11 immediately prior to the formation of the cooperative high
12 school if placed on the salary schedule of the previously
13 existing high school with the highest salary schedule.

14 (5.10) After the annexation of territory detached from
15 another school district whereby the enrollment of the annexing
16 district increases by 90% or more as a result of the
17 annexation, a computation shall be made to determine the
18 difference between the salaries effective in the district
19 gaining territory and the district losing territory as they
20 each were constituted on June 30 preceding the date when the
21 change of boundaries attributable to the annexation became
22 effective for all purposes as determined under Section 7-9 of
23 this Code. For the first 4 years after the annexation, a
24 supplementary State aid reimbursement shall be paid to the
25 annexing district equal to the difference between the sum of
26 the salaries earned by each of the certificated members of the

1 annexing district as constituted after the annexation while
2 employed in the district gaining territory or the district
3 losing territory during the year immediately preceding the
4 annexation and the sum of the salaries those certificated
5 members would have been paid during such immediately preceding
6 year if placed on the salary schedule of whichever of the
7 district gaining territory or district losing territory had the
8 highest salary schedule during the immediately preceding year.
9 To be eligible for supplementary State aid reimbursement under
10 this Section, the intergovernmental agreement to be submitted
11 pursuant to Section 7-14A of this Code must show that staff
12 members were transferred from the control of the district
13 losing territory to the control of the district gaining
14 territory in the annexation. The changes to this Section made
15 by Public Act 95-707 are intended to be retroactive and
16 applicable to any annexation taking effect on or after July 1,
17 2004. For annexations that are eligible for payments under this
18 paragraph (5.10) and that are effective on or after July 1,
19 2004, but before January 11, 2008 (the effective date of Public
20 Act 95-707), the first required yearly payment under this
21 paragraph (5.10) shall be paid in the fiscal year of January
22 11, 2008 (the effective date of Public Act 95-707). Subsequent
23 required yearly payments shall be paid in subsequent fiscal
24 years until the payment obligation under this paragraph (5.10)
25 is complete.

26 (5.15) After the deactivation of a school facility in

1 accordance with Section 10-22.22b of this Code, a computation
2 shall be made to determine the difference between the salaries
3 effective in the sending school district and each receiving
4 school district on June 30 prior to the deactivation of the
5 school facility. For the lesser of the first 4 years after the
6 deactivation of the school facility or the length of the
7 deactivation agreement, including any renewals of the original
8 deactivation agreement, a supplementary State aid
9 reimbursement shall be paid to each receiving district equal to
10 the difference between the sum of the salaries earned by each
11 of the certificated members transferred to that receiving
12 district as a result of the deactivation while employed in the
13 sending district during the year immediately preceding the
14 deactivation and the sum of the salaries those certificated
15 members would have been paid during the year immediately
16 preceding the deactivation if placed on the salary schedule of
17 the sending or receiving district with the highest salary
18 schedule.

19 (6) The supplementary State aid reimbursement under this
20 subsection (b) shall be treated as separate from all other
21 payments made pursuant to Section 18-8.05 of this Code. In the
22 case of the formation of a new district or cooperative high
23 school or a deactivation, reimbursement shall begin during the
24 first year of operation of the new district or cooperative high
25 school or the first year of the deactivation, and in the case
26 of an annexation of the territory of one or more school

1 districts by one or more other school districts or the
2 annexation of territory detached from a school district whereby
3 the enrollment of the annexing district increases by 90% or
4 more as a result of the annexation, reimbursement shall begin
5 during the first year when the change in boundaries
6 attributable to the annexation becomes effective for all
7 purposes as determined pursuant to Section 7-9 of this Code,
8 except that for an annexation of territory detached from a
9 school district that is effective on or after July 1, 2004, but
10 before January 11, 2008 (the effective date of Public Act
11 95-707), whereby the enrollment of the annexing district
12 increases by 90% or more as a result of the annexation,
13 reimbursement shall begin during the fiscal year of January 11,
14 2008 (the effective date of Public Act 95-707). Each year that
15 the new, annexing, or receiving district or cooperative high
16 school, as the case may be, is entitled to receive
17 reimbursement, the number of eligible certified members who are
18 employed on October 1 in the district or cooperative high
19 school shall be certified to the State Board of Education on
20 prescribed forms by October 15 and payment shall be made on or
21 before November 15 of that year.

22 (c) (1) For the first year after the formation of a combined
23 school district, as defined in Section 11E-20 of this Code or a
24 unit district, as defined in Section 11E-25 of this Code, a
25 computation shall be made totaling each previously existing
26 district's audited fund balances in the educational fund,

1 working cash fund, operations and maintenance fund, and
2 transportation fund for the year ending June 30 prior to the
3 referendum for the creation of the new district. The new
4 district shall be paid supplementary State aid equal to the sum
5 of the differences between the deficit of the previously
6 existing district with the smallest deficit and the deficits of
7 each of the other previously existing districts.

8 (2) For the first year after the annexation of all of the
9 territory of one or more entire school districts by another
10 school district, as defined in Article 7 of this Code,
11 computations shall be made, for the year ending June 30 prior
12 to the date that the change of boundaries attributable to the
13 annexation is allowed by the affirmative decision issued by the
14 regional board of school trustees under Section 7-6 of this
15 Code, notwithstanding any effort to seek administrative review
16 of the decision, totaling the annexing district's and totaling
17 each annexed district's audited fund balances in their
18 respective educational, working cash, operations and
19 maintenance, and transportation funds. The annexing district
20 as constituted after the annexation shall be paid supplementary
21 State aid equal to the sum of the differences between the
22 deficit of whichever of the annexing or annexed districts as
23 constituted prior to the annexation had the smallest deficit
24 and the deficits of each of the other districts as constituted
25 prior to the annexation.

26 (3) For the first year after the annexation of all of the

1 territory of one or more entire school districts by 2 or more
2 other school districts, as defined by Article 7 of this Code,
3 computations shall be made, for the year ending June 30 prior
4 to the date that the change of boundaries attributable to the
5 annexation is allowed by the affirmative decision of the
6 regional board of school trustees under Section 7-6 of this
7 Code, notwithstanding any action for administrative review of
8 the decision, totaling each annexing and annexed district's
9 audited fund balances in their respective educational, working
10 cash, operations and maintenance, and transportation funds.
11 The annexing districts as constituted after the annexation
12 shall be paid supplementary State aid, allocated as provided in
13 this paragraph (3), in an aggregate amount equal to the sum of
14 the differences between the deficit of whichever of the
15 annexing or annexed districts as constituted prior to the
16 annexation had the smallest deficit and the deficits of each of
17 the other districts as constituted prior to the annexation. The
18 aggregate amount of the supplementary State aid payable under
19 this paragraph (3) shall be allocated between or among the
20 annexing districts as follows:

21 (A) the regional superintendent of schools for each
22 educational service region in which an annexed district is
23 located prior to the annexation shall certify to the State
24 Board of Education, on forms that it shall provide for that
25 purpose, the value of all taxable property in each annexed
26 district, as last equalized or assessed by the Department

1 of Revenue prior to the annexation, and the equalized
2 assessed value of each part of the annexed district that
3 was annexed to or included as a part of an annexing
4 district;

5 (B) using equalized assessed values as certified by the
6 regional superintendent of schools under clause (A) of this
7 paragraph (3), the combined audited fund balance deficit of
8 each annexed district as determined under this Section
9 shall be apportioned between or among the annexing
10 districts in the same ratio as the equalized assessed value
11 of that part of the annexed district that was annexed to or
12 included as a part of an annexing district bears to the
13 total equalized assessed value of the annexed district; and

14 (C) the aggregate supplementary State aid payment
15 under this paragraph (3) shall be allocated between or
16 among, and shall be paid to, the annexing districts in the
17 same ratio as the sum of the combined audited fund balance
18 deficit of each annexing district as constituted prior to
19 the annexation, plus all combined audited fund balance
20 deficit amounts apportioned to that annexing district
21 under clause (B) of this subsection, bears to the aggregate
22 of the combined audited fund balance deficits of all of the
23 annexing and annexed districts as constituted prior to the
24 annexation.

25 (4) For the new elementary districts and new high school
26 district formed through a school district conversion, as

1 defined in Section 11E-15 of this Code or the new elementary
2 district or districts and new combined high school - unit
3 district formed through a multi-unit conversion, as defined in
4 subsection (b) of Section 11E-30 of this Code, a computation
5 shall be made totaling each previously existing district's
6 audited fund balances in the educational fund, working cash
7 fund, operations and maintenance fund, and transportation fund
8 for the year ending June 30 prior to the referendum
9 establishing the new districts. In the first year of the new
10 districts, the State shall make a one-time supplementary
11 payment equal to the sum of the differences between the deficit
12 of the previously existing district with the smallest deficit
13 and the deficits of each of the other previously existing
14 districts. A district with a combined balance among the 4 funds
15 that is positive shall be considered to have a deficit of zero.
16 The supplementary payment shall be allocated among the newly
17 formed high school and elementary districts in the manner
18 provided by the petition for the formation of the districts, in
19 the form in which the petition is approved by the regional
20 superintendent of schools or State Superintendent of Education
21 under Section 11E-50 of this Code.

22 (5) For each newly created partial elementary unit
23 district, as defined in subsection (a) or (c) of Section 11E-30
24 of this Code, a computation shall be made totaling the audited
25 fund balances of each previously existing district that formed
26 the new partial elementary unit district in the educational

1 fund, working cash fund, operations and maintenance fund, and
2 transportation fund for the year ending June 30 prior to the
3 referendum for the formation of the partial elementary unit
4 district. In the first year of the new partial elementary unit
5 district, the State shall make a one-time supplementary payment
6 to the new district equal to the sum of the differences between
7 the deficit of the previously existing district with the
8 smallest deficit and the deficits of each of the other
9 previously existing districts. A district with a combined
10 balance among the 4 funds that is positive shall be considered
11 to have a deficit of zero.

12 (6) For an elementary opt-in as defined in subsection (d)
13 of Section 11E-30 of this Code, the deficit fund balance
14 incentive shall be computed in accordance with paragraph (5) of
15 this subsection (c) as if the opted-in elementary was included
16 in the optional elementary unit district at the optional
17 elementary unit district's original effective date. If the
18 calculation in this paragraph (6) is less than that calculated
19 in paragraph (5) of this subsection (c) at the optional
20 elementary unit district's original effective date, then no
21 adjustments may be made. If the calculation in this paragraph
22 (6) is more than that calculated in paragraph (5) of this
23 subsection (c) at the optional elementary unit district's
24 original effective date, then the excess must be paid as
25 follows:

26 (A) If the effective date for the elementary opt-in is

1 one year after the effective date for the optional
2 elementary unit district, 100% of the calculated excess
3 shall be paid to the optional elementary unit district in
4 the first year after the effective date of the elementary
5 opt-in.

6 (B) If the effective date for the elementary opt-in is
7 2 years after the effective date for the optional
8 elementary unit district, 75% of the calculated excess
9 shall be paid to the optional elementary unit district in
10 the first year after the effective date of the elementary
11 opt-in.

12 (C) If the effective date for the elementary opt-in is
13 3 years after the effective date for the optional
14 elementary unit district, 50% of the calculated excess
15 shall be paid to the optional elementary unit district in
16 the first year after the effective date of the elementary
17 opt-in.

18 (D) If the effective date for the elementary opt-in is
19 4 years after the effective date for the optional
20 elementary unit district, 25% of the calculated excess
21 shall be paid to the optional elementary unit district in
22 the first year after the effective date of the elementary
23 opt-in.

24 (E) If the effective date for the elementary opt-in is
25 5 years after the effective date for the optional
26 elementary unit district, the optional elementary unit

1 district is not eligible for any additional incentives due
2 to the elementary opt-in.

3 (6.5) For the first year after the annexation of territory
4 detached from another school district whereby the enrollment of
5 the annexing district increases by 90% or more as a result of
6 the annexation, a computation shall be made totaling the
7 audited fund balances of the district gaining territory and the
8 audited fund balances of the district losing territory in the
9 educational fund, working cash fund, operations and
10 maintenance fund, and transportation fund for the year ending
11 June 30 prior to the date that the change of boundaries
12 attributable to the annexation is allowed by the affirmative
13 decision of the regional board of school trustees under Section
14 7-6 of this Code, notwithstanding any action for administrative
15 review of the decision. The annexing district as constituted
16 after the annexation shall be paid supplementary State aid
17 equal to the difference between the deficit of whichever
18 district included in this calculation as constituted prior to
19 the annexation had the smallest deficit and the deficit of each
20 other district included in this calculation as constituted
21 prior to the annexation, multiplied by the ratio of equalized
22 assessed value of the territory detached to the total equalized
23 assessed value of the district losing territory. The regional
24 superintendent of schools for the educational service region in
25 which a district losing territory is located prior to the
26 annexation shall certify to the State Board of Education the

1 value of all taxable property in the district losing territory
2 and the value of all taxable property in the territory being
3 detached, as last equalized or assessed by the Department of
4 Revenue prior to the annexation. To be eligible for
5 supplementary State aid reimbursement under this Section, the
6 intergovernmental agreement to be submitted pursuant to
7 Section 7-14A of this Code must show that fund balances were
8 transferred from the district losing territory to the district
9 gaining territory in the annexation. The changes to this
10 Section made by Public Act 95-707 are intended to be
11 retroactive and applicable to any annexation taking effect on
12 or after July 1, 2004. For annexations that are eligible for
13 payments under this paragraph (6.5) and that are effective on
14 or after July 1, 2004, but before January 11, 2008 (the
15 effective date of Public Act 95-707), the required payment
16 under this paragraph (6.5) shall be paid in the fiscal year of
17 January 11, 2008 (the effective date of Public Act 95-707).

18 (7) For purposes of any calculation required under
19 paragraph (1), (2), (3), (4), (5), (6), or (6.5) of this
20 subsection (c), a district with a combined fund balance that is
21 positive shall be considered to have a deficit of zero. For
22 purposes of determining each district's audited fund balances
23 in its educational fund, working cash fund, operations and
24 maintenance fund, and transportation fund for the specified
25 year ending June 30, as provided in paragraphs (1), (2), (3),
26 (4), (5), (6), and (6.5) of this subsection (c), the balance of

1 each fund shall be deemed decreased by an amount equal to the
2 amount of the annual property tax theretofore levied in the
3 fund by the district for collection and payment to the district
4 during the calendar year in which the June 30 fell, but only to
5 the extent that the tax so levied in the fund actually was
6 received by the district on or before or comprised a part of
7 the fund on such June 30. For purposes of determining each
8 district's audited fund balances, a calculation shall be made
9 for each fund to determine the average for the 3 years prior to
10 the specified year ending June 30, as provided in paragraphs
11 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c),
12 of the district's expenditures in the categories "purchased
13 services", "supplies and materials", and "capital outlay", as
14 those categories are defined in rules of the State Board of
15 Education. If this 3-year average is less than the district's
16 expenditures in these categories for the specified year ending
17 June 30, as provided in paragraphs (1), (2), (3), (4), (5),
18 (6), and (6.5) of this subsection (c), then the 3-year average
19 shall be used in calculating the amounts payable under this
20 Section in place of the amounts shown in these categories for
21 the specified year ending June 30, as provided in paragraphs
22 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c).
23 Any deficit because of State aid not yet received may not be
24 considered in determining the June 30 deficits. The same basis
25 of accounting shall be used by all previously existing
26 districts and by all annexing or annexed districts, as

1 constituted prior to the annexation, in making any computation
2 required under paragraphs (1), (2), (3), (4), (5), (6), and
3 (6.5) of this subsection (c).

4 (8) The supplementary State aid payments under this
5 subsection (c) shall be treated as separate from all other
6 payments made pursuant to Section 18-8.05 of this Code.

7 (d)(1) Following the formation of a combined school
8 district, as defined in Section 11E-20 of this Code, a new unit
9 district, as defined in Section 11E-25 of this Code, a new
10 elementary district or districts and a new high school district
11 formed through a school district conversion, as defined in
12 Section 11E-15 of this Code, a new partial elementary unit
13 district, as defined in Section 11E-30 of this Code, or a new
14 elementary district or districts formed through a multi-unit
15 conversion, as defined in subsection (b) of Section 11E-30 of
16 this Code, or the annexation of all of the territory of one or
17 more entire school districts by one or more other school
18 districts, as defined in Article 7 of this Code, a
19 supplementary State aid reimbursement shall be paid for the
20 number of school years determined under the following table to
21 each new or annexing district equal to the sum of \$4,000 for
22 each certified employee who is employed by the district on a
23 full-time basis for the regular term of the school year:

24	Reorganized District's Rank	Reorganized District's Rank
25	by type of district (unit,	in Average Daily Attendance

	high school, elementary)	By Quintile		
	in Equalized Assessed Value			
	Per Pupil by Quintile			3rd, 4th,
		1st	2nd	or 5th
		Quintile	Quintile	Quintile
1	1st Quintile	1 year	1 year	1 year
2	2nd Quintile	1 year	2 years	2 years
3	3rd Quintile	2 years	3 years	3 years
4	4th Quintile	2 years	3 years	3 years
5	5th Quintile	2 years	3 years	3 years

12 The State Board of Education shall make a one-time calculation
 13 of a reorganized district's quintile ranks. The average daily
 14 attendance used in this calculation shall be the best 3 months'
 15 average daily attendance for the district's first year. The
 16 equalized assessed value per pupil shall be the district's real
 17 property equalized assessed value used in calculating the
 18 district's first-year general State aid claim, under Section
 19 18-8.05 of this Code, or first-year evidence-based funding
 20 claim, under Section 18-8.15 of this Code, as applicable,
 21 divided by the best 3 months' average daily attendance.

22 No annexing or resulting school district shall be entitled
 23 to supplementary State aid under this subsection (d) unless the
 24 district acquires at least 30% of the average daily attendance
 25 of the district from which the territory is being detached or

1 divided.

2 If a district results from multiple reorganizations that
3 would otherwise qualify the district for multiple payments
4 under this subsection (d) in any year, then the district shall
5 receive a single payment only for that year based solely on the
6 most recent reorganization.

7 (2) For an elementary opt-in, as defined in subsection (d)
8 of Section 11E-30 of this Code, the full-time certified staff
9 incentive shall be computed in accordance with paragraph (1) of
10 this subsection (d), equal to the sum of \$4,000 for each
11 certified employee of the elementary district that opts-in who
12 is employed by the optional elementary unit district on a
13 full-time basis for the regular term of the school year. The
14 calculation from this paragraph (2) must be paid as follows:

15 (A) If the effective date for the elementary opt-in is
16 one year after the effective date for the optional
17 elementary unit district, 100% of the amount calculated in
18 this paragraph (2) shall be paid to the optional elementary
19 unit district for the number of years calculated in
20 paragraph (1) of this subsection (d) at the optional
21 elementary unit district's original effective date,
22 starting in the second year after the effective date of the
23 elementary opt-in.

24 (B) If the effective date for the elementary opt-in is
25 2 years after the effective date for the optional
26 elementary unit district, 75% of the amount calculated in

1 this paragraph (2) shall be paid to the optional elementary
2 unit district for the number of years calculated in
3 paragraph (1) of this subsection (d) at the optional
4 elementary unit district's original effective date,
5 starting in the second year after the effective date of the
6 elementary opt-in.

7 (C) If the effective date for the elementary opt-in is
8 3 years after the effective date for the optional
9 elementary unit district, 50% of the amount calculated in
10 this paragraph (2) shall be paid to the optional elementary
11 unit district for the number of years calculated in
12 paragraph (1) of this subsection (d) at the optional
13 elementary unit district's original effective date,
14 starting in the second year after the effective date of the
15 elementary opt-in.

16 (D) If the effective date for the elementary opt-in is
17 4 years after the effective date for the optional
18 elementary unit district, 25% of the amount calculated in
19 this paragraph (2) shall be paid to the optional elementary
20 unit district for the number of years calculated in
21 paragraph (1) of this subsection (d) at the optional
22 elementary unit district's original effective date,
23 starting in the second year after the effective date of the
24 elementary opt-in.

25 (E) If the effective date for the elementary opt-in is
26 5 years after the effective date for the optional

1 elementary unit district, the optional elementary unit
2 district is not eligible for any additional incentives due
3 to the elementary opt-in.

4 (2.5) Following the formation of a cooperative high school
5 by 2 or more school districts under Section 10-22.22c of this
6 Code, a supplementary State aid reimbursement shall be paid for
7 3 school years to the cooperative high school equal to the sum
8 of \$4,000 for each certified employee who is employed by the
9 cooperative high school on a full-time basis for the regular
10 term of any such school year. If a cooperative high school
11 results from multiple agreements that would otherwise qualify
12 the cooperative high school for multiple payments under this
13 Section in any year, the cooperative high school shall receive
14 a single payment for that year based solely on the most recent
15 agreement.

16 (2.10) Following the annexation of territory detached from
17 another school district whereby the enrollment of the annexing
18 district increases 90% or more as a result of the annexation, a
19 supplementary State aid reimbursement shall be paid to the
20 annexing district equal to the sum of \$4,000 for each certified
21 employee who is employed by the annexing district on a
22 full-time basis and shall be calculated in accordance with
23 subsection (a) of this Section. To be eligible for
24 supplementary State aid reimbursement under this Section, the
25 intergovernmental agreement to be submitted pursuant to
26 Section 7-14A of this Code must show that certified staff

1 members were transferred from the control of the district
2 losing territory to the control of the district gaining
3 territory in the annexation. The changes to this Section made
4 by Public Act 95-707 are intended to be retroactive and
5 applicable to any annexation taking effect on or after July 1,
6 2004. For annexations that are eligible for payments under this
7 paragraph (2.10) and that are effective on or after July 1,
8 2004, but before January 11, 2008 (the effective date of Public
9 Act 95-707), the first required yearly payment under this
10 paragraph (2.10) shall be paid in the second fiscal year after
11 January 11, 2008 (the effective date of Public Act 95-707). Any
12 subsequent required yearly payments shall be paid in subsequent
13 fiscal years until the payment obligation under this paragraph
14 (2.10) is complete.

15 (2.15) Following the deactivation of a school facility in
16 accordance with Section 10-22.22b of this Code, a supplementary
17 State aid reimbursement shall be paid for the lesser of 3
18 school years or the length of the deactivation agreement,
19 including any renewals of the original deactivation agreement,
20 to each receiving school district equal to the sum of \$4,000
21 for each certified employee who is employed by that receiving
22 district on a full-time basis for the regular term of any such
23 school year who was originally transferred to the control of
24 that receiving district as a result of the deactivation.
25 Receiving districts are eligible for payments under this
26 paragraph (2.15) based on the certified employees transferred

1 to that receiving district as a result of the deactivation and
2 are not required to receive at least 30% of the deactivating
3 district's average daily attendance as required under
4 paragraph (1) of this subsection (d) to be eligible for
5 payments.

6 (3) The supplementary State aid reimbursement payable
7 under this subsection (d) shall be separate from and in
8 addition to all other payments made to the district pursuant to
9 any other Section of this Article.

10 (4) During May of each school year for which a
11 supplementary State aid reimbursement is to be paid to a new,
12 annexing, or receiving school district or cooperative high
13 school pursuant to this subsection (d), the school board or
14 governing board shall certify to the State Board of Education,
15 on forms furnished to the school board or governing board by
16 the State Board of Education for purposes of this subsection
17 (d), the number of certified employees for which the district
18 or cooperative high school is entitled to reimbursement under
19 this Section, together with the names, certificate numbers, and
20 positions held by the certified employees.

21 (5) Upon certification by the State Board of Education to
22 the State Comptroller of the amount of the supplementary State
23 aid reimbursement to which a school district or cooperative
24 high school is entitled under this subsection (d), the State
25 Comptroller shall draw his or her warrant upon the State
26 Treasurer for the payment thereof to the school district or

1 cooperative high school and shall promptly transmit the payment
2 to the school district or cooperative high school through the
3 appropriate school treasurer.

4 (Source: P.A. 95-331, eff. 8-21-07; 95-707, eff. 1-11-08;
5 95-903, eff. 8-25-08; 96-328, eff. 8-11-09.)

6 (105 ILCS 5/13A-8)

7 Sec. 13A-8. Funding.

8 (a) The State of Illinois shall provide funding for the
9 alternative school programs within each educational service
10 region and within the Chicago public school system by line item
11 appropriation made to the State Board of Education for that
12 purpose. This money, when appropriated, shall be provided to
13 the regional superintendent and to the Chicago Board of
14 Education, who shall establish a budget, including salaries,
15 for their alternative school programs. Each program shall
16 receive funding in the amount of \$30,000 plus an amount based
17 on the ratio of the region's or Chicago's best 3 months'
18 average daily attendance in grades pre-kindergarten through 12
19 to the statewide totals of these amounts. For purposes of this
20 calculation, the best 3 months' average daily attendance for
21 each region or Chicago shall be calculated by adding to the
22 best 3 months' average daily attendance the number of
23 low-income students identified in the most recently available
24 federal census multiplied by one-half times the percentage of
25 the region's or Chicago's low-income students to the State's

1 total low-income students. The State Board of Education shall
2 retain up to 1.1% of the appropriation to be used to provide
3 technical assistance, professional development, and
4 evaluations for the programs.

5 (a-5) Notwithstanding any other provisions of this
6 Section, for the 1998-1999 fiscal year, the total amount
7 distributed under subsection (a) for an alternative school
8 program shall be not less than the total amount that was
9 distributed under that subsection for that alternative school
10 program for the 1997-1998 fiscal year. If an alternative school
11 program is to receive a total distribution under subsection (a)
12 for the 1998-1999 fiscal year that is less than the total
13 distribution that the program received under that subsection
14 for the 1997-1998 fiscal year, that alternative school program
15 shall also receive, from a separate appropriation made for
16 purposes of this subsection (a-5), a supplementary payment
17 equal to the amount by which its total distribution under
18 subsection (a) for the 1997-1998 fiscal year exceeds the amount
19 of the total distribution that the alternative school program
20 receives under that subsection for the 1998-1999 fiscal year.
21 If the amount appropriated for supplementary payments to
22 alternative school programs under this subsection (a-5) is
23 insufficient for that purpose, those supplementary payments
24 shall be prorated among the alternative school programs
25 entitled to receive those supplementary payments according to
26 the aggregate amount of the appropriation made for purposes of

1 this subsection (a-5).

2 (b) An alternative school program shall be entitled to
3 receive general State aid as calculated in subsection (K) of
4 Section 18-8.05 or evidence-based funding as calculated in
5 subsection (g) of Section 18-8.15 upon filing a claim as
6 provided therein. Any time that a student who is enrolled in an
7 alternative school program spends in work-based learning,
8 community service, or a similar alternative educational
9 setting shall be included in determining the student's minimum
10 number of clock hours of daily school work that constitute a
11 day of attendance for purposes of calculating general State aid
12 or evidence-based funding.

13 (c) An alternative school program may receive additional
14 funding from its school districts in such amount as may be
15 agreed upon by the parties and necessary to support the
16 program. In addition, an alternative school program is
17 authorized to accept and expend gifts, legacies, and grants,
18 including but not limited to federal grants, from any source
19 for purposes directly related to the conduct and operation of
20 the program.

21 (Source: P.A. 89-383, eff. 8-18-95; 89-629, eff. 8-9-96;
22 89-636, eff. 8-9-96; 90-14, eff. 7-1-97; 90-283, eff. 7-31-97;
23 90-802, eff. 12-15-98.)

24 (105 ILCS 5/13B-20.20)

25 Sec. 13B-20.20. Enrollment in other programs. High school

1 equivalency testing preparation programs are not eligible for
2 funding under this Article. A student may enroll in a program
3 approved under Section 18-8.05 or 18-8.15 of this Code, as
4 appropriate, or attend both the alternative learning
5 opportunities program and the regular school program to enhance
6 student performance and facilitate on-time graduation.

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

8 (105 ILCS 5/13B-45)

9 Sec. 13B-45. Days and hours of attendance. An alternative
10 learning opportunities program shall provide students with at
11 least the minimum number of days of pupil attendance required
12 under Section 10-19 of this Code and the minimum number of
13 daily hours of school work required under Section 18-8.05 or
14 18-8.15 of this Code, provided that the State Board may approve
15 exceptions to these requirements if the program meets all of
16 the following conditions:

17 (1) The district plan submitted under Section
18 13B-25.15 of this Code establishes that a program providing
19 the required minimum number of days of attendance or daily
20 hours of school work would not serve the needs of the
21 program's students.

22 (2) Each day of attendance shall provide no fewer than
23 3 clock hours of school work, as defined under paragraph
24 (1) of subsection (F) of Section 18-8.05 of this Code.

25 (3) Each day of attendance that provides fewer than 5

1 clock hours of school work shall also provide supplementary
2 services, including without limitation work-based
3 learning, student assistance programs, counseling, case
4 management, health and fitness programs, or life-skills or
5 conflict resolution training, in order to provide a total
6 daily program to the student of 5 clock hours. A program
7 may claim general State aid or evidence-based funding for
8 up to 2 hours of the time each day that a student is
9 receiving supplementary services.

10 (4) Each program shall provide no fewer than 174 days
11 of actual pupil attendance during the school term; however,
12 approved evening programs that meet the requirements of
13 Section 13B-45 of this Code may offer less than 174 days of
14 actual pupil attendance during the school term.

15 (Source: P.A. 92-42, eff. 1-1-02.)

16 (105 ILCS 5/13B-50)

17 Sec. 13B-50. Eligibility to receive general State aid or
18 evidence-based funding. In order to receive general State aid
19 or evidence-based funding, alternative learning opportunities
20 programs must meet the requirements for claiming general State
21 aid as specified in Section 18-8.05 of this Code or
22 evidence-based funding as specified in Section 18-8.15 of this
23 Code, as applicable, with the exception of the length of the
24 instructional day, which may be less than 5 hours of school
25 work if the program meets the criteria set forth under Sections

1 13B-50.5 and 13B-50.10 of this Code and if the program is
2 approved by the State Board.

3 (Source: P.A. 92-42, eff. 1-1-02.)

4 (105 ILCS 5/13B-50.10)

5 Sec. 13B-50.10. Additional criteria for general State aid
6 or evidence-based funding. In order to claim general State aid
7 or evidence-based funding, an alternative learning
8 opportunities program must meet the following criteria:

9 (1) Teacher professional development plans should include
10 education in the instruction of at-risk students.

11 (2) Facilities must meet the health, life, and safety
12 requirements in this Code.

13 (3) The program must comply with all other State and
14 federal laws applicable to education providers.

15 (Source: P.A. 92-42, eff. 1-1-02.)

16 (105 ILCS 5/13B-50.15)

17 Sec. 13B-50.15. Level of funding. Approved alternative
18 learning opportunities programs are entitled to claim general
19 State aid or evidence-based funding, subject to Sections
20 13B-50, 13B-50.5, and 13B-50.10 of this Code. Approved programs
21 operated by regional offices of education are entitled to
22 receive general State aid at the foundation level of support. A
23 school district or consortium must ensure that an approved
24 program receives supplemental general State aid,

1 transportation reimbursements, and special education
2 resources, if appropriate, for students enrolled in the
3 program.

4 (Source: P.A. 92-42, eff. 1-1-02.)

5 (105 ILCS 5/14-7.02) (from Ch. 122, par. 14-7.02)

6 Sec. 14-7.02. Children attending private schools, public
7 out-of-state schools, public school residential facilities or
8 private special education facilities. The General Assembly
9 recognizes that non-public schools or special education
10 facilities provide an important service in the educational
11 system in Illinois.

12 If because of his or her disability the special education
13 program of a district is unable to meet the needs of a child
14 and the child attends a non-public school or special education
15 facility, a public out-of-state school or a special education
16 facility owned and operated by a county government unit that
17 provides special educational services required by the child and
18 is in compliance with the appropriate rules and regulations of
19 the State Superintendent of Education, the school district in
20 which the child is a resident shall pay the actual cost of
21 tuition for special education and related services provided
22 during the regular school term and during the summer school
23 term if the child's educational needs so require, excluding
24 room, board and transportation costs charged the child by that
25 non-public school or special education facility, public

1 out-of-state school or county special education facility, or
2 \$4,500 per year, whichever is less, and shall provide him any
3 necessary transportation. "Nonpublic special education
4 facility" shall include a residential facility, within or
5 without the State of Illinois, which provides special education
6 and related services to meet the needs of the child by
7 utilizing private schools or public schools, whether located on
8 the site or off the site of the residential facility.

9 The State Board of Education shall promulgate rules and
10 regulations for determining when placement in a private special
11 education facility is appropriate. Such rules and regulations
12 shall take into account the various types of services needed by
13 a child and the availability of such services to the particular
14 child in the public school. In developing these rules and
15 regulations the State Board of Education shall consult with the
16 Advisory Council on Education of Children with Disabilities and
17 hold public hearings to secure recommendations from parents,
18 school personnel, and others concerned about this matter.

19 The State Board of Education shall also promulgate rules
20 and regulations for transportation to and from a residential
21 school. Transportation to and from home to a residential school
22 more than once each school term shall be subject to prior
23 approval by the State Superintendent in accordance with the
24 rules and regulations of the State Board.

25 A school district making tuition payments pursuant to this
26 Section is eligible for reimbursement from the State for the

1 amount of such payments actually made in excess of the district
2 per capita tuition charge for students not receiving special
3 education services. Such reimbursement shall be approved in
4 accordance with Section 14-12.01 and each district shall file
5 its claims, computed in accordance with rules prescribed by the
6 State Board of Education, on forms prescribed by the State
7 Superintendent of Education. Data used as a basis of
8 reimbursement claims shall be for the preceding regular school
9 term and summer school term. Each school district shall
10 transmit its claims to the State Board of Education on or
11 before August 15. The State Board of Education, before
12 approving any such claims, shall determine their accuracy and
13 whether they are based upon services and facilities provided
14 under approved programs. Upon approval the State Board shall
15 cause vouchers to be prepared showing the amount due for
16 payment of reimbursement claims to school districts, for
17 transmittal to the State Comptroller on the 30th day of
18 September, December, and March, respectively, and the final
19 voucher, no later than June 20. If the money appropriated by
20 the General Assembly for such purpose for any year is
21 insufficient, it shall be apportioned on the basis of the
22 claims approved.

23 No child shall be placed in a special education program
24 pursuant to this Section if the tuition cost for special
25 education and related services increases more than 10 percent
26 over the tuition cost for the previous school year or exceeds

1 \$4,500 per year unless such costs have been approved by the
2 Illinois Purchased Care Review Board. The Illinois Purchased
3 Care Review Board shall consist of the following persons, or
4 their designees: the Directors of Children and Family Services,
5 Public Health, Public Aid, and the Governor's Office of
6 Management and Budget; the Secretary of Human Services; the
7 State Superintendent of Education; and such other persons as
8 the Governor may designate. The Review Board shall also consist
9 of one non-voting member who is an administrator of a private,
10 nonpublic, special education school. The Review Board shall
11 establish rules and regulations for its determination of
12 allowable costs and payments made by local school districts for
13 special education, room and board, and other related services
14 provided by non-public schools or special education facilities
15 and shall establish uniform standards and criteria which it
16 shall follow. The Review Board shall approve the usual and
17 customary rate or rates of a special education program that (i)
18 is offered by an out-of-state, non-public provider of
19 integrated autism specific educational and autism specific
20 residential services, (ii) offers 2 or more levels of
21 residential care, including at least one locked facility, and
22 (iii) serves 12 or fewer Illinois students.

23 The Review Board shall establish uniform definitions and
24 criteria for accounting separately by special education, room
25 and board and other related services costs. The Board shall
26 also establish guidelines for the coordination of services and

1 financial assistance provided by all State agencies to assure
2 that no otherwise qualified child with a disability receiving
3 services under Article 14 shall be excluded from participation
4 in, be denied the benefits of or be subjected to discrimination
5 under any program or activity provided by any State agency.

6 The Review Board shall review the costs for special
7 education and related services provided by non-public schools
8 or special education facilities and shall approve or disapprove
9 such facilities in accordance with the rules and regulations
10 established by it with respect to allowable costs.

11 The State Board of Education shall provide administrative
12 and staff support for the Review Board as deemed reasonable by
13 the State Superintendent of Education. This support shall not
14 include travel expenses or other compensation for any Review
15 Board member other than the State Superintendent of Education.

16 The Review Board shall seek the advice of the Advisory
17 Council on Education of Children with Disabilities on the rules
18 and regulations to be promulgated by it relative to providing
19 special education services.

20 If a child has been placed in a program in which the actual
21 per pupil costs of tuition for special education and related
22 services based on program enrollment, excluding room, board and
23 transportation costs, exceed \$4,500 and such costs have been
24 approved by the Review Board, the district shall pay such total
25 costs which exceed \$4,500. A district making such tuition
26 payments in excess of \$4,500 pursuant to this Section shall be

1 responsible for an amount in excess of \$4,500 equal to the
2 district per capita tuition charge and shall be eligible for
3 reimbursement from the State for the amount of such payments
4 actually made in excess of the districts per capita tuition
5 charge for students not receiving special education services.

6 If a child has been placed in an approved individual
7 program and the tuition costs including room and board costs
8 have been approved by the Review Board, then such room and
9 board costs shall be paid by the appropriate State agency
10 subject to the provisions of Section 14-8.01 of this Act. Room
11 and board costs not provided by a State agency other than the
12 State Board of Education shall be provided by the State Board
13 of Education on a current basis. In no event, however, shall
14 the State's liability for funding of these tuition costs begin
15 until after the legal obligations of third party payors have
16 been subtracted from such costs. If the money appropriated by
17 the General Assembly for such purpose for any year is
18 insufficient, it shall be apportioned on the basis of the
19 claims approved. Each district shall submit estimated claims to
20 the State Superintendent of Education. Upon approval of such
21 claims, the State Superintendent of Education shall direct the
22 State Comptroller to make payments on a monthly basis. The
23 frequency for submitting estimated claims and the method of
24 determining payment shall be prescribed in rules and
25 regulations adopted by the State Board of Education. Such
26 current state reimbursement shall be reduced by an amount equal

1 to the proceeds which the child or child's parents are eligible
2 to receive under any public or private insurance or assistance
3 program. Nothing in this Section shall be construed as
4 relieving an insurer or similar third party from an otherwise
5 valid obligation to provide or to pay for services provided to
6 a child with a disability.

7 If it otherwise qualifies, a school district is eligible
8 for the transportation reimbursement under Section 14-13.01
9 and for the reimbursement of tuition payments under this
10 Section whether the non-public school or special education
11 facility, public out-of-state school or county special
12 education facility, attended by a child who resides in that
13 district and requires special educational services, is within
14 or outside of the State of Illinois. However, a district is not
15 eligible to claim transportation reimbursement under this
16 Section unless the district certifies to the State
17 Superintendent of Education that the district is unable to
18 provide special educational services required by the child for
19 the current school year.

20 Nothing in this Section authorizes the reimbursement of a
21 school district for the amount paid for tuition of a child
22 attending a non-public school or special education facility,
23 public out-of-state school or county special education
24 facility unless the school district certifies to the State
25 Superintendent of Education that the special education program
26 of that district is unable to meet the needs of that child

1 because of his disability and the State Superintendent of
2 Education finds that the school district is in substantial
3 compliance with Section 14-4.01. However, if a child is
4 unilaterally placed by a State agency or any court in a
5 non-public school or special education facility, public
6 out-of-state school, or county special education facility, a
7 school district shall not be required to certify to the State
8 Superintendent of Education, for the purpose of tuition
9 reimbursement, that the special education program of that
10 district is unable to meet the needs of a child because of his
11 or her disability.

12 Any educational or related services provided, pursuant to
13 this Section in a non-public school or special education
14 facility or a special education facility owned and operated by
15 a county government unit shall be at no cost to the parent or
16 guardian of the child. However, current law and practices
17 relative to contributions by parents or guardians for costs
18 other than educational or related services are not affected by
19 this amendatory Act of 1978.

20 Reimbursement for children attending public school
21 residential facilities shall be made in accordance with the
22 provisions of this Section.

23 Notwithstanding any other provision of law, any school
24 district receiving a payment under this Section or under
25 Section 14-7.02b, 14-13.01, or 29-5 of this Code may classify
26 all or a portion of the funds that it receives in a particular

1 fiscal year or from general State aid pursuant to Section
2 18-8.05 of this Code as funds received in connection with any
3 funding program for which it is entitled to receive funds from
4 the State in that fiscal year (including, without limitation,
5 any funding program referenced in this Section), regardless of
6 the source or timing of the receipt. The district may not
7 classify more funds as funds received in connection with the
8 funding program than the district is entitled to receive in
9 that fiscal year for that program. Any classification by a
10 district must be made by a resolution of its board of
11 education. The resolution must identify the amount of any
12 payments or general State aid to be classified under this
13 paragraph and must specify the funding program to which the
14 funds are to be treated as received in connection therewith.
15 This resolution is controlling as to the classification of
16 funds referenced therein. A certified copy of the resolution
17 must be sent to the State Superintendent of Education. The
18 resolution shall still take effect even though a copy of the
19 resolution has not been sent to the State Superintendent of
20 Education in a timely manner. No classification under this
21 paragraph by a district shall affect the total amount or timing
22 of money the district is entitled to receive under this Code.
23 No classification under this paragraph by a district shall in
24 any way relieve the district from or affect any requirements
25 that otherwise would apply with respect to that funding
26 program, including any accounting of funds by source, reporting

1 expenditures by original source and purpose, reporting
2 requirements, or requirements of providing services.

3 Notwithstanding anything to the contrary contained in this
4 Section, the State Board of Education shall award to a school
5 district having a population exceeding 500,000 inhabitants
6 48.4% of the funds appropriated by the General Assembly for any
7 fiscal year for purposes of payments to school districts under
8 this Section.

9 (Source: P.A. 98-636, eff. 6-6-14; 98-1008, eff. 1-1-15; 99-78,
10 eff. 7-20-15; 99-143, eff. 7-27-15.)

11 (105 ILCS 5/14-7.02b)

12 Sec. 14-7.02b. Funding for children requiring special
13 education services. Payments to school districts for children
14 requiring special education services documented in their
15 individualized education program regardless of the program
16 from which these services are received, excluding children
17 claimed under Sections 14-7.02 and 14-7.03 of this Code, shall
18 be made in accordance with this Section. Funds received under
19 this Section may be used only for the provision of special
20 educational facilities and services as defined in Section
21 14-1.08 of this Code.

22 The appropriation for fiscal year 2005 through fiscal year
23 2017 ~~and thereafter~~ shall be based upon the IDEA child count of
24 all students in the State, excluding students claimed under
25 Sections 14-7.02 and 14-7.03 of this Code, on December 1 of the

1 fiscal year 2 years preceding, multiplied by 17.5% of the
2 general State aid foundation level of support established for
3 that fiscal year under Section 18-8.05 of this Code.

4 Beginning with fiscal year 2005 and through fiscal year
5 2007, individual school districts shall not receive payments
6 under this Section totaling less than they received under the
7 funding authorized under Section 14-7.02a of this Code during
8 fiscal year 2004, pursuant to the provisions of Section
9 14-7.02a as they were in effect before the effective date of
10 this amendatory Act of the 93rd General Assembly. This base
11 level funding shall be computed first.

12 Beginning with fiscal year 2008 through fiscal year 2017
13 ~~and each fiscal year thereafter~~, individual school districts
14 must not receive payments under this Section totaling less than
15 they received in fiscal year 2007. This funding shall be
16 computed last and shall be a separate calculation from any
17 other calculation set forth in this Section. This amount is
18 exempt from the requirements of Section 1D-1 of this Code.

19 Through fiscal year 2017, an ~~An~~ amount equal to 85% of the
20 funds remaining in the appropriation shall be allocated to
21 school districts based upon the district's average daily
22 attendance reported for purposes of Section 18-8.05 of this
23 Code for the preceding school year. Fifteen percent of the
24 funds remaining in the appropriation shall be allocated to
25 school districts based upon the district's low income eligible
26 pupil count used in the calculation of general State aid under

1 Section 18-8.05 of this Code for the same fiscal year. One
2 hundred percent of the funds computed and allocated to
3 districts under this Section shall be distributed and paid to
4 school districts.

5 For individual students with disabilities whose program
6 costs exceed 4 times the district's per capita tuition rate as
7 calculated under Section 10-20.12a of this Code, the costs in
8 excess of 4 times the district's per capita tuition rate shall
9 be paid by the State Board of Education from unexpended IDEA
10 discretionary funds originally designated for room and board
11 reimbursement pursuant to Section 14-8.01 of this Code. The
12 amount of tuition for these children shall be determined by the
13 actual cost of maintaining classes for these children, using
14 the per capita cost formula set forth in Section 14-7.01 of
15 this Code, with the program and cost being pre-approved by the
16 State Superintendent of Education. Reimbursement for
17 individual students with disabilities whose program costs
18 exceed 4 times the district's per capita tuition rate shall be
19 claimed beginning with costs encumbered for the 2004-2005
20 school year and thereafter.

21 The State Board of Education shall prepare vouchers equal
22 to one-fourth the amount allocated to districts, for
23 transmittal to the State Comptroller on the 30th day of
24 September, December, and March, respectively, and the final
25 voucher, no later than June 20. The Comptroller shall make
26 payments pursuant to this Section to school districts as soon

1 as possible after receipt of vouchers. If the money
2 appropriated from the General Assembly for such purposes for
3 any year is insufficient, it shall be apportioned on the basis
4 of the payments due to school districts.

5 Nothing in this Section shall be construed to decrease or
6 increase the percentage of all special education funds that are
7 allocated annually under Article 1D of this Code or to alter
8 the requirement that a school district provide special
9 education services.

10 Nothing in this amendatory Act of the 93rd General Assembly
11 shall eliminate any reimbursement obligation owed as of the
12 effective date of this amendatory Act of the 93rd General
13 Assembly to a school district with in excess of 500,000
14 inhabitants.

15 Except for reimbursement for individual students with
16 disabilities whose program costs exceed 4 times the district's
17 per capita tuition rate, no funding shall be provided to school
18 districts under this Section after fiscal year 2017.

19 (Source: P.A. 93-1022, eff. 8-24-08; 95-705, eff. 1-8-08.)

20 (105 ILCS 5/14-7.03) (from Ch. 122, par. 14-7.03)

21 Sec. 14-7.03. Special Education Classes for Children from
22 Orphanages, Foster Family Homes, Children's Homes, or in State
23 Housing Units. If a school district maintains special education
24 classes on the site of orphanages and children's homes, or if
25 children from the orphanages, children's homes, foster family

1 homes, other State agencies, or State residential units for
2 children attend classes for children with disabilities in which
3 the school district is a participating member of a joint
4 agreement, or if the children from the orphanages, children's
5 homes, foster family homes, other State agencies, or State
6 residential units attend classes for the children with
7 disabilities maintained by the school district, then
8 reimbursement shall be paid to eligible districts in accordance
9 with the provisions of this Section by the Comptroller as
10 directed by the State Superintendent of Education.

11 The amount of tuition for such children shall be determined
12 by the actual cost of maintaining such classes, using the per
13 capita cost formula set forth in Section 14-7.01, such program
14 and cost to be pre-approved by the State Superintendent of
15 Education.

16 If a school district makes a claim for reimbursement under
17 Section 18-3 or 18-4 of this Act it shall not include in any
18 claim filed under this Section a claim for such children.
19 Payments authorized by law, including State or federal grants
20 for education of children included in this Section, shall be
21 deducted in determining the tuition amount.

22 Nothing in this Act shall be construed so as to prohibit
23 reimbursement for the tuition of children placed in for profit
24 facilities. Private facilities shall provide adequate space at
25 the facility for special education classes provided by a school
26 district or joint agreement for children with disabilities who

1 are residents of the facility at no cost to the school district
2 or joint agreement upon request of the school district or joint
3 agreement. If such a private facility provides space at no cost
4 to the district or joint agreement for special education
5 classes provided to children with disabilities who are
6 residents of the facility, the district or joint agreement
7 shall not include any costs for the use of those facilities in
8 its claim for reimbursement.

9 Reimbursement for tuition may include the cost of providing
10 summer school programs for children with severe and profound
11 disabilities served under this Section. Claims for that
12 reimbursement shall be filed by November 1 and shall be paid on
13 or before December 15 from appropriations made for the purposes
14 of this Section.

15 The State Board of Education shall establish such rules and
16 regulations as may be necessary to implement the provisions of
17 this Section.

18 Claims filed on behalf of programs operated under this
19 Section housed in a jail, detention center, or county-owned
20 shelter care facility shall be on an individual student basis
21 only for eligible students with disabilities. These claims
22 shall be in accordance with applicable rules.

23 Each district claiming reimbursement for a program
24 operated as a group program shall have an approved budget on
25 file with the State Board of Education prior to the initiation
26 of the program's operation. On September 30, December 31, and

1 March 31, the State Board of Education shall voucher payments
2 to group programs based upon the approved budget during the
3 year of operation. Final claims for group payments shall be
4 filed on or before July 15. Final claims for group programs
5 received at the State Board of Education on or before June 15
6 shall be vouchered by June 30. Final claims received at the
7 State Board of Education between June 16 and July 15 shall be
8 vouchered by August 30. Claims for group programs received
9 after July 15 shall not be honored.

10 Each district claiming reimbursement for individual
11 students shall have the eligibility of those students verified
12 by the State Board of Education. On September 30, December 31,
13 and March 31, the State Board of Education shall voucher
14 payments for individual students based upon an estimated cost
15 calculated from the prior year's claim. Final claims for
16 individual students for the regular school term must be
17 received at the State Board of Education by July 15. Claims for
18 individual students received after July 15 shall not be
19 honored. Final claims for individual students shall be
20 vouchered by August 30.

21 Reimbursement shall be made based upon approved group
22 programs or individual students. The State Superintendent of
23 Education shall direct the Comptroller to pay a specified
24 amount to the district by the 30th day of September, December,
25 March, June, or August, respectively. However, notwithstanding
26 any other provisions of this Section or the School Code,

1 beginning with fiscal year 1994 and each fiscal year
2 thereafter, if the amount appropriated for any fiscal year is
3 less than the amount required for purposes of this Section, the
4 amount required to eliminate any insufficient reimbursement
5 for each district claim under this Section shall be reimbursed
6 on August 30 of the next fiscal year. Payments required to
7 eliminate any insufficiency for prior fiscal year claims shall
8 be made before any claims are paid for the current fiscal year.

9 The claim of a school district otherwise eligible to be
10 reimbursed in accordance with Section 14-12.01 for the 1976-77
11 school year but for this amendatory Act of 1977 shall not be
12 paid unless the district ceases to maintain such classes for
13 one entire school year.

14 If a school district's current reimbursement payment for
15 the 1977-78 school year only is less than the prior year's
16 reimbursement payment owed, the district shall be paid the
17 amount of the difference between the payments in addition to
18 the current reimbursement payment, and the amount so paid shall
19 be subtracted from the amount of prior year's reimbursement
20 payment owed to the district.

21 Regional superintendents may operate special education
22 classes for children from orphanages, foster family homes,
23 children's homes or State housing units located within the
24 educational services region upon consent of the school board
25 otherwise so obligated. In electing to assume the powers and
26 duties of a school district in providing and maintaining such a

1 special education program, the regional superintendent may
2 enter into joint agreements with other districts and may
3 contract with public or private schools or the orphanage,
4 foster family home, children's home or State housing unit for
5 provision of the special education program. The regional
6 superintendent exercising the powers granted under this
7 Section shall claim the reimbursement authorized by this
8 Section directly from the State Board of Education.

9 Any child who is not a resident of Illinois who is placed
10 in a child welfare institution, private facility, foster family
11 home, State operated program, orphanage or children's home
12 shall have the payment for his educational tuition and any
13 related services assured by the placing agent.

14 For each student with a disability who is placed in a
15 residential facility by an Illinois public agency or by any
16 court in this State, the costs for educating the student are
17 eligible for reimbursement under this Section.

18 The district of residence of the student with a disability
19 as defined in Section 14-1.11a is responsible for the actual
20 costs of the student's special education program and is
21 eligible for reimbursement under this Section when placement is
22 made by a State agency or the courts.

23 When a dispute arises over the determination of the
24 district of residence under this Section, the district or
25 districts may appeal the decision in writing to the State
26 Superintendent of Education, who, upon review of materials

1 submitted and any other items or information he or she may
2 request for submission, shall issue a written decision on the
3 matter. The decision of the State Superintendent of Education
4 shall be final.

5 In the event a district does not make a tuition payment to
6 another district that is providing the special education
7 program and services, the State Board of Education shall
8 immediately withhold 125% of the then remaining annual tuition
9 cost from the State aid or categorical aid payment due to the
10 school district that is determined to be the resident school
11 district. All funds withheld by the State Board of Education
12 shall immediately be forwarded to the school district where the
13 student is being served.

14 When a child eligible for services under this Section
15 14-7.03 must be placed in a nonpublic facility, that facility
16 shall meet the programmatic requirements of Section 14-7.02 and
17 its regulations, and the educational services shall be funded
18 only in accordance with this Section 14-7.03.

19 Notwithstanding anything to the contrary contained in this
20 Section, the State Board of Education shall award to a school
21 district having a population exceeding 500,000 inhabitants
22 35.8% of the funds appropriated by the General Assembly for any
23 fiscal year for purposes of payment of claims of special
24 education orphanage tuition under this Section.

25 (Source: P.A. 98-739, eff. 7-16-14; 99-143, eff. 7-27-15.)

1 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

2 Sec. 14-13.01. Reimbursement payable by State; amounts for
3 personnel and transportation.

4 (a) Through fiscal year 2017, for ~~For~~ staff working on
5 behalf of children who have not been identified as eligible for
6 special education and for eligible children with physical
7 disabilities, including all eligible children whose placement
8 has been determined under Section 14-8.02 in hospital or home
9 instruction, 1/2 of the teacher's salary but not more than
10 \$1,000 annually per child or \$9,000 per teacher, whichever is
11 less.

12 (a-5) A child qualifies for home or hospital instruction if
13 it is anticipated that, due to a medical condition, the child
14 will be unable to attend school, and instead must be instructed
15 at home or in the hospital, for a period of 2 or more
16 consecutive weeks or on an ongoing intermittent basis. For
17 purposes of this Section, "ongoing intermittent basis" means
18 that the child's medical condition is of such a nature or
19 severity that it is anticipated that the child will be absent
20 from school due to the medical condition for periods of at
21 least 2 days at a time multiple times during the school year
22 totaling at least 10 days or more of absences. There shall be
23 no requirement that a child be absent from school a minimum
24 number of days before the child qualifies for home or hospital
25 instruction. In order to establish eligibility for home or
26 hospital services, a student's parent or guardian must submit

1 to the child's school district of residence a written statement
2 from a physician licensed to practice medicine in all of its
3 branches stating the existence of such medical condition, the
4 impact on the child's ability to participate in education, and
5 the anticipated duration or nature of the child's absence from
6 school. Home or hospital instruction may commence upon receipt
7 of a written physician's statement in accordance with this
8 Section, but instruction shall commence not later than 5 school
9 days after the school district receives the physician's
10 statement. Special education and related services required by
11 the child's IEP or services and accommodations required by the
12 child's federal Section 504 plan must be implemented as part of
13 the child's home or hospital instruction, unless the IEP team
14 or federal Section 504 plan team determines that modifications
15 are necessary during the home or hospital instruction due to
16 the child's condition.

17 (a-10) Through fiscal year 2017, eligible ~~Eligible~~
18 children to be included in any reimbursement under this
19 paragraph must regularly receive a minimum of one hour of
20 instruction each school day, or in lieu thereof of a minimum of
21 5 hours of instruction in each school week in order to qualify
22 for full reimbursement under this Section. If the attending
23 physician for such a child has certified that the child should
24 not receive as many as 5 hours of instruction in a school week,
25 however, reimbursement under this paragraph on account of that
26 child shall be computed proportionate to the actual hours of

1 instruction per week for that child divided by 5.

2 (a-15) The State Board of Education shall establish rules
3 governing the required qualifications of staff providing home
4 or hospital instruction.

5 (b) For children described in Section 14-1.02, 80% of the
6 cost of transportation approved as a related service in the
7 Individualized Education Program for each student in order to
8 take advantage of special educational facilities.
9 Transportation costs shall be determined in the same fashion as
10 provided in Section 29-5 of this Code, provided that,
11 notwithstanding anything to the contrary contained in this
12 subsection (b) or Section 29-5 of this Code, the State Board of
13 Education shall award to a school district having a population
14 exceeding 500,000 inhabitants 30.7% of the funds appropriated
15 by the General Assembly for any fiscal year for purposes of
16 payment of transportation cost claims under this subsection
17 (b). For purposes of this subsection (b), the dates for
18 processing claims specified in Section 29-5 shall apply.

19 (c) Through fiscal year 2017, for ~~For~~ each qualified
20 worker, the annual sum of \$9,000.

21 (d) Through fiscal year 2017, for ~~For~~ one full time
22 qualified director of the special education program of each
23 school district which maintains a fully approved program of
24 special education the annual sum of \$9,000. Districts
25 participating in a joint agreement special education program
26 shall not receive such reimbursement if reimbursement is made

1 for a director of the joint agreement program.

2 (e) (Blank).

3 (f) (Blank).

4 (g) Through fiscal year 2017, for ~~For~~ readers, working with
5 blind or partially seeing children 1/2 of their salary but not
6 more than \$400 annually per child. Readers may be employed to
7 assist such children and shall not be required to be certified
8 but prior to employment shall meet standards set up by the
9 State Board of Education.

10 (h) Through fiscal year 2017, for ~~For~~ non-certified
11 employees, as defined by rules promulgated by the State Board
12 of Education, who deliver services to students with IEPs, 1/2
13 of the salary paid or \$3,500 per employee, whichever is less.

14 (i) The State Board of Education shall set standards and
15 prescribe rules for determining the allocation of
16 reimbursement under this section on less than a full time basis
17 and for less than a school year.

18 When any school district eligible for reimbursement under
19 this Section operates a school or program approved by the State
20 Superintendent of Education for a number of days in excess of
21 the adopted school calendar but not to exceed 235 school days,
22 such reimbursement shall be increased by 1/180 of the amount or
23 rate paid hereunder for each day such school is operated in
24 excess of 180 days per calendar year.

25 Notwithstanding any other provision of law, any school
26 district receiving a payment under this Section or under

1 Section 14-7.02, 14-7.02b, or 29-5 of this Code may classify
2 all or a portion of the funds that it receives in a particular
3 fiscal year or from evidence-based funding ~~general State aid~~
4 pursuant to Section 18-8.15 ~~18-8.05~~ of this Code as funds
5 received in connection with any funding program for which it is
6 entitled to receive funds from the State in that fiscal year
7 (including, without limitation, any funding program referenced
8 in this Section), regardless of the source or timing of the
9 receipt. The district may not classify more funds as funds
10 received in connection with the funding program than the
11 district is entitled to receive in that fiscal year for that
12 program. Any classification by a district must be made by a
13 resolution of its board of education. The resolution must
14 identify the amount of any payments or evidence-based funding
15 ~~general State aid~~ to be classified under this paragraph and
16 must specify the funding program to which the funds are to be
17 treated as received in connection therewith. This resolution is
18 controlling as to the classification of funds referenced
19 therein. A certified copy of the resolution must be sent to the
20 State Superintendent of Education. The resolution shall still
21 take effect even though a copy of the resolution has not been
22 sent to the State Superintendent of Education in a timely
23 manner. No classification under this paragraph by a district
24 shall affect the total amount or timing of money the district
25 is entitled to receive under this Code. No classification under
26 this paragraph by a district shall in any way relieve the

1 district from or affect any requirements that otherwise would
2 apply with respect to that funding program, including any
3 accounting of funds by source, reporting expenditures by
4 original source and purpose, reporting requirements, or
5 requirements of providing services.

6 (Source: P.A. 96-257, eff. 8-11-09; 97-123, eff. 7-14-11.)

7 (105 ILCS 5/14C-1) (from Ch. 122, par. 14C-1)

8 Sec. 14C-1. The General Assembly finds that there are large
9 numbers of children in this State who come from environments
10 where the primary language is other than English. Experience
11 has shown that public school classes in which instruction is
12 given only in English are often inadequate for the education of
13 children whose native tongue is another language. The General
14 Assembly believes that a program of transitional bilingual
15 education can meet the needs of these children and facilitate
16 their integration into the regular public school curriculum.
17 Therefore, pursuant to the policy of this State to ensure equal
18 educational opportunity to every child, and in recognition of
19 the educational needs of English learners, it is the purpose of
20 this Act to provide for the establishment of transitional
21 bilingual education programs in the public schools, to provide
22 supplemental financial assistance through fiscal year 2017 to
23 help local school districts meet the extra costs of such
24 programs, and to allow this State through the State Board of
25 Education to directly or indirectly provide technical

1 assistance and professional development to support
2 transitional bilingual education or a transitional program of
3 instruction programs statewide through contractual services by
4 a not-for-profit entity for technical assistance, professional
5 development, and other support to school districts and
6 educators for services for English learner pupils. In no case
7 may aggregate funding for contractual services by a
8 not-for-profit entity for support to school districts and
9 educators for services for English learner pupils be less than
10 the aggregate amount expended for such purposes in Fiscal Year
11 2017. Not-for-profit entities providing support to school
12 districts and educators for services for English learner pupils
13 must have experience providing those services in a school
14 district having a population exceeding 500,000; one or more
15 school districts in any of the counties of Lake, McHenry,
16 DuPage, Kane, and Will; and one or more school districts
17 elsewhere in this State. Funding for not-for-profit entities
18 providing support to school districts and educators for
19 services for English learner pupils may be increased subject to
20 an agreement with the State Board of Education. Funding for
21 not-for-profit entities providing support to school districts
22 and educators for services for English learner pupils shall
23 come from funds allocated pursuant to Section 18-8.15 of this
24 Code.

25 (Source: P.A. 99-30, eff. 7-10-15.)

1 (105 ILCS 5/14C-12) (from Ch. 122, par. 14C-12)

2 Sec. 14C-12. Account of expenditures; Cost report;
3 Reimbursement. Each school district with at least one English
4 learner shall keep an accurate, detailed and separate account
5 of all monies paid out by it for the programs in transitional
6 bilingual education required or permitted by this Article,
7 including transportation costs, and shall annually report
8 thereon for the school year ending June 30 indicating the
9 average per pupil expenditure. Through fiscal year 2017, each
10 ~~Each~~ school district shall be reimbursed for the amount by
11 which such costs exceed the average per pupil expenditure by
12 such school district for the education of children of
13 comparable age who are not in any special education program. No
14 funding shall be provided to school districts under this
15 Section after fiscal year 2017. In fiscal year 2018 and each
16 fiscal year thereafter, all funding received by a school
17 district from the State pursuant to Section 18-8.15 of this
18 Code that is attributable to instructions, supports, and
19 interventions for English learner pupils must be used for
20 programs and services authorized under this Article. At least
21 60% of transitional bilingual education funding received from
22 the State must be used for the instructional costs of programs
23 and services authorized under this Article ~~transitional~~
24 ~~bilingual education.~~

25 Applications for preapproval ~~for reimbursement~~ for costs
26 of transitional bilingual education programs must be submitted

1 to the State Superintendent of Education at least 60 days
2 before a transitional bilingual education program is started,
3 unless a justifiable exception is granted by the State
4 Superintendent of Education. Applications shall set forth a
5 plan for transitional bilingual education established and
6 maintained in accordance with this Article.

7 Through fiscal year 2017, reimbursement ~~Reimbursement~~
8 claims for transitional bilingual education programs shall be
9 made as follows:

10 Each school district shall claim reimbursement on a current
11 basis for the first 3 quarters of the fiscal year and file a
12 final adjusted claim for the school year ended June 30
13 preceding computed in accordance with rules prescribed by the
14 State Superintendent's Office. The State Superintendent of
15 Education before approving any such claims shall determine
16 their accuracy and whether they are based upon services and
17 facilities provided under approved programs. Upon approval he
18 shall transmit to the Comptroller the vouchers showing the
19 amounts due for school district reimbursement claims. Upon
20 receipt of the final adjusted claims the State Superintendent
21 of Education shall make a final determination of the accuracy
22 of such claims. If the money appropriated by the General
23 Assembly for such purpose for any year is insufficient, it
24 shall be apportioned on the basis of the claims approved.

25 Failure on the part of the school district to prepare and
26 certify the final adjusted claims due under this Section may

1 constitute a forfeiture by the school district of its right to
2 be reimbursed by the State under this Section.

3 (Source: P.A. 96-1170, eff. 1-1-11.)

4 (105 ILCS 5/17-1) (from Ch. 122, par. 17-1)

5 Sec. 17-1. Annual Budget. The board of education of each
6 school district under 500,000 inhabitants shall, within or
7 before the first quarter of each fiscal year, adopt and file
8 with the State Board of Education an annual balanced budget
9 which it deems necessary to defray all necessary expenses and
10 liabilities of the district, and in such annual budget shall
11 specify the objects and purposes of each item and amount needed
12 for each object or purpose.

13 The budget shall be entered upon a School District Budget
14 form prepared and provided by the State Board of Education and
15 therein shall contain a statement of the cash on hand at the
16 beginning of the fiscal year, an estimate of the cash expected
17 to be received during such fiscal year from all sources, an
18 estimate of the expenditures contemplated for such fiscal year,
19 and a statement of the estimated cash expected to be on hand at
20 the end of such year. The estimate of taxes to be received may
21 be based upon the amount of actual cash receipts that may
22 reasonably be expected by the district during such fiscal year,
23 estimated from the experience of the district in prior years
24 and with due regard for other circumstances that may
25 substantially affect such receipts. Nothing in this Section

1 shall be construed as requiring any district to change or
2 preventing any district from changing from a cash basis of
3 financing to a surplus or deficit basis of financing; or as
4 requiring any district to change or preventing any district
5 from changing its system of accounting. The budget shall
6 conform to the requirements adopted by the State Board of
7 Education pursuant to Section 2-3.28 of this Code.

8 To the extent that a school district's budget is not
9 balanced, the district shall also adopt and file with the State
10 Board of Education a deficit reduction plan to balance the
11 district's budget within 3 years. The deficit reduction plan
12 must be filed at the same time as the budget, but the State
13 Superintendent of Education may extend this deadline if the
14 situation warrants.

15 If, as the result of an audit performed in compliance with
16 Section 3-7 of this Code, the resulting Annual Financial Report
17 required to be submitted pursuant to Section 3-15.1 of this
18 Code reflects a deficit as defined for purposes of the
19 preceding paragraph, then the district shall, within 30 days
20 after acceptance of such audit report, submit a deficit
21 reduction plan.

22 The board of education of each district shall fix a fiscal
23 year therefor. If the beginning of the fiscal year of a
24 district is subsequent to the time that the tax levy due to be
25 made in such fiscal year shall be made, then such annual budget
26 shall be adopted prior to the time such tax levy shall be made.

1 The failure by a board of education of any district to adopt an
2 annual budget, or to comply in any respect with the provisions
3 of this Section, shall not affect the validity of any tax levy
4 of the district otherwise in conformity with the law. With
5 respect to taxes levied either before, on, or after the
6 effective date of this amendatory Act of the 91st General
7 Assembly, (i) a tax levy is made for the fiscal year in which
8 the levy is due to be made regardless of which fiscal year the
9 proceeds of the levy are expended or are intended to be
10 expended, and (ii) except as otherwise provided by law, a board
11 of education's adoption of an annual budget in conformity with
12 this Section is not a prerequisite to the adoption of a valid
13 tax levy and is not a limit on the amount of the levy.

14 Such budget shall be prepared in tentative form by some
15 person or persons designated by the board, and in such
16 tentative form shall be made conveniently available to public
17 inspection for at least 30 days prior to final action thereon.
18 At least 1 public hearing shall be held as to such budget prior
19 to final action thereon. Notice of availability for public
20 inspection and of such public hearing shall be given by
21 publication in a newspaper published in such district, at least
22 30 days prior to the time of such hearing. If there is no
23 newspaper published in such district, notice of such public
24 hearing shall be given by posting notices thereof in 5 of the
25 most public places in such district. It shall be the duty of
26 the secretary of such board to make such tentative budget

1 available to public inspection, and to arrange for such public
2 hearing. The board may from time to time make transfers between
3 the various items in any fund not exceeding in the aggregate
4 10% of the total of such fund as set forth in the budget. The
5 board may from time to time amend such budget by the same
6 procedure as is herein provided for its original adoption.

7 Beginning July 1, 1976, the board of education, or regional
8 superintendent, or governing board responsible for the
9 administration of a joint agreement shall, by September 1 of
10 each fiscal year thereafter, adopt an annual budget for the
11 joint agreement in the same manner and subject to the same
12 requirements as are provided in this Section.

13 The State Board of Education shall exercise powers and
14 duties relating to budgets as provided in Section 2-3.27 of
15 this Code and shall require school districts to submit their
16 annual budgets, deficit reduction plans, and other financial
17 information, including revenue and expenditure reports and
18 borrowing and interfund transfer plans, in such form and within
19 the timelines designated by the State Board of Education.

20 By fiscal year 1982 all school districts shall use the
21 Program Budget Accounting System.

22 In the case of a school district receiving emergency State
23 financial assistance under Article 1B, the school board shall
24 also be subject to the requirements established under Article
25 1B with respect to the annual budget.

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

1 (105 ILCS 5/17-1.2)

2 Sec. 17-1.2. Post annual budget on web site. If a school
3 district has an Internet web site, the school district shall
4 post its current annual budget, itemized by receipts and
5 expenditures, on the district's Internet web site. The budget
6 shall include information conforming to the rules adopted by
7 the State Board of Education pursuant to Section 2-3.28 of this
8 Code. The school district shall notify the parents or guardians
9 of its students that the budget has been posted on the
10 district's web site and what the web site's address is.

11 (Source: P.A. 92-438, eff. 1-1-02.)

12 (105 ILCS 5/17-1.5)

13 Sec. 17-1.5. Limitation of administrative costs.

14 (a) It is the purpose of this Section to establish
15 limitations on the growth of administrative expenditures in
16 order to maximize the proportion of school district resources
17 available for the instructional program, building maintenance,
18 and safety services for the students of each district.

19 (b) Definitions. For the purposes of this Section:

20 "Administrative expenditures" mean the annual expenditures
21 of school districts properly attributable to expenditure
22 functions defined by the rules of the State Board of Education
23 as: 2320 (Executive Administration Services); 2330 (Special
24 Area Administration Services); 2490 (Other Support Services -

1 School Administration); 2510 (Direction of Business Support
2 Services); 2570 (Internal Services); and 2610 (Direction of
3 Central Support Services); provided, however, that
4 "administrative expenditures" shall not include early
5 retirement or other pension system obligations required by
6 State law.

7 "School district" means all school districts having a
8 population of less than 500,000.

9 (c) For the 1998-99 school year and each school year
10 thereafter, each school district shall undertake budgetary and
11 expenditure control actions so that the increase in
12 administrative expenditures for that school year over the prior
13 school year does not exceed 5%. School districts with
14 administrative expenditures per pupil in the 25th percentile
15 and below for all districts of the same type, as defined by the
16 State Board of Education, may waive the limitation imposed
17 under this Section for any year following a public hearing and
18 with the affirmative vote of at least two-thirds of the members
19 of the school board of the district. Any district waiving the
20 limitation shall notify the State Board within 45 days of such
21 action.

22 (d) School districts shall file with the State Board of
23 Education by November 15, 1998 and by each November 15th
24 thereafter a one-page report that lists (i) the actual
25 administrative expenditures for the prior year from the
26 district's audited Annual Financial Report, and (ii) the

1 projected administrative expenditures for the current year
2 from the budget adopted by the school board pursuant to Section
3 17-1 of this Code.

4 If a school district that is ineligible to waive the
5 limitation imposed by subsection (c) of this Section by board
6 action exceeds the limitation solely because of circumstances
7 beyond the control of the district and the district has
8 exhausted all available and reasonable remedies to comply with
9 the limitation, the district may request a waiver pursuant to
10 Section 2-3.25g. The waiver application shall specify the
11 amount, nature, and reason for the relief requested, as well as
12 all remedies the district has exhausted to comply with the
13 limitation. Any emergency relief so requested shall apply only
14 to the specific school year for which the request is made. The
15 State Board of Education shall analyze all such waivers
16 submitted and shall recommend that the General Assembly
17 disapprove any such waiver requested that is not due solely to
18 circumstances beyond the control of the district and for which
19 the district has not exhausted all available and reasonable
20 remedies to comply with the limitation. The State
21 Superintendent shall have no authority to impose any sanctions
22 pursuant to this Section for any expenditures for which a
23 waiver has been requested until such waiver has been reviewed
24 by the General Assembly.

25 If the report and information required under this
26 subsection (d) are not provided by the school district in a

1 timely manner, or are subsequently determined by the State
2 Superintendent of Education to be incomplete or inaccurate, the
3 State Superintendent shall notify the district in writing of
4 reporting deficiencies. The school district shall, within 60
5 days of the notice, address the reporting deficiencies
6 identified.

7 (e) If the State Superintendent determines that a school
8 district has failed to comply with the administrative
9 expenditure limitation imposed in subsection (c) of this
10 Section, the State Superintendent shall notify the district of
11 the violation and direct the district to undertake corrective
12 action to bring the district's budget into compliance with the
13 administrative expenditure limitation. The district shall,
14 within 60 days of the notice, provide adequate assurance to the
15 State Superintendent that appropriate corrective actions have
16 been or will be taken. If the district fails to provide
17 adequate assurance or fails to undertake the necessary
18 corrective actions, the State Superintendent may impose
19 progressive sanctions against the district that may culminate
20 in withholding all subsequent payments of general State aid due
21 the district under Section 18-8.05 of this Code or
22 evidence-based funding due the district under Section 18-8.15
23 of this Code until the assurance is provided or the corrective
24 actions taken.

25 (f) The State Superintendent shall publish a list each year
26 of the school districts that violate the limitation imposed by

1 subsection (c) of this Section and a list of the districts that
2 waive the limitation by board action as provided in subsection
3 (c) of this Section.

4 (Source: P.A. 90-548, eff. 1-1-98; 90-653, eff. 7-29-98.)

5 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

6 Sec. 17-2.11. School board power to levy a tax or to borrow
7 money and issue bonds for fire prevention, safety, energy
8 conservation, accessibility, school security, and specified
9 repair purposes.

10 (a) Whenever, as a result of any lawful order of any
11 agency, other than a school board, having authority to enforce
12 any school building code applicable to any facility that houses
13 students, or any law or regulation for the protection and
14 safety of the environment, pursuant to the Environmental
15 Protection Act, any school district having a population of less
16 than 500,000 inhabitants is required to alter or reconstruct
17 any school building or permanent, fixed equipment; the district
18 may, by proper resolution, levy a tax for the purpose of making
19 such alteration or reconstruction, based on a survey report by
20 an architect or engineer licensed in this State, upon all of
21 the taxable property of the district at the value as assessed
22 by the Department of Revenue and at a rate not to exceed 0.05%
23 per year for a period sufficient to finance such alteration or
24 reconstruction, upon the following conditions:

25 (1) When there are not sufficient funds available in

1 the operations and maintenance fund of the school district,
2 the school facility occupation tax fund of the district, or
3 the fire prevention and safety fund of the district, as
4 determined by the district on the basis of rules adopted by
5 the State Board of Education, to make such alteration or
6 reconstruction or to purchase and install such permanent,
7 fixed equipment so ordered or determined as necessary.
8 Appropriate school district records must be made available
9 to the State Superintendent of Education, upon request, to
10 confirm this insufficiency.

11 (2) When a certified estimate of an architect or
12 engineer licensed in this State stating the estimated
13 amount necessary to make the alteration or reconstruction
14 or to purchase and install the equipment so ordered has
15 been secured by the school district, and the estimate has
16 been approved by the regional superintendent of schools
17 having jurisdiction over the district and the State
18 Superintendent of Education. Approval must not be granted
19 for any work that has already started without the prior
20 express authorization of the State Superintendent of
21 Education. If the estimate is not approved or is denied
22 approval by the regional superintendent of schools within 3
23 months after the date on which it is submitted to him or
24 her, the school board of the district may submit the
25 estimate directly to the State Superintendent of Education
26 for approval or denial.

1 In the case of an emergency situation, where the estimated
2 cost to effectuate emergency repairs is less than the amount
3 specified in Section 10-20.21 of this Code, the school district
4 may proceed with such repairs prior to approval by the State
5 Superintendent of Education, but shall comply with the
6 provisions of subdivision (2) of this subsection (a) as soon
7 thereafter as may be as well as Section 10-20.21 of this Code.
8 If the estimated cost to effectuate emergency repairs is
9 greater than the amount specified in Section 10-20.21 of this
10 Code, then the school district shall proceed in conformity with
11 Section 10-20.21 of this Code and with rules established by the
12 State Board of Education to address such situations. The rules
13 adopted by the State Board of Education to deal with these
14 situations shall stipulate that emergency situations must be
15 expedited and given priority consideration. For purposes of
16 this paragraph, an emergency is a situation that presents an
17 imminent and continuing threat to the health and safety of
18 students or other occupants of a facility, requires complete or
19 partial evacuation of a building or part of a building, or
20 consumes one or more of the 5 emergency days built into the
21 adopted calendar of the school or schools or would otherwise be
22 expected to cause such school or schools to fall short of the
23 minimum school calendar requirements.

24 (b) Whenever any such district determines that it is
25 necessary for energy conservation purposes that any school
26 building or permanent, fixed equipment should be altered or

1 reconstructed and that such alterations or reconstruction will
2 be made with funds not necessary for the completion of approved
3 and recommended projects contained in any safety survey report
4 or amendments thereto authorized by Section 2-3.12 of this Act;
5 the district may levy a tax or issue bonds as provided in
6 subsection (a) of this Section.

7 (c) Whenever any such district determines that it is
8 necessary for accessibility purposes and to comply with the
9 school building code that any school building or equipment
10 should be altered or reconstructed and that such alterations or
11 reconstruction will be made with funds not necessary for the
12 completion of approved and recommended projects contained in
13 any safety survey report or amendments thereto authorized under
14 Section 2-3.12 of this Act, the district may levy a tax or
15 issue bonds as provided in subsection (a) of this Section.

16 (d) Whenever any such district determines that it is
17 necessary for school security purposes and the related
18 protection and safety of pupils and school personnel that any
19 school building or property should be altered or reconstructed
20 or that security systems and equipment (including but not
21 limited to intercom, early detection and warning, access
22 control and television monitoring systems) should be purchased
23 and installed, and that such alterations, reconstruction or
24 purchase and installation of equipment will be made with funds
25 not necessary for the completion of approved and recommended
26 projects contained in any safety survey report or amendment

1 thereto authorized by Section 2-3.12 of this Act and will deter
2 and prevent unauthorized entry or activities upon school
3 property by unknown or dangerous persons, assure early
4 detection and advance warning of any such actual or attempted
5 unauthorized entry or activities and help assure the continued
6 safety of pupils and school staff if any such unauthorized
7 entry or activity is attempted or occurs; the district may levy
8 a tax or issue bonds as provided in subsection (a) of this
9 Section.

10 (e) If a school district does not need funds for other fire
11 prevention and safety projects, including the completion of
12 approved and recommended projects contained in any safety
13 survey report or amendments thereto authorized by Section
14 2-3.12 of this Act, and it is determined after a public hearing
15 (which is preceded by at least one published notice (i)
16 occurring at least 7 days prior to the hearing in a newspaper
17 of general circulation within the school district and (ii)
18 setting forth the time, date, place, and general subject matter
19 of the hearing) that there is a substantial, immediate, and
20 otherwise unavoidable threat to the health, safety, or welfare
21 of pupils due to disrepair of school sidewalks, playgrounds,
22 parking lots, or school bus turnarounds and repairs must be
23 made; then the district may levy a tax or issue bonds as
24 provided in subsection (a) of this Section.

25 (f) For purposes of this Section a school district may
26 replace a school building or build additions to replace

1 portions of a building when it is determined that the
2 effectuation of the recommendations for the existing building
3 will cost more than the replacement costs. Such determination
4 shall be based on a comparison of estimated costs made by an
5 architect or engineer licensed in the State of Illinois. The
6 new building or addition shall be equivalent in area (square
7 feet) and comparable in purpose and grades served and may be on
8 the same site or another site. Such replacement may only be
9 done upon order of the regional superintendent of schools and
10 the approval of the State Superintendent of Education.

11 (g) The filing of a certified copy of the resolution
12 levying the tax when accompanied by the certificates of the
13 regional superintendent of schools and State Superintendent of
14 Education shall be the authority of the county clerk to extend
15 such tax.

16 (h) The county clerk of the county in which any school
17 district levying a tax under the authority of this Section is
18 located, in reducing raised levies, shall not consider any such
19 tax as a part of the general levy for school purposes and shall
20 not include the same in the limitation of any other tax rate
21 which may be extended.

22 Such tax shall be levied and collected in like manner as
23 all other taxes of school districts, subject to the provisions
24 contained in this Section.

25 (i) The tax rate limit specified in this Section may be
26 increased to .10% upon the approval of a proposition to effect

1 such increase by a majority of the electors voting on that
2 proposition at a regular scheduled election. Such proposition
3 may be initiated by resolution of the school board and shall be
4 certified by the secretary to the proper election authorities
5 for submission in accordance with the general election law.

6 (j) When taxes are levied by any school district for fire
7 prevention, safety, energy conservation, and school security
8 purposes as specified in this Section, and the purposes for
9 which the taxes have been levied are accomplished and paid in
10 full, and there remain funds on hand in the Fire Prevention and
11 Safety Fund from the proceeds of the taxes levied, including
12 interest earnings thereon, the school board by resolution shall
13 use such excess and other board restricted funds, excluding
14 bond proceeds and earnings from such proceeds, as follows:

15 (1) for other authorized fire prevention, safety,
16 energy conservation, required safety inspections, school
17 security purposes, sampling for lead in drinking water in
18 schools, and for repair and mitigation due to lead levels
19 in the drinking water supply; or

20 (2) for transfer to the Operations and Maintenance Fund
21 for the purpose of abating an equal amount of operations
22 and maintenance purposes taxes.

23 Notwithstanding subdivision (2) of this subsection (j) and
24 subsection (k) of this Section, through June 30, 2020 ~~2019~~, the
25 school board may, by proper resolution following a public
26 hearing set by the school board or the president of the school

1 board (that is preceded (i) by at least one published notice
2 over the name of the clerk or secretary of the board, occurring
3 at least 7 days and not more than 30 days prior to the hearing,
4 in a newspaper of general circulation within the school
5 district and (ii) by posted notice over the name of the clerk
6 or secretary of the board, at least 48 hours before the
7 hearing, at the principal office of the school board or at the
8 building where the hearing is to be held if a principal office
9 does not exist, with both notices setting forth the time, date,
10 place, and subject matter of the hearing), transfer surplus
11 life safety taxes and interest earnings thereon to the
12 Operations and Maintenance Fund for building repair work.

13 (k) If any transfer is made to the Operation and
14 Maintenance Fund, the secretary of the school board shall
15 within 30 days notify the county clerk of the amount of that
16 transfer and direct the clerk to abate the taxes to be extended
17 for the purposes of operations and maintenance authorized under
18 Section 17-2 of this Act by an amount equal to such transfer.

19 (l) If the proceeds from the tax levy authorized by this
20 Section are insufficient to complete the work approved under
21 this Section, the school board is authorized to sell bonds
22 without referendum under the provisions of this Section in an
23 amount that, when added to the proceeds of the tax levy
24 authorized by this Section, will allow completion of the
25 approved work.

26 (m) Any bonds issued pursuant to this Section shall bear

1 interest at a rate not to exceed the maximum rate authorized by
2 law at the time of the making of the contract, shall mature
3 within 20 years from date, and shall be signed by the president
4 of the school board and the treasurer of the school district.

5 (n) In order to authorize and issue such bonds, the school
6 board shall adopt a resolution fixing the amount of bonds, the
7 date thereof, the maturities thereof, rates of interest
8 thereof, place of payment and denomination, which shall be in
9 denominations of not less than \$100 and not more than \$5,000,
10 and provide for the levy and collection of a direct annual tax
11 upon all the taxable property in the school district sufficient
12 to pay the principal and interest on such bonds to maturity.
13 Upon the filing in the office of the county clerk of the county
14 in which the school district is located of a certified copy of
15 the resolution, it is the duty of the county clerk to extend
16 the tax therefor in addition to and in excess of all other
17 taxes heretofore or hereafter authorized to be levied by such
18 school district.

19 (o) After the time such bonds are issued as provided for by
20 this Section, if additional alterations or reconstructions are
21 required to be made because of surveys conducted by an
22 architect or engineer licensed in the State of Illinois, the
23 district may levy a tax at a rate not to exceed .05% per year
24 upon all the taxable property of the district or issue
25 additional bonds, whichever action shall be the most feasible.

26 (p) This Section is cumulative and constitutes complete

1 authority for the issuance of bonds as provided in this Section
2 notwithstanding any other statute or law to the contrary.

3 (q) With respect to instruments for the payment of money
4 issued under this Section either before, on, or after the
5 effective date of Public Act 86-004 (June 6, 1989), it is, and
6 always has been, the intention of the General Assembly (i) that
7 the Omnibus Bond Acts are, and always have been, supplementary
8 grants of power to issue instruments in accordance with the
9 Omnibus Bond Acts, regardless of any provision of this Act that
10 may appear to be or to have been more restrictive than those
11 Acts, (ii) that the provisions of this Section are not a
12 limitation on the supplementary authority granted by the
13 Omnibus Bond Acts, and (iii) that instruments issued under this
14 Section within the supplementary authority granted by the
15 Omnibus Bond Acts are not invalid because of any provision of
16 this Act that may appear to be or to have been more restrictive
17 than those Acts.

18 (r) When the purposes for which the bonds are issued have
19 been accomplished and paid for in full and there remain funds
20 on hand from the proceeds of the bond sale and interest
21 earnings therefrom, the board shall, by resolution, use such
22 excess funds in accordance with the provisions of Section
23 10-22.14 of this Act.

24 (s) Whenever any tax is levied or bonds issued for fire
25 prevention, safety, energy conservation, and school security
26 purposes, such proceeds shall be deposited and accounted for

1 separately within the Fire Prevention and Safety Fund.
2 (Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14;
3 99-143, eff. 7-27-15; 99-713, eff. 8-5-16; 99-922, eff.
4 1-17-17.)

5 (105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)
6 Sec. 17-2A. Interfund transfers.

7 (a) The school board of any district having a population of
8 less than 500,000 inhabitants may, by proper resolution
9 following a public hearing set by the school board or the
10 president of the school board (that is preceded (i) by at least
11 one published notice over the name of the clerk or secretary of
12 the board, occurring at least 7 days and not more than 30 days
13 prior to the hearing, in a newspaper of general circulation
14 within the school district and (ii) by posted notice over the
15 name of the clerk or secretary of the board, at least 48 hours
16 before the hearing, at the principal office of the school board
17 or at the building where the hearing is to be held if a
18 principal office does not exist, with both notices setting
19 forth the time, date, place, and subject matter of the
20 hearing), transfer money from (1) the Educational Fund to the
21 Operations and Maintenance Fund or the Transportation Fund, (2)
22 the Operations and Maintenance Fund to the Educational Fund or
23 the Transportation Fund, (3) the Transportation Fund to the
24 Educational Fund or the Operations and Maintenance Fund, or (4)
25 the Tort Immunity Fund to the Operations and Maintenance Fund

1 of said district, provided that, except during the period from
2 July 1, 2003 through June 30, 2020 ~~2019~~, such transfer is made
3 solely for the purpose of meeting one-time, non-recurring
4 expenses. Except during the period from July 1, 2003 through
5 June 30, 2020 ~~2019~~ and except as otherwise provided in
6 subsection (b) of this Section, any other permanent interfund
7 transfers authorized by any provision or judicial
8 interpretation of this Code for which the transferee fund is
9 not precisely and specifically set forth in the provision of
10 this Code authorizing such transfer shall be made to the fund
11 of the school district most in need of the funds being
12 transferred, as determined by resolution of the school board.

13 (b) (Blank).

14 (c) Notwithstanding subsection (a) of this Section or any
15 other provision of this Code to the contrary, the school board
16 of any school district (i) that is subject to the Property Tax
17 Extension Limitation Law, (ii) that is an elementary district
18 servicing students in grades K through 8, (iii) whose territory
19 is in one county, (iv) that is eligible for Section 7002
20 Federal Impact Aid, and (v) that has no more than \$81,000 in
21 funds remaining from refinancing bonds that were refinanced a
22 minimum of 5 years prior to January 20, 2017 (the effective
23 date of Public Act 99-926) ~~this amendatory Act of the 99th~~
24 ~~General Assembly~~ may make a one-time transfer of the funds
25 remaining from the refinancing bonds to the Operations and
26 Maintenance Fund of the district by proper resolution following

1 a public hearing set by the school board or the president of
2 the school board, with notice as provided in subsection (a) of
3 this Section, so long as the district meets the qualifications
4 set forth in this subsection (c) on January 20, 2017 (the
5 effective date of Public Act 99-926) ~~this amendatory Act of the~~
6 ~~99th General Assembly.~~

7 (Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14; 99-713,
8 eff. 8-5-16; 99-922, eff. 1-17-17; 99-926, eff. 1-20-17;
9 revised 1-23-17.)

10 (105 ILCS 5/17-3.6 new)

11 Sec. 17-3.6. Educational purposes tax rate for school
12 districts subject to Property Tax Extension Limitation Law.
13 Notwithstanding the provisions, requirements, or limitations
14 of this Code or any other law, any tax levied for educational
15 purposes by a school district subject to the Property Tax
16 Extension Limitation Law for the 2016 levy year or any
17 subsequent levy year may be extended at a rate exceeding the
18 rate established for educational purposes by referendum or this
19 Code, provided that the rate does not cause the school district
20 to exceed the limiting rate applicable to the school district
21 under the Property Tax Extension Limitation Law for that levy
22 year.

23 (105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

24 Sec. 18-4.3. Summer school grants. Through fiscal year

1 2017, grants ~~Grants~~ shall be determined for pupil attendance in
2 summer schools conducted under Sections 10-22.33A and 34-18 and
3 approved under Section 2-3.25 in the following manner.

4 The amount of grant for each accredited summer school
5 attendance pupil shall be obtained by dividing the total amount
6 of apportionments determined under Section 18-8.05 by the
7 actual number of pupils in average daily attendance used for
8 such apportionments. The number of credited summer school
9 attendance pupils shall be determined (a) by counting clock
10 hours of class instruction by pupils enrolled in grades 1
11 through 12 in approved courses conducted at least 60 clock
12 hours in summer sessions; (b) by dividing such total of clock
13 hours of class instruction by 4 to produce days of credited
14 pupil attendance; (c) by dividing such days of credited pupil
15 attendance by the actual number of days in the regular term as
16 used in computation in the general apportionment in Section
17 18-8.05; and (d) by multiplying by 1.25.

18 The amount of the grant for a summer school program
19 approved by the State Superintendent of Education for children
20 with disabilities, as defined in Sections 14-1.02 through
21 14-1.07, shall be determined in the manner contained above
22 except that average daily membership shall be utilized in lieu
23 of average daily attendance.

24 In the case of an apportionment based on summer school
25 attendance or membership pupils, the claim therefor shall be
26 presented as a separate claim for the particular school year in

1 which such summer school session ends. On or before November 1
2 of each year the superintendent of each eligible school
3 district shall certify to the State Superintendent of Education
4 the claim of the district for the summer session just ended.
5 Failure on the part of the school board to so certify shall
6 constitute a forfeiture of its right to such payment. The State
7 Superintendent of Education shall transmit to the Comptroller
8 no later than December 15th of each year vouchers for payment
9 of amounts due school districts for summer school. The State
10 Superintendent of Education shall direct the Comptroller to
11 draw his warrants for payments thereof by the 30th day of
12 December. If the money appropriated by the General Assembly for
13 such purpose for any year is insufficient, it shall be
14 apportioned on the basis of claims approved.

15 However, notwithstanding the foregoing provisions, for
16 each fiscal year the money appropriated by the General Assembly
17 for the purposes of this Section shall only be used for grants
18 for approved summer school programs for those children with
19 disabilities served pursuant to Section 14-7.02 or 14-7.02b of
20 this Code.

21 No funding shall be provided to school districts under this
22 Section after fiscal year 2017.

23 (Source: P.A. 93-1022, eff. 8-24-04.)

24 (105 ILCS 5/18-8.05)

25 Sec. 18-8.05. Basis for apportionment of general State

1 financial aid and supplemental general State aid to the common
2 schools for the 1998-1999 through the 2016-2017 ~~and subsequent~~
3 school years.

4 (A) General Provisions.

5 (1) The provisions of this Section relating to the
6 calculation and apportionment of general State financial aid
7 and supplemental general State aid apply to the 1998-1999
8 through the 2016-2017 ~~and subsequent~~ school years. The system
9 of general State financial aid provided for in this Section is
10 designed to assure that, through a combination of State
11 financial aid and required local resources, the financial
12 support provided each pupil in Average Daily Attendance equals
13 or exceeds a prescribed per pupil Foundation Level. This
14 formula approach imputes a level of per pupil Available Local
15 Resources and provides for the basis to calculate a per pupil
16 level of general State financial aid that, when added to
17 Available Local Resources, equals or exceeds the Foundation
18 Level. The amount of per pupil general State financial aid for
19 school districts, in general, varies in inverse relation to
20 Available Local Resources. Per pupil amounts are based upon
21 each school district's Average Daily Attendance as that term is
22 defined in this Section.

23 (2) In addition to general State financial aid, school
24 districts with specified levels or concentrations of pupils
25 from low income households are eligible to receive supplemental

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

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

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

26 (b) School district claims filed under this Section are

1 subject to Sections 18-9 and 18-12, except as otherwise
2 provided in this Section.

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

8 (d) (Blank).

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

13 School districts are not required to exert a minimum
14 Operating Tax Rate in order to qualify for assistance under
15 this Section.

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

18 (a) "Average Daily Attendance": A count of pupil
19 attendance in school, averaged as provided for in
20 subsection (C) and utilized in deriving per pupil financial
21 support levels.

22 (b) "Available Local Resources": A computation of
23 local financial support, calculated on the basis of Average
24 Daily Attendance and derived as provided pursuant to
25 subsection (D).

26 (c) "Corporate Personal Property Replacement Taxes":

1 Funds paid to local school districts pursuant to "An Act in
2 relation to the abolition of ad valorem personal property
3 tax and the replacement of revenues lost thereby, and
4 amending and repealing certain Acts and parts of Acts in
5 connection therewith", certified August 14, 1979, as
6 amended (Public Act 81-1st S.S.-1).

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

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

13 (B) Foundation Level.

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

24 (2) For the 1998-1999 school year, the Foundation Level of
25 support is \$4,225. For the 1999-2000 school year, the

1 Foundation Level of support is \$4,325. For the 2000-2001 school
2 year, the Foundation Level of support is \$4,425. For the
3 2001-2002 school year and 2002-2003 school year, the Foundation
4 Level of support is \$4,560. For the 2003-2004 school year, the
5 Foundation Level of support is \$4,810. For the 2004-2005 school
6 year, the Foundation Level of support is \$4,964. For the
7 2005-2006 school year, the Foundation Level of support is
8 \$5,164. For the 2006-2007 school year, the Foundation Level of
9 support is \$5,334. For the 2007-2008 school year, the
10 Foundation Level of support is \$5,734. For the 2008-2009 school
11 year, the Foundation Level of support is \$5,959.

12 (3) For the 2009-2010 school year and each school year
13 thereafter, the Foundation Level of support is \$6,119 or such
14 greater amount as may be established by law by the General
15 Assembly.

16 (C) Average Daily Attendance.

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

1 conform attendance figures to the requirements of subsection
2 (F).

3 (2) The Average Daily Attendance figures utilized in
4 subsection (E) shall be the requisite attendance data for the
5 school year immediately preceding the school year for which
6 general State aid is being calculated or the average of the
7 attendance data for the 3 preceding school years, whichever is
8 greater. The Average Daily Attendance figures utilized in
9 subsection (H) shall be the requisite attendance data for the
10 school year immediately preceding the school year for which
11 general State aid is being calculated.

12 (D) Available Local Resources.

13 (1) For purposes of calculating general State aid pursuant
14 to subsection (E), a representation of Available Local
15 Resources per pupil, as that term is defined and determined in
16 this subsection, shall be utilized. Available Local Resources
17 per pupil shall include a calculated dollar amount representing
18 local school district revenues from local property taxes and
19 from Corporate Personal Property Replacement Taxes, expressed
20 on the basis of pupils in Average Daily Attendance. Calculation
21 of Available Local Resources shall exclude any tax amnesty
22 funds received as a result of Public Act 93-26.

23 (2) In determining a school district's revenue from local
24 property taxes, the State Board of Education shall utilize the
25 equalized assessed valuation of all taxable property of each

1 school district as of September 30 of the previous year. The
2 equalized assessed valuation utilized shall be obtained and
3 determined as provided in subsection (G).

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

18 For partial elementary unit districts created pursuant to
19 Article 11E of this Code, local property tax revenues per pupil
20 shall be calculated as the product of the equalized assessed
21 valuation for property within the partial elementary unit
22 district for elementary purposes, as defined in Article 11E of
23 this Code, multiplied by 2.06% and divided by the district's
24 Average Daily Attendance figure, plus the product of the
25 equalized assessed valuation for property within the partial
26 elementary unit district for high school purposes, as defined

1 in Article 11E of this Code, multiplied by 0.94% and divided by
2 the district's Average Daily Attendance figure.

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

13 (E) Computation of General State Aid.

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

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

23 (3) For any school district for which Available Local
24 Resources per pupil is equal to or greater than the product of
25 0.93 times the Foundation Level and less than the product of

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

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

19 (5) The amount of general State aid allocated to a school
20 district for the 1999-2000 school year meeting the requirements
21 set forth in paragraph (4) of subsection (G) shall be increased
22 by an amount equal to the general State aid that would have
23 been received by the district for the 1998-1999 school year by
24 utilizing the Extension Limitation Equalized Assessed
25 Valuation as calculated in paragraph (4) of subsection (G) less
26 the general State aid allotted for the 1998-1999 school year.

1 This amount shall be deemed a one time increase, and shall not
2 affect any future general State aid allocations.

3 (F) Compilation of Average Daily Attendance.

4 (1) Each school district shall, by July 1 of each year,
5 submit to the State Board of Education, on forms prescribed by
6 the State Board of Education, attendance figures for the school
7 year that began in the preceding calendar year. The attendance
8 information so transmitted shall identify the average daily
9 attendance figures for each month of the school year. Beginning
10 with the general State aid claim form for the 2002-2003 school
11 year, districts shall calculate Average Daily Attendance as
12 provided in subdivisions (a), (b), and (c) of this paragraph
13 (1).

14 (a) In districts that do not hold year-round classes,
15 days of attendance in August shall be added to the month of
16 September and any days of attendance in June shall be added
17 to the month of May.

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

22 (c) In districts in which some buildings, but not all,
23 hold year-round classes, for the non-year-round buildings,
24 days of attendance in August shall be added to the month of
25 September and any days of attendance in June shall be added

1 to the month of May. The average daily attendance for the
2 year-round buildings shall be computed as provided in
3 subdivision (b) of this paragraph (1). To calculate the
4 Average Daily Attendance for the district, the average
5 daily attendance for the year-round buildings shall be
6 multiplied by the days in session for the non-year-round
7 buildings for each month and added to the monthly
8 attendance of the non-year-round buildings.

9 Except as otherwise provided in this Section, days of
10 attendance by pupils shall be counted only for sessions of not
11 less than 5 clock hours of school work per day under direct
12 supervision of: (i) teachers, or (ii) non-teaching personnel or
13 volunteer personnel when engaging in non-teaching duties and
14 supervising in those instances specified in subsection (a) of
15 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils
16 of legal school age and in kindergarten and grades 1 through
17 12. Days of attendance by pupils through verified participation
18 in an e-learning program approved by the State Board of
19 Education under Section 10-20.56 of the Code shall be
20 considered as full days of attendance for purposes of this
21 Section.

22 Days of attendance by tuition pupils shall be accredited
23 only to the districts that pay the tuition to a recognized
24 school.

25 (2) Days of attendance by pupils of less than 5 clock hours
26 of school shall be subject to the following provisions in the

1 compilation of Average Daily Attendance.

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

11 (b) (Blank).

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

17 (d) A session of 3 or more clock hours may be counted
18 as a day of attendance (1) when the remainder of the school
19 day or at least 2 hours in the evening of that day is
20 utilized for an in-service training program for teachers,
21 up to a maximum of 5 days per school year, provided a
22 district conducts an in-service training program for
23 teachers in accordance with Section 10-22.39 of this Code;
24 or, in lieu of 4 such days, 2 full days may be used, in
25 which event each such day may be counted as a day required
26 for a legal school calendar pursuant to Section 10-19 of

1 this Code; (1.5) when, of the 5 days allowed under item
2 (1), a maximum of 4 days are used for parent-teacher
3 conferences, or, in lieu of 4 such days, 2 full days are
4 used, in which case each such day may be counted as a
5 calendar day required under Section 10-19 of this Code,
6 provided that the full-day, parent-teacher conference
7 consists of (i) a minimum of 5 clock hours of
8 parent-teacher conferences, (ii) both a minimum of 2 clock
9 hours of parent-teacher conferences held in the evening
10 following a full day of student attendance, as specified in
11 subsection (F)(1)(c), and a minimum of 3 clock hours of
12 parent-teacher conferences held on the day immediately
13 following evening parent-teacher conferences, or (iii)
14 multiple parent-teacher conferences held in the evenings
15 following full days of student attendance, as specified in
16 subsection (F)(1)(c), in which the time used for the
17 parent-teacher conferences is equivalent to a minimum of 5
18 clock hours; and (2) when days in addition to those
19 provided in items (1) and (1.5) are scheduled by a school
20 pursuant to its school improvement plan adopted under
21 Article 34 or its revised or amended school improvement
22 plan adopted under Article 2, provided that (i) such
23 sessions of 3 or more clock hours are scheduled to occur at
24 regular intervals, (ii) the remainder of the school days in
25 which such sessions occur are utilized for in-service
26 training programs or other staff development activities

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

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

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

24 (g) For children with disabilities who are below the
25 age of 6 years and who cannot attend 2 or more clock hours
26 because of their disability or immaturity, a session of not

1 less than one clock hour may be counted as 1/2 day of
2 attendance; however for such children whose educational
3 needs so require a session of 4 or more clock hours may be
4 counted as a full day of attendance.

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

22 (i) On the days when the assessment that includes a
23 college and career ready determination is administered
24 under subsection (c) of Section 2-3.64a-5 of this Code, the
25 day of attendance for a pupil whose school day must be
26 shortened to accommodate required testing procedures may

1 be less than 5 clock hours and shall be counted towards the
2 176 days of actual pupil attendance required under Section
3 10-19 of this Code, provided that a sufficient number of
4 minutes of school work in excess of 5 clock hours are first
5 completed on other school days to compensate for the loss
6 of school work on the examination days.

7 (j) Pupils enrolled in a remote educational program
8 established under Section 10-29 of this Code may be counted
9 on the basis of one-fifth day of attendance for every clock
10 hour of instruction attended in the remote educational
11 program, provided that, in any month, the school district
12 may not claim for a student enrolled in a remote
13 educational program more days of attendance than the
14 maximum number of days of attendance the district can claim

15 (i) for students enrolled in a building holding year-round
16 classes if the student is classified as participating in
17 the remote educational program on a year-round schedule or
18 (ii) for students enrolled in a building not holding
19 year-round classes if the student is not classified as
20 participating in the remote educational program on a
21 year-round schedule.

22 (G) Equalized Assessed Valuation Data.

23 (1) For purposes of the calculation of Available Local
24 Resources required pursuant to subsection (D), the State Board
25 of Education shall secure from the Department of Revenue the

1 value as equalized or assessed by the Department of Revenue of
2 all taxable property of every school district, together with
3 (i) the applicable tax rate used in extending taxes for the
4 funds of the district as of September 30 of the previous year
5 and (ii) the limiting rate for all school districts subject to
6 property tax extension limitations as imposed under the
7 Property Tax Extension Limitation Law.

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

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

20 This equalized assessed valuation, as adjusted further by
21 the requirements of this subsection, shall be utilized in the
22 calculation of Available Local Resources.

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

25 (a) For the purposes of calculating State aid under
26 this Section, with respect to any part of a school district

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

22 (b) The real property equalized assessed valuation for
23 a school district shall be adjusted by subtracting from the
24 real property value as equalized or assessed by the
25 Department of Revenue for the district an amount computed
26 by dividing the amount of any abatement of taxes under

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

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

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

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

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

22 "Preceding Tax Year": The property tax levy year
23 immediately preceding the Base Tax Year.

24 "Base Tax Year's Tax Extension": The product of the
25 equalized assessed valuation utilized by the County Clerk
26 in the Base Tax Year multiplied by the limiting rate as

1 calculated by the County Clerk and defined in the Property
2 Tax Extension Limitation Law.

3 "Preceding Tax Year's Tax Extension": The product of
4 the equalized assessed valuation utilized by the County
5 Clerk in the Preceding Tax Year multiplied by the Operating
6 Tax Rate as defined in subsection (A).

7 "Extension Limitation Ratio": A numerical ratio,
8 certified by the County Clerk, in which the numerator is
9 the Base Tax Year's Tax Extension and the denominator is
10 the Preceding Tax Year's Tax Extension.

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

13 If a school district is subject to property tax extension
14 limitations as imposed under the Property Tax Extension
15 Limitation Law, the State Board of Education shall calculate
16 the Extension Limitation Equalized Assessed Valuation of that
17 district. For the 1999-2000 school year, the Extension
18 Limitation Equalized Assessed Valuation of a school district as
19 calculated by the State Board of Education shall be equal to
20 the product of the district's 1996 Equalized Assessed Valuation
21 and the district's Extension Limitation Ratio. Except as
22 otherwise provided in this paragraph for a school district that
23 has approved or does approve an increase in its limiting rate,
24 for the 2000-2001 school year and each school year thereafter,
25 the Extension Limitation Equalized Assessed Valuation of a
26 school district as calculated by the State Board of Education

1 shall be equal to the product of the Equalized Assessed
2 Valuation last used in the calculation of general State aid and
3 the district's Extension Limitation Ratio. If the Extension
4 Limitation Equalized Assessed Valuation of a school district as
5 calculated under this subsection (G)(3) is less than the
6 district's equalized assessed valuation as calculated pursuant
7 to subsections (G)(1) and (G)(2), then for purposes of
8 calculating the district's general State aid for the Budget
9 Year pursuant to subsection (E), that Extension Limitation
10 Equalized Assessed Valuation shall be utilized to calculate the
11 district's Available Local Resources under subsection (D). For
12 the 2009-2010 school year and each school year thereafter, if a
13 school district has approved or does approve an increase in its
14 limiting rate, pursuant to Section 18-190 of the Property Tax
15 Code, affecting the Base Tax Year, the Extension Limitation
16 Equalized Assessed Valuation of the school district, as
17 calculated by the State Board of Education, shall be equal to
18 the product of the Equalized Assessed Valuation last used in
19 the calculation of general State aid times an amount equal to
20 one plus the percentage increase, if any, in the Consumer Price
21 Index for all Urban Consumers for all items published by the
22 United States Department of Labor for the 12-month calendar
23 year preceding the Base Tax Year, plus the Equalized Assessed
24 Valuation of new property, annexed property, and recovered tax
25 increment value and minus the Equalized Assessed Valuation of
26 disconnected property. New property and recovered tax

1 increment value shall have the meanings set forth in the
2 Property Tax Extension Limitation Law.

3 Partial elementary unit districts created in accordance
4 with Article 11E of this Code shall not be eligible for the
5 adjustment in this subsection (G)(3) until the fifth year
6 following the effective date of the reorganization.

7 (3.5) For the 2010-2011 school year and each school year
8 thereafter, if a school district's boundaries span multiple
9 counties, then the Department of Revenue shall send to the
10 State Board of Education, for the purpose of calculating
11 general State aid, the limiting rate and individual rates by
12 purpose for the county that contains the majority of the school
13 district's Equalized Assessed Valuation.

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

1 district's equalized assessed valuation utilized in
2 calculating the district's 1998-1999 general State aid
3 allocation, then for purposes of calculating the district's
4 general State aid pursuant to paragraph (5) of subsection (E),
5 that Extension Limitation Equalized Assessed Valuation shall
6 be utilized to calculate the district's Available Local
7 Resources.

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

20 (H) Supplemental General State Aid.

21 (1) In addition to the general State aid a school district
22 is allotted pursuant to subsection (E), qualifying school
23 districts shall receive a grant, paid in conjunction with a
24 district's payments of general State aid, for supplemental
25 general State aid based upon the concentration level of

1 children from low-income households within the school
2 district. Supplemental State aid grants provided for school
3 districts under this subsection shall be appropriated for
4 distribution to school districts as part of the same line item
5 in which the general State financial aid of school districts is
6 appropriated under this Section.

7 (1.5) This paragraph (1.5) applies only to those school
8 years preceding the 2003-2004 school year. For purposes of this
9 subsection (H), the term "Low-Income Concentration Level"
10 shall be the low-income eligible pupil count from the most
11 recently available federal census divided by the Average Daily
12 Attendance of the school district. If, however, (i) the
13 percentage decrease from the 2 most recent federal censuses in
14 the low-income eligible pupil count of a high school district
15 with fewer than 400 students exceeds by 75% or more the
16 percentage change in the total low-income eligible pupil count
17 of contiguous elementary school districts, whose boundaries
18 are coterminous with the high school district, or (ii) a high
19 school district within 2 counties and serving 5 elementary
20 school districts, whose boundaries are coterminous with the
21 high school district, has a percentage decrease from the 2 most
22 recent federal censuses in the low-income eligible pupil count
23 and there is a percentage increase in the total low-income
24 eligible pupil count of a majority of the elementary school
25 districts in excess of 50% from the 2 most recent federal
26 censuses, then the high school district's low-income eligible

1 pupil count from the earlier federal census shall be the number
2 used as the low-income eligible pupil count for the high school
3 district, for purposes of this subsection (H). The changes made
4 to this paragraph (1) by Public Act 92-28 shall apply to
5 supplemental general State aid grants for school years
6 preceding the 2003-2004 school year that are paid in fiscal
7 year 1999 or thereafter and to any State aid payments made in
8 fiscal year 1994 through fiscal year 1998 pursuant to
9 subsection 1(n) of Section 18-8 of this Code (which was
10 repealed on July 1, 1998), and any high school district that is
11 affected by Public Act 92-28 is entitled to a recomputation of
12 its supplemental general State aid grant or State aid paid in
13 any of those fiscal years. This recomputation shall not be
14 affected by any other funding.

15 (1.10) This paragraph (1.10) applies to the 2003-2004
16 school year and each school year thereafter through the
17 2016-2017 school year. For purposes of this subsection (H), the
18 term "Low-Income Concentration Level" shall, for each fiscal
19 year, be the low-income eligible pupil count as of July 1 of
20 the immediately preceding fiscal year (as determined by the
21 Department of Human Services based on the number of pupils who
22 are eligible for at least one of the following low income
23 programs: Medicaid, the Children's Health Insurance Program,
24 TANF, or Food Stamps, excluding pupils who are eligible for
25 services provided by the Department of Children and Family
26 Services, averaged over the 2 immediately preceding fiscal

1 years for fiscal year 2004 and over the 3 immediately preceding
2 fiscal years for each fiscal year thereafter) divided by the
3 Average Daily Attendance of the school district.

4 (2) Supplemental general State aid pursuant to this
5 subsection (H) shall be provided as follows for the 1998-1999,
6 1999-2000, and 2000-2001 school years only:

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

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

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

19 (d) For any school district with a Low Income
20 Concentration Level of 60% or more, the grant for the
21 1998-99 school year shall be \$1,900 multiplied by the low
22 income eligible pupil count.

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

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

5 (2.5) Supplemental general State aid pursuant to this
6 subsection (H) shall be provided as follows for the 2002-2003
7 school year:

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

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

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

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

24 (e) For any school district with a Low Income
25 Concentration Level of at least 50% and less than 60%, the
26 grant for each school year shall be \$1,680 multiplied by

1 the low income eligible pupil count.

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

6 (2.10) Except as otherwise provided, supplemental general
7 State aid pursuant to this subsection (H) shall be provided as
8 follows for the 2003-2004 school year and each school year
9 thereafter:

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

14 (b) For any school district with a Low Income
15 Concentration Level greater than 15%, the grant for each
16 school year shall be \$294.25 added to the product of \$2,700
17 and the square of the Low Income Concentration Level, all
18 multiplied by the low income eligible pupil count.

19 For the 2003-2004 school year and each school year
20 thereafter through the 2008-2009 school year only, the grant
21 shall be no less than the grant for the 2002-2003 school year.
22 For the 2009-2010 school year only, the grant shall be no less
23 than the grant for the 2002-2003 school year multiplied by
24 0.66. For the 2010-2011 school year only, the grant shall be no
25 less than the grant for the 2002-2003 school year multiplied by
26 0.33. Notwithstanding the provisions of this paragraph to the

1 contrary, if for any school year supplemental general State aid
2 grants are prorated as provided in paragraph (1) of this
3 subsection (H), then the grants under this paragraph shall be
4 prorated.

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

23 (3) School districts with an Average Daily Attendance of
24 more than 1,000 and less than 50,000 that qualify for
25 supplemental general State aid pursuant to this subsection
26 shall submit a plan to the State Board of Education prior to

1 October 30 of each year for the use of the funds resulting from
2 this grant of supplemental general State aid for the
3 improvement of instruction in which priority is given to
4 meeting the education needs of disadvantaged children. Such
5 plan shall be submitted in accordance with rules and
6 regulations promulgated by the State Board of Education.

7 (4) School districts with an Average Daily Attendance of
8 50,000 or more that qualify for supplemental general State aid
9 pursuant to this subsection shall be required to distribute
10 from funds available pursuant to this Section, no less than
11 \$261,000,000 in accordance with the following requirements:

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

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

1 (c) Each attendance center shall be provided by the
2 school district a distribution of noncategorical funds and
3 other categorical funds to which an attendance center is
4 entitled under law in order that the general State aid and
5 supplemental general State aid provided by application of
6 this subsection supplements rather than supplants the
7 noncategorical funds and other categorical funds provided
8 by the school district to the attendance centers.

9 (d) Any funds made available under this subsection that
10 by reason of the provisions of this subsection are not
11 required to be allocated and provided to attendance centers
12 may be used and appropriated by the board of the district
13 for any lawful school purpose.

14 (e) Funds received by an attendance center pursuant to
15 this subsection shall be used by the attendance center at
16 the discretion of the principal and local school council
17 for programs to improve educational opportunities at
18 qualifying schools through the following programs and
19 services: early childhood education, reduced class size or
20 improved adult to student classroom ratio, enrichment
21 programs, remedial assistance, attendance improvement, and
22 other educationally beneficial expenditures which
23 supplement the regular and basic programs as determined by
24 the State Board of Education. Funds provided shall not be
25 expended for any political or lobbying purposes as defined
26 by board rule.

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

17 Upon notification by the State Board of Education that
18 the district has not submitted a plan prior to July 15 or a
19 modified plan within the time period specified herein, the
20 State aid funds affected by that plan or modified plan
21 shall be withheld by the State Board of Education until a
22 plan or modified plan is submitted.

23 If the district fails to distribute State aid to
24 attendance centers in accordance with an approved plan, the
25 plan for the following year shall allocate funds, in
26 addition to the funds otherwise required by this

1 subsection, to those attendance centers which were
2 underfunded during the previous year in amounts equal to
3 such underfunding.

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

24 The State Board of Education shall promulgate rules and
25 regulations to implement the provisions of this
26 subsection. No funds shall be released under this

1 subdivision (H) (4) to any district that has not submitted a
2 plan that has been approved by the State Board of
3 Education.

4 (I) (Blank).

5 (J) (Blank).

6 (K) Grants to Laboratory and Alternative Schools.

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

13 As used in this Section, "laboratory school" means a public
14 school which is created and operated by a public university and
15 approved by the State Board of Education. The governing board
16 of a public university which receives funds from the State
17 Board under this subsection (K) or subsection (g) of Section
18 18-8.15 of this Code may not increase the number of students
19 enrolled in its laboratory school from a single district, if
20 that district is already sending 50 or more students, except
21 under a mutual agreement between the school board of a
22 student's district of residence and the university which
23 operates the laboratory school. A laboratory school may not

1 have more than 1,000 students, excluding students with
2 disabilities in a special education program.

3 As used in this Section, "alternative school" means a
4 public school which is created and operated by a Regional
5 Superintendent of Schools and approved by the State Board of
6 Education. Such alternative schools may offer courses of
7 instruction for which credit is given in regular school
8 programs, courses to prepare students for the high school
9 equivalency testing program or vocational and occupational
10 training. A regional superintendent of schools may contract
11 with a school district or a public community college district
12 to operate an alternative school. An alternative school serving
13 more than one educational service region may be established by
14 the regional superintendents of schools of the affected
15 educational service regions. An alternative school serving
16 more than one educational service region may be operated under
17 such terms as the regional superintendents of schools of those
18 educational service regions may agree.

19 Each laboratory and alternative school shall file, on forms
20 provided by the State Superintendent of Education, an annual
21 State aid claim which states the Average Daily Attendance of
22 the school's students by month. The best 3 months' Average
23 Daily Attendance shall be computed for each school. The general
24 State aid entitlement shall be computed by multiplying the
25 applicable Average Daily Attendance by the Foundation Level as
26 determined under this Section.

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

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

15 (2) (Blank).

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

18 (M) (Blank). ~~Education Funding Advisory Board.~~

19 ~~The Education Funding Advisory Board, hereinafter in this~~
20 ~~subsection (M) referred to as the "Board", is hereby created.~~
21 ~~The Board shall consist of 5 members who are appointed by the~~
22 ~~Governor, by and with the advice and consent of the Senate. The~~
23 ~~members appointed shall include representatives of education,~~
24 ~~business, and the general public. One of the members so~~

1 ~~appointed shall be designated by the Governor at the time the~~
2 ~~appointment is made as the chairperson of the Board. The~~
3 ~~initial members of the Board may be appointed any time after~~
4 ~~the effective date of this amendatory Act of 1997. The regular~~
5 ~~term of each member of the Board shall be for 4 years from the~~
6 ~~third Monday of January of the year in which the term of the~~
7 ~~member's appointment is to commence, except that of the 5~~
8 ~~initial members appointed to serve on the Board, the member who~~
9 ~~is appointed as the chairperson shall serve for a term that~~
10 ~~commences on the date of his or her appointment and expires on~~
11 ~~the third Monday of January, 2002, and the remaining 4 members,~~
12 ~~by lots drawn at the first meeting of the Board that is held~~
13 ~~after all 5 members are appointed, shall determine 2 of their~~
14 ~~number to serve for terms that commence on the date of their~~
15 ~~respective appointments and expire on the third Monday of~~
16 ~~January, 2001, and 2 of their number to serve for terms that~~
17 ~~commence on the date of their respective appointments and~~
18 ~~expire on the third Monday of January, 2000. All members~~
19 ~~appointed to serve on the Board shall serve until their~~
20 ~~respective successors are appointed and confirmed. Vacancies~~
21 ~~shall be filled in the same manner as original appointments. If~~
22 ~~a vacancy in membership occurs at a time when the Senate is not~~
23 ~~in session, the Governor shall make a temporary appointment~~
24 ~~until the next meeting of the Senate, when he or she shall~~
25 ~~appoint, by and with the advice and consent of the Senate, a~~
26 ~~person to fill that membership for the unexpired term. If the~~

1 ~~Senate is not in session when the initial appointments are~~
2 ~~made, those appointments shall be made as in the case of~~
3 ~~vacancies.~~

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

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

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

1 ~~Education Funding Advisory Board shall make such~~
2 ~~recommendations to the General Assembly on January 1 of odd~~
3 ~~numbered years, beginning January 1, 2001.~~

4 (N) (Blank).

5 (O) References.

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

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

14 (P) Public Act 93-838 and Public Act 93-808 make inconsistent
15 changes to this Section. Under Section 6 of the Statute on
16 Statutes there is an irreconcilable conflict between Public Act
17 93-808 and Public Act 93-838. Public Act 93-838, being the last
18 acted upon, is controlling. The text of Public Act 93-838 is
19 the law regardless of the text of Public Act 93-808.

20 (Q) State Fiscal Year 2015 Payments.

21 For payments made for State fiscal year 2015, the State
22 Board of Education shall, for each school district, calculate

1 that district's pro-rata share of a minimum sum of \$13,600,000
2 or additional amounts as needed from the total net General
3 State Aid funding as calculated under this Section that shall
4 be deemed attributable to the provision of special educational
5 facilities and services, as defined in Section 14-1.08 of this
6 Code, in a manner that ensures compliance with maintenance of
7 State financial support requirements under the federal
8 Individuals with Disabilities Education Act. Each school
9 district must use such funds only for the provision of special
10 educational facilities and services, as defined in Section
11 14-1.08 of this Code, and must comply with any expenditure
12 verification procedures adopted by the State Board of
13 Education.

14 (R) State Fiscal Year 2016 Payments.

15 For payments made for State fiscal year 2016, the State
16 Board of Education shall, for each school district, calculate
17 that district's pro rata share of a minimum sum of \$1 or
18 additional amounts as needed from the total net General State
19 Aid funding as calculated under this Section that shall be
20 deemed attributable to the provision of special educational
21 facilities and services, as defined in Section 14-1.08 of this
22 Code, in a manner that ensures compliance with maintenance of
23 State financial support requirements under the federal
24 Individuals with Disabilities Education Act. Each school
25 district must use such funds only for the provision of special

1 educational facilities and services, as defined in Section
2 14-1.08 of this Code, and must comply with any expenditure
3 verification procedures adopted by the State Board of
4 Education.

5 (Source: P.A. 98-972, eff. 8-15-14; 99-2, eff. 3-26-15; 99-194,
6 eff. 7-30-15; 99-523, eff. 6-30-16.)

7 (105 ILCS 5/18-8.10)

8 Sec. 18-8.10. Fast growth grants.

9 (a) If there has been an increase in a school district's
10 student population over the most recent 2 school years of (i)
11 over 1.5% in a district with over 10,000 pupils in average
12 daily attendance (as defined in Section 18-8.05 or 18-8.15 of
13 this Code) or (ii) over 7.5% in any other district, then the
14 district is eligible for a grant under this Section, subject to
15 appropriation.

16 (b) The State Board of Education shall determine a per
17 pupil grant amount for each school district. The total grant
18 amount for a district for any given school year shall equal the
19 per pupil grant amount multiplied by the difference between the
20 number of pupils in average daily attendance for the 2 most
21 recent school years.

22 (c) Funds for grants under this Section must be
23 appropriated to the State Board of Education in a separate line
24 item for this purpose. If the amount appropriated in any fiscal
25 year is insufficient to pay all grants for a school year, then

1 the amount appropriated shall be prorated among eligible
2 districts. As soon as possible after funds have been
3 appropriated to the State Board of Education, the State Board
4 of Education shall distribute the grants to eligible districts.

5 (d) If a school district intentionally reports incorrect
6 average daily attendance numbers to receive a grant under this
7 Section, then the district shall be denied State aid in the
8 same manner as State aid is denied for intentional incorrect
9 reporting of average daily attendance numbers under Section
10 18-8.05 or 18-8.15 of this Code.

11 (Source: P.A. 93-1042, eff. 10-8-04.)

12 (105 ILCS 5/18-8.15 new)

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

15 (a) General provisions.

16 (1) The purpose of this Section is to ensure that, by June
17 30, 2027 and beyond, this State has a kindergarten through
18 grade 12 public education system with the capacity to ensure
19 the educational development of all persons to the limits of
20 their capacities in accordance with Section 1 of Article X of
21 the Constitution of the State of Illinois. To accomplish that
22 objective, this Section creates a method of funding public
23 education that is evidence-based; is sufficient to ensure every
24 student receives a meaningful opportunity to learn
25 irrespective of race, ethnicity, sexual orientation, gender,

1 or community-income level; and is sustainable and predictable.
2 When fully funded under this Section, every school shall have
3 the resources, based on what the evidence indicates is needed,
4 to:

5 (A) provide all students with a high quality education
6 that offers the academic, enrichment, social and emotional
7 support, technical, and career-focused programs that will
8 allow them to become competitive workers, responsible
9 parents, productive citizens of this State, and active
10 members of our national democracy;

11 (B) ensure all students receive the education they need
12 to graduate from high school with the skills required to
13 pursue post-secondary education and training for a
14 rewarding career;

15 (C) reduce, with a goal of eliminating, the achievement
16 gap between at-risk and non-at-risk students by raising the
17 performance of at-risk students and not by reducing
18 standards; and

19 (D) ensure this State satisfies its obligation to
20 assume the primary responsibility to fund public education
21 and simultaneously relieve the disproportionate burden
22 placed on local property taxes to fund schools.

23 (2) The evidence-based funding formula under this Section
24 shall be applied to all Organizational Units in this State. As
25 further defined and described in this Section, there are 4
26 major components of the evidence-based funding model:

1 (A) First, the model calculates a unique adequacy
2 target for each Organizational Unit in this State that
3 considers the costs to implement research-based
4 activities, the unit's student demographics, and regional
5 wage difference.

6 (B) Second, the model calculates each Organizational
7 Unit's local capacity, or the amount each Organizational
8 Unit is assumed to contribute towards its adequacy target
9 from local resources.

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

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

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

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

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

26 "Adjusted EAV" is defined in paragraph (4) of subsection

1 (d) of this Section.

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

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

6 "Alternative School" means a public school that is created
7 and operated by a regional superintendent of schools and
8 approved by the State Board.

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

11 "Assessment" means any of those benchmark, progress
12 monitoring, formative, diagnostic, and other assessments, in
13 addition to the State accountability assessment, that assist
14 teachers' needs in understanding the skills and meeting the
15 needs of the students they serve.

16 "Assistant principal" means a school administrator duly
17 endorsed to be employed as an assistant principal in this
18 State.

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

1 "Average Student Enrollment" or "ASE" means, for an
2 Organizational Unit in a given school year, the greater of the
3 average number of students (grades K through 12) reported to
4 the State Board as enrolled in the Organizational Unit on
5 October 1 and March 1, plus the special education
6 pre-kindergarten students with services of at least more than 2
7 hours a day as reported to the State Board on December 1, in
8 the immediately preceding school year or the average number of
9 students (grades K through 12) reported to the State Board as
10 enrolled in the Organizational Unit on October 1 and March 1,
11 plus the special education pre-kindergarten students with
12 services of at least more than 2 hours a day as reported to the
13 State Board on December 1, for each of the immediately
14 preceding 3 school years. For the purposes of this definition,
15 "enrolled in the Organizational Unit" means the number of
16 students reported to the State Board who are enrolled in
17 schools within the Organizational Unit that the student attends
18 or would attend if not placed or transferred to another school
19 or program to receive needed services. For the purposes of
20 calculating "ASE", all students, grades K through 12, including
21 those attending kindergarten for a half day, shall be counted
22 as 1.0. Special education pre-kindergarten students shall be
23 counted as 0.5 each. If the State Board does not collect or has
24 not collected both an October 1 and March 1 enrollment count by
25 grade or a December 1 collection of special education
26 pre-kindergarten students as of the effective date of this

1 amendatory Act of the 100th General Assembly, it shall
2 establish such collection for all future years. For any year
3 where a count by grade level was collected only once, that
4 count shall be used as the single count available for computing
5 a 3-year average ASE. School districts shall submit the data
6 for the ASE calculation to the State Board within 45 days of
7 the dates required in this Section for submission of enrollment
8 data in order for it to be included in the ASE calculation.

9 "Base Funding Guarantee" is defined in paragraph (7) of
10 subsection (g) of this Section.

11 "Base Funding Minimum" is defined in subsection (e) of this
12 Section.

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

15 "Base Tax Year's Extension" means the product of the
16 equalized assessed valuation utilized by the county clerk in
17 the Base Tax Year multiplied by the limiting rate as calculated
18 by the county clerk and defined in PTELL.

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

21 "Central office" means individual administrators and
22 support service personnel charged with managing the
23 instructional programs, business and operations, and security
24 of the Organizational Unit.

25 "Comparable Wage Index" or "CWI" means a regional cost
26 differentiation metric that measures systemic, regional

1 variations in the salaries of college graduates who are not
2 educators. The CWI utilized for this Section shall, for the
3 first 3 years of Evidence-Based Funding implementation, be the
4 CWI initially developed by the National Center for Education
5 Statistics, as most recently updated by Texas A & M University.
6 In the fourth and subsequent years of Evidence-Based Funding
7 implementation, the State Superintendent shall re-determine
8 the CWI using a similar methodology to that identified in the
9 Texas A & M University study, with adjustments made no less
10 frequently than once every 5 years.

11 "Computer technology and equipment" means computers
12 servers, notebooks, network equipment, copiers, printers,
13 instructional software, security software, curriculum
14 management courseware, and other similar materials and
15 equipment.

16 "Core subject" means mathematics; science; reading,
17 English, writing, and language arts; history and social
18 studies; world languages; and subjects taught as Advanced
19 Placement in high schools.

20 "Core teacher" means a regular classroom teacher in
21 elementary schools and teachers of a core subject in middle and
22 high schools.

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

26 "CPPRT" means corporate personal property replacement tax

1 funds paid to an Organizational Unit during the calendar year
2 one year before the calendar year in which a school year
3 begins, pursuant to "An Act in relation to the abolition of ad
4 valorem personal property tax and the replacement of revenues
5 lost thereby, and amending and repealing certain Acts and parts
6 of Acts in connection therewith", certified August 14, 1979, as
7 amended (Public Act 81-1st S.S.-1).

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

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

17 "EIS Data" means the employment information system data
18 maintained by the State Board on educators within
19 Organizational Units.

20 "Employee benefits" means health, dental, and vision
21 insurance offered to employees of an Organizational Unit, the
22 costs associated with statutorily required payment of the
23 normal cost of the Organizational Unit's teacher pensions,
24 Social Security employer contributions, and Illinois Municipal
25 Retirement Fund employer contributions.

26 "English learner" or "EL" means a child included in the

1 definition of "English learners" under Section 14C-2 of this
2 Code participating in a program of transitional bilingual
3 education or a transitional program of instruction meeting the
4 requirements and program application procedures of Article 14C
5 of this Code. For the purposes of collecting the number of EL
6 students enrolled, the same collection and calculation
7 methodology as defined above for "ASE" shall apply to English
8 learners.

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

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

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

23 "Extension Limitation Ratio" means a numerical ratio in
24 which the numerator is the Base Tax Year's Extension and the
25 denominator is the Preceding Tax Year's Extension.

26 "Final Percent of Adequacy" is defined in paragraph (4) of

1 subsection (f) of this Section.

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

4 "Full-time equivalent" or "FTE" means the full-time
5 equivalency compensation for staffing the relevant position at
6 an Organizational Unit.

7 "Funding Gap" is defined in paragraph (1) of subsection
8 (g).

9 "Guidance counselor" means a licensed guidance counselor
10 who provides guidance and counseling support for students
11 within an Organizational Unit.

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

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

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

1 specialist, or lead teacher; or otherwise works with fellow
2 teachers, in collaboration, to use data to improve
3 instructional practice or develop model lessons.

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

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

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

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

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

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

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

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

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

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

16 "Minimum Funding Level" is defined in paragraph (6) of
17 subsection (q) of this Section.

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

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

26 "Nurse" means an individual licensed as a certified school

1 nurse, in accordance with the rules established for nursing
2 services by the State Board, who is an employee of and is
3 available to provide health care-related services for students
4 of an Organizational Unit.

5 "Operating Tax Rate" means the rate utilized in the
6 previous year to extend property taxes for all purposes,
7 except, Bond and Interest, Summer School, Rent, Capital
8 Improvement, and Vocational Education Building purposes. For
9 Hybrid Districts, the Operating Tax Rate shall be the combined
10 elementary and high school rates utilized in the previous year
11 to extend property taxes for all purposes, except, Bond and
12 Interest, Summer School, Rent, Capital Improvement, and
13 Vocational Education Building purposes. For all Organizational
14 Units, the State Superintendent shall calculate and subtract
15 from the Operating Tax Rate a transportation rate based on
16 total expenses for transportation services under this Code, as
17 reported on the most recent Annual Financial Report in Pupil
18 Transportation Services, function 2550 in both the Education
19 and Transportation funds and functions 4110 and 4120 in the
20 Transportation fund, less any corresponding fiscal year State
21 of Illinois scheduled payments excluding net adjustments for
22 prior years for regular, vocational, or special education
23 transportation reimbursement pursuant to Section 29-5 or
24 subsection (b) of Section 14-13.01 of this Code divided by the
25 Adjusted EAV. If an Organizational Unit's corresponding fiscal
26 year State of Illinois scheduled payments excluding net

1 adjustments for prior years for regular, vocational, or special
2 education transportation reimbursement pursuant to Section
3 29-5 or subsection (b) of Section 14-13.01 of this Code exceed
4 the total transportation expenses, as defined in this
5 paragraph, no transportation rate shall be subtracted from the
6 Operating Tax Rate.

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

16 "Organizational Unit CWI" is determined by calculating the
17 CWI in the region and original county in which an
18 Organizational Unit's primary administrative office is located
19 as set forth in this paragraph, provided that if the
20 Organizational Unit CWI as calculated in accordance with this
21 paragraph is less than 0.9, the Organizational Unit CWI shall
22 be increased to 0.9. Each county's current CWI value shall be
23 adjusted based on the CWI value of that county's neighboring
24 Illinois counties, to create a "weighted adjusted index value".
25 This shall be calculated by summing the CWI values of all of a
26 county's adjacent Illinois counties and dividing by the number

1 of adjacent Illinois counties, then taking the weighted value
2 of the original county's CWI value and the adjacent Illinois
3 county average. To calculate this weighted value, if the number
4 of adjacent Illinois counties is greater than 2, the original
5 county's CWI value will be weighted at 0.25 and the adjacent
6 Illinois county average will be weighted at 0.75. If the number
7 of adjacent Illinois counties is 2, the original county's CWI
8 value will be weighted at 0.33 and the adjacent Illinois county
9 average will be weighted at 0.66. The greater of the county's
10 current CWI value and its weighted adjusted index value shall
11 be used as the Organizational Unit CWI.

12 "Preceding Tax Year" means the property tax levy year
13 immediately preceding the Base Tax Year.

14 "Preceding Tax Year's Extension" means the product of the
15 equalized assessed valuation utilized by the county clerk in
16 the Preceding Tax Year multiplied by the Operating Tax Rate.

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

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

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

23 "Professional development" means training programs for
24 licensed staff in schools, including, but not limited to,
25 programs that assist in implementing new curriculum programs,
26 provide data focused or academic assessment data training to

1 help staff identify a student's weaknesses and strengths,
2 target interventions, improve instruction, encompass
3 instructional strategies for EL, gifted, or at-risk students,
4 address inclusivity, cultural sensitivity, or implicit bias,
5 or otherwise provide professional support for licensed staff.

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

11 "PTELL" means the Property Tax Extension Limitation Law.

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

14 "Pupil support staff" means a nurse, psychologist, social
15 worker, family liaison personnel, or other staff member who
16 provides support to at-risk or struggling students.

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

19 "Regionalization Factor" means, for a particular
20 Organizational Unit, the figure derived by dividing the
21 Organizational Unit CWI by the Statewide Weighted CWI.

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

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

26 "Specialist teacher" means a teacher who provides

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

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

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

19 "State Adequacy Level" is the sum of the Adequacy Targets
20 of all Organizational Units.

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

22 "State Superintendent" means the State Superintendent of
23 Education.

24 "Statewide Weighted CWI" means a figure determined by
25 multiplying each Organizational Unit CWI times the ASE for that
26 Organizational Unit creating a weighted value, summing all

1 Organizational Unit's weighted values, and dividing by the
2 total ASE of all Organizational Units, thereby creating an
3 average weighted index.

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

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

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

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

22 "Target Ratio" is defined in paragraph (4) of subsection
23 (g).

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

26 "Tier 1 Aggregate Funding", "Tier 2 Aggregate Funding",

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

3 (b) Adequacy Target calculation.

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

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

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

23 (1) For grades kindergarten through 3, the
24 Organizational Unit shall receive funding required to
25 support one FTE core teacher position for every 15
26 Low-Income Count students in those grades and one FTE

1 core teacher position for every 20 non-Low-Income
2 Count students in those grades.

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

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

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

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

22 (ii) if such Organizational Unit operates a high
23 school, then 33.33% of the number of the Organizational
24 Unit's core teachers.

25 (C) Instructional facilitator investments. Each
26 Organizational Unit shall receive the funding needed to

1 cover one FTE instructional facilitator position for every
2 200 combined ASE of pre-kindergarten children with
3 disabilities and all kindergarten through grade 12
4 students of the Organizational Unit.

5 (D) Core intervention teacher (tutor) investments.
6 Each Organizational Unit shall receive the funding needed
7 to cover one FTE teacher position for each prototypical
8 elementary, middle, and high school.

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

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

1 middle school students, plus one FTE guidance counselor for
2 each 250 grades 9 through 12 ASE high school students.

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

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

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

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

1 prototypical high school.

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

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

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

18 (N) Professional development investments. Each
19 Organizational Unit shall receive \$125 per student of the
20 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 materials.

24 (O) Instructional material investments. Each
25 Organizational Unit shall receive \$190 per student of the
26 combined ASE of pre-kindergarten children with

1 disabilities and all kindergarten through grade 12
2 students to cover instructional material costs.

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

8 (Q) Computer technology and equipment investments.
9 Each Organizational Unit shall receive \$285.50 per student
10 of the combined ASE of pre-kindergarten children with
11 disabilities and all kindergarten through grade 12
12 students to cover computer technology and equipment costs.
13 For the 2018-2019 school year and subsequent school years,
14 Tier 1 and Tier 2 Organizational Units selected by the
15 State Board through a request for proposals process shall,
16 upon the State Board's approval of an Organizational Unit's
17 one-to-one computing technology plan, receive an
18 additional \$285.50 per student of the combined ASE of
19 pre-kindergarten children with disabilities and all
20 kindergarten through grade 12 students to cover computer
21 technology and equipment costs. The State Board may
22 establish additional requirements for Organizational Unit
23 expenditures of funds received pursuant to this
24 subparagraph (Q). It is the intent of this amendatory Act
25 of the 100th General Assembly that all Tier 1 and Tier 2
26 districts that apply for the technology grant receive the

1 addition to their Adequacy Target, subject to compliance
2 with the requirements of the State Board.

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

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

19 (T) Central office investments. Each Organizational
20 Unit shall receive \$742 per student of the combined ASE of
21 pre-kindergarten children with disabilities and all
22 kindergarten through grade 12 students to cover central
23 office operations, including administrators and classified
24 personnel charged with managing the instructional
25 programs, business and operations of the school district,
26 and security personnel. The proportion of salary for the

1 application of a Regionalization Factor and the
2 calculation of benefits is equal to \$368.48.

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

1 set forth in this subparagraph (U).

2 (V) Additional investments in low-income students. In
3 addition to and not in lieu of all other funding under this
4 paragraph (2), each Organizational Unit shall receive
5 funding based on the average teacher salary for grades K
6 through 12 to cover the costs of: (i) one FTE intervention
7 teacher (tutor) position for every 125 Low-Income Count
8 students; (ii) one FTE pupil support staff position for
9 every 125 Low-Income Count students; (iii) one FTE extended
10 day teacher position for every 120 Low-Income Count
11 students; and (iv) one FTE summer school teacher position
12 for every 120 Low-Income Count students.

13 (W) Additional investments in EL students. In addition
14 to and not in lieu of all other funding under this
15 paragraph (2), each Organizational Unit shall receive
16 funding based on the average teacher salary for grades K
17 through 12 to cover the costs of:

18 (i) one FTE intervention teacher (tutor) position
19 for every 125 EL students;

20 (ii) one FTE pupil support staff position for every
21 125 EL students;

22 (iii) one FTE extended day teacher position for
23 every 120 EL students;

24 (iv) one FTE summer school teacher position for
25 every 120 EL students; and

26 (v) one FTE core teacher position for every 100 EL

1 students.

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

6 (i) one FTE teacher position for every 141 combined
7 ASE of pre-kindergarten children with disabilities and
8 all kindergarten through grade 12 students;

9 (ii) one FTE instructional assistant for every 141
10 combined ASE of pre-kindergarten children with
11 disabilities and all kindergarten through grade 12
12 students; and

13 (iii) one FTE psychologist position for every
14 1,000 combined ASE of pre-kindergarten children with
15 disabilities and all kindergarten through grade 12
16 students.

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

25 (A) Teacher for grades K through 8.

26 (B) Teacher for grades 9 through 12.

1 (C) Teacher for grades K through 12.

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

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

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

5 (G) Social worker.

6 (H) Psychologist.

7 (I) Librarian.

8 (J) Nurse.

9 (K) Principal.

10 (L) Assistant principal.

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

20 For calculating the salaries included within the Essential
21 Elements for positions not included within EIS Data, the
22 following salaries shall be used in the first year of
23 implementation of Evidence-Based Funding:

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

25 (ii) on-instructional assistant, instructional
26 assistant, library aide, library media tech, or

1 supervisory aide: \$25,000.

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

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

9 (c) Local capacity calculation.

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

21 (2) "Local Capacity Target" means, for an Organizational
22 Unit, that dollar amount that is obtained by multiplying its
23 Adequacy Target by its Local Capacity Percentage.

24 (A) An Organizational Unit's Local Capacity Percentage
25 is the conversion of the Organizational Unit's Local
26 Capacity Ratio, as such ratio is determined in accordance

1 with subparagraph (B) of this paragraph (2), into a normal
2 curve equivalent score to determine each Organizational
3 Unit's relative position to all other Organizational Units
4 in this State. The calculation of Local Capacity Percentage
5 is described in subparagraph (C) of this paragraph (2).

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

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

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

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

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

24 (C) Local Capacity Percentage converts each
25 Organizational Unit's Local Capacity Ratio to a normal
26 curve equivalent score to determine each Organizational

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

1 (3) If an Organizational Unit's Real Receipts are more than
2 its Local Capacity Target, then its Local Capacity shall equal
3 an Adjusted Local Capacity Target as calculated in accordance
4 with this paragraph (3). The Adjusted Local Capacity Target is
5 calculated as the sum of the Organizational Unit's Local
6 Capacity Target and its Real Receipts Adjustment. For
7 Organizational Units with a Real Percent of Adequacy above 85%,
8 the Real Receipts Adjustment equals the Organizational Unit's
9 Real Receipts less its Local Capacity Target, with the
10 resulting figure multiplied by the lesser of 100% or the
11 difference between its Real Percent of Adequacy and 85%. For
12 Organizational Units with a Real Percent of Adequacy of 85% or
13 below, there is no Real Receipts Adjustment.

14 As used in this paragraph (3), "Real Percent of Adequacy"
15 means the sum of an Organizational Unit's Real Receipts, CPPRT,
16 and Base Funding Minimum, with the resulting figure divided by
17 the Organizational Unit's Adequacy Target.

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

20 (1) An Organizational Unit's Real Receipts are the product
21 of its Applicable Tax Rate and its Adjusted EAV. An
22 Organizational Unit's Applicable Tax Rate is its Operating Tax
23 Rate for property within the Organizational Unit.

24 (2) The State Superintendent shall calculate the Equalized
25 Assessed Valuation, or EAV, of all taxable property of each
26 Organizational Unit as of September 30 of the previous year in

1 accordance with paragraph (3) of this subsection (d). The State
2 Superintendent shall then determine the Adjusted EAV of each
3 Organizational Unit in accordance with paragraph (4) of this
4 subsection (d), which Adjusted EAV figure shall be used for the
5 purposes of calculating Local Capacity.

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

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

1 2003 or (II) \$5,000 in all counties in tax year 2004 and
2 thereafter and (ii) an amount equal to the aggregate amount
3 for the taxable year of all additional exemptions under
4 Section 15-175 of the Property Tax Code for owners with a
5 household income of \$30,000 or less. The county clerk of
6 any county that is or was subject to the provisions of
7 Section 15-176 or 15-177 of the Property Tax Code shall
8 annually calculate and certify to the Department of Revenue
9 for each Organizational Unit all homestead exemption
10 amounts under Section 15-176 or 15-177 of the Property Tax
11 Code and all amounts of additional exemptions under Section
12 15-175 of the Property Tax Code for owners with a household
13 income of \$30,000 or less. It is the intent of this
14 subparagraph (A) that if the general homestead exemption
15 for a parcel of property is determined under Section 15-176
16 or 15-177 of the Property Tax Code rather than Section
17 15-175, then the calculation of EAV shall not be affected
18 by the difference, if any, between the amount of the
19 general homestead exemption allowed for that parcel of
20 property under Section 15-176 or 15-177 of the Property Tax
21 Code and the amount that would have been allowed had the
22 general homestead exemption for that parcel of property
23 been determined under Section 15-175 of the Property Tax
24 Code. It is further the intent of this subparagraph (A)
25 that if additional exemptions are allowed under Section
26 15-175 of the Property Tax Code for owners with a household

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

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

22 (C) For Organizational Units that are Hybrid
23 Districts, the State Superintendent shall use the lesser of
24 the equalized assessed valuation for property within the
25 partial elementary unit district for elementary purposes,
26 as defined in Article 11E of this Code, or the equalized

1 assessed valuation for property within the partial
2 elementary unit district for high school purposes, as
3 defined in Article 11E of this Code.

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

18 Notwithstanding anything to the contrary contained in this
19 paragraph (4), if an Organizational Unit has a PTELL EAV less
20 than its Adjusted EAV as calculated in the remainder of this
21 paragraph, the Organizational Unit's PTELL EAV shall serve as
22 its Adjusted EAV.

23 "PTELL EAV" means a figure calculated by the State Board
24 for Organizational Units subject to PTELL as described in this
25 paragraph (4). Except as otherwise provided in this paragraph
26 (4), for an Organizational Unit that has approved or does

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

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

24 (e) Base Funding Minimum calculation.

25 (1) For the 2017-2018 school year, the Base Funding Minimum
26 of an Organizational Unit, other than a Specially Funded Unit,

1 shall be the amount of State funds distributed to the
2 Organizational Unit during the 2016-2017 school year prior to
3 any adjustments and specified appropriation amounts described
4 in this paragraph (1) from the following Sections, as
5 calculated by the State Superintendent: Section 18-8.05 of this
6 Code (general State aid); Section 5 of Article 224 of Public
7 Act 99-524 (equity grants); Section 14-7.02b of this Code
8 (funding for children requiring special education services);
9 Section 14-13.01 of this Code (special education facilities and
10 staffing), except for reimbursement of the cost of
11 transportation pursuant to Section 14-13.01; Section 14C-12 of
12 this Code (English learners); and Section 18-4.3 of this Code
13 (summer school), based on an appropriation level of
14 \$13,121,600. For a school district organized under Article 34
15 of this Code, the Base Funding Minimum also includes the funds
16 allotted to the school district pursuant to Section 1D-1 of
17 this Code attributable to funding programs authorized by the
18 Sections of this Code listed in the preceding sentence. For
19 Specially Funded Units, the Base Funding Minimum shall be the
20 total amount of State funds allotted to the Specially Funded
21 Unit during the 2016-2017 school year. The Base Funding Minimum
22 for Glenwood Academy shall be \$625,500.

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

1 Minimum for the prior school year.

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

3 (1) The Evidence-Based Funding formula establishes a
4 Percent of Adequacy for each Organizational Unit in order to
5 place such units into tiers for the purposes of the funding
6 distribution system described in subsection (g) of this
7 Section. Initially, an Organizational Unit's Preliminary
8 Resources and Preliminary Percent of Adequacy are calculated
9 pursuant to paragraph (2) of this subsection (f). Then, an
10 Organizational Unit's Final Resources and Final Percent of
11 Adequacy are calculated to account for the Organizational
12 Unit's poverty concentration levels pursuant to paragraphs (3)
13 and (4) of this subsection (f).

14 (2) An Organizational Unit's Preliminary Resources are
15 equal to the sum of its Local Capacity Target, CPPRT, and Base
16 Funding Minimum. An Organizational Unit's Preliminary Percent
17 of Adequacy is the lesser of (i) its Preliminary Resources
18 divided by its Adequacy Target or (ii) 100%.

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

1 (4) An Organizational Unit's Final Percent of Adequacy is
2 its Final Resources divided by its Adequacy Target. A
3 Organizational Unit's Adjusted Base Funding Minimum is equal to
4 its Base Funding Minimum less its Supplemental Grant Funding,
5 with the resulting figure added to the product of its
6 Supplemental Grant Funding and Preliminary Percent of
7 Adequacy.

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

9 (1) In each school year under the Evidence-Based Funding
10 formula, each Organizational Unit receives funding equal to the
11 sum of its Base Funding Minimum and the unit's allocation of
12 New State Funds determined pursuant to this subsection (g). To
13 allocate New State Funds, the Evidence-Based Funding formula
14 distribution system first places all Organizational Units into
15 one of 4 tiers in accordance with paragraph (3) of this
16 subsection (g), based on the Organizational Unit's Final
17 Percent of Adequacy. New State Funds are allocated to each of
18 the 4 tiers as follows: Tier 1 Aggregate Funding equals 40% of
19 all New State Funds, Tier 2 Aggregate Funding equals 59% of all
20 New State Funds, Tier 3 Aggregate Funding equals 0.9% of all
21 New State Funds, and Tier 4 Aggregate Funding equals 0.1% of
22 all New State Funds. Each Organizational Unit within Tier 1 or
23 Tier 2 receives an allocation of New State Funds equal to its
24 Tier Funding Gap, as defined in the following sentence,
25 multiplied by the tier's Allocation Rate determined pursuant to
26 paragraph (4) of this subsection (g). For Tier 1 and Tier 2, an

1 Organizational Unit's Funding Gap equals the Tier's Target
2 Ratio, as specified in paragraph (5) of this subsection (g),
3 multiplied by the Organizational Unit's Adequacy Target, with
4 the resulting amount reduced by the Organizational Unit's Final
5 Resources and, for Tier 2 Organizational Units, its Tier 1
6 funding allocation. Each Organizational Unit within Tier 3 or
7 Tier 4 receives an allocation of New State Funds equal to the
8 product of its Adequacy Target and the Tier's Allocation Rate,
9 as specified in paragraph (4) of this subsection (g).

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

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

26 (A) Tier 1 consists of all Organizational Units, except

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

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

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

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

15 (4) The Allocation Rates for Tiers 1 through 4 is
16 determined as follows:

17 (A) The Tier 1 Allocation Rate is 40%.

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

24 (C) The Tier 3 Allocation Rate is the result of the
25 following equation: Tier 3 Aggregate Funding, divided by
26 the sum of the Adequacy Targets of all Tier 3

1 Organizational Units.

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

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

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

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

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

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

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

19 (8) If any Specially Funded Units, excluding Glenwood
20 Academy, recognized by the State Board do not qualify for
21 direct funding following the implementation of this amendatory
22 Act of the 100th General Assembly from any of the funding
23 sources included within the definition of Base Funding Minimum,
24 the unqualified portion of the Base Funding Minimum shall be
25 transferred to one or more appropriate Organizational Units as
26 determined by the State Superintendent based on the prior year

1 ASE of the Organizational Units.

2 (9) The Minimum Funding Level is intended to establish a
3 target for State funding that will keep pace with inflation and
4 continue to advance equity through the Evidence-Based Funding
5 formula. The Minimum Funding Level is equal to: (i) the sum of
6 1% of the State Adequacy Level, plus the ECI multiplied by the
7 State Adequacy Level, less (ii) the total increase in Real
8 Receipts from the prior school year to the current school year.
9 The Minimum Funding Level may never be greater than the sum of
10 the Preliminary Resources subtracted from the Adequacy Target
11 for each Tier 1, Tier 2, and Tier 3 Organizational Unit. The
12 General Assembly shall strive to provide sufficient
13 appropriations to annually fund the Minimum Funding Level.

14 (10) In the event of a decrease in the amount of the
15 appropriation for this Section in any fiscal year after
16 implementation of this Section, the Organizational Units
17 receiving Tier 1 and Tier 2 funding, as determined under
18 paragraph (3) of this subsection (g), shall be held harmless by
19 establishing a Base Funding Guarantee equal to the per pupil
20 kindergarten through grade 12 funding received in accordance
21 with this Section in the prior fiscal year. Reductions shall be
22 made to the Base Funding Minimum of Organizational Units in
23 Tier 3 and Tier 4 on a per pupil basis equivalent to the total
24 number of the ASE in Tier 3-funded and Tier 4-funded
25 Organizational Units divided by the total reduction in State
26 funding. The Base Funding Minimum as reduced shall continue to

1 be applied to Tier 3 and Tier 4 Organizational Units and
2 adjusted by the relative formula when increases in
3 appropriations for this Section resume. In no event may State
4 funding reductions to Organizational Units in Tier 3 or Tier 4
5 exceed an amount that would be less than the Base Funding
6 Minimum established in the first year of implementation of this
7 Section. If additional reductions are required, all school
8 districts shall receive a reduction by a per pupil amount equal
9 to the aggregate additional appropriation reduction divided by
10 the total ASE of all Organizational Units.

11 (11) The State Superintendent shall make minor adjustments
12 to the distribution formulae set forth in this subsection (g)
13 to account for the rounding of percentages to the nearest tenth
14 of a percentage and dollar amounts to the nearest whole dollar.

15 (h) State Superintendent administration of funding and
16 district submission requirements.

17 (1) The State Superintendent shall, in accordance with
18 appropriations made by the General Assembly, meet the funding
19 obligations created under this Section.

20 (2) The State Superintendent shall calculate the Adequacy
21 Target for each Organizational Unit and Net State Contribution
22 Target for each Organizational Unit under this Section. The
23 State Superintendent shall also certify the actual amounts of
24 the New State Funds payable for each eligible Organizational
25 Unit based on the equitable distribution calculation to the
26 unit's treasurer, as soon as possible after such amounts are

1 calculated, including any applicable adjusted charge-off
2 increase. No Evidence-Based Funding shall be distributed
3 within an Organizational Unit without the approval of the
4 unit's school board.

5 (3) Annually, the State Superintendent shall calculate and
6 report to each Organizational Unit the unit's aggregate
7 financial adequacy amount, which shall be the sum of the
8 Adequacy Target for each Organizational Unit. The State
9 Superintendent shall calculate and report separately for each
10 Organizational Unit the unit's total State funds allocated for
11 its students with disabilities. The State Superintendent shall
12 calculate and report separately for each Organizational Unit
13 the amount of funding and applicable FTE calculated for each
14 Essential Element of the unit's Adequacy Target.

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

25 (5) Any school district that fails, for any given school
26 year, to maintain school as required by law or to maintain a

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

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

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

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

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

26 (A) a framework for collaborative, professional,

1 innovative, and 21st century learning environments using
2 the Evidence-Based Funding model;

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

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

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

14 (i) Professional Review Panel.

15 (1) A Professional Review Panel is created to study and
16 review the implementation and effect of the Evidence-Based
17 Funding model under this Section and to recommend continual
18 recalibration and future study topics and modifications to the
19 Evidence-Based Funding model. The Panel shall elect a
20 chairperson and vice chairperson by a majority vote of the
21 Panel and shall advance recommendations based on a majority
22 vote of the Panel. A minority opinion may also accompany any
23 recommendation of the majority of the Panel. The Panel shall be
24 appointed by the State Superintendent, except as otherwise
25 provided in paragraph (2) of this subsection (i) and include
26 the following members:

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

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

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

10 (D) Two appointees that represent school principals,
11 recommended by a statewide organization that represents
12 school principals.

13 (E) Two appointees that represent teachers,
14 recommended by a statewide organization that represents
15 teachers.

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

19 (G) Two appointees that represent regional
20 superintendents of schools, recommended by organizations
21 that represent regional superintendents.

22 (H) Two independent experts selected solely by the
23 State Superintendent.

24 (I) Two independent experts recommended by public
25 universities in this State.

26 (J) One member recommended by a statewide organization

1 that represents parents.

2 (K) Two representatives recommended by collective
3 impact organizations that represent major metropolitan
4 areas or geographic areas in Illinois.

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

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

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

19 (2) In addition to those Panel members appointed by the
20 State Superintendent, 4 members of the General Assembly shall
21 be appointed as follows: one member of the House of
22 Representatives appointed by the Speaker of the House of
23 Representatives, one member of the Senate appointed by the
24 President of the Senate, one member of the House of
25 Representatives appointed by the Minority Leader of the House
26 of Representatives, and one member of the Senate appointed by

1 the Minority Leader of the Senate. There shall be one
2 additional member appointed by the Governor. All members
3 appointed by legislative leaders or the Governor shall be
4 non-voting, ex officio members.

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

10 (A) gifted under subparagraph (M) of paragraph (2) of
11 subsection (b) of this Section;

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

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

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

18 (E) maintenance and operations under subparagraph (S)
19 of paragraph (2) of subsection (b) of this Section; and

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

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

26 (A) The format and scope of annual spending plans

1 referenced in subsection (h) paragraph (8) of this Section.

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

5 (C) Maintenance and operations. Within 5 years after
6 the implementation of this Section, the Panel shall make
7 recommendations for the further study of maintenance and
8 operations costs, including capital maintenance costs, and
9 recommend any additional reporting data required from
10 Organizational Units.

11 (D) "At-risk student" definition. Within 5 years after
12 the implementation of this Section, the Panel shall make
13 recommendations for the further study and determination of
14 an "at-risk student" definition. Within 5 years after the
15 implementation of this Section, the Panel shall evaluate
16 and make recommendations regarding adequate funding for
17 poverty concentration under the Evidence-Based Funding
18 model.

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

22 (F) Technology. The per pupil target for technology
23 shall be reviewed every 3 years to determine whether
24 current allocations are sufficient to develop 21st century
25 learning in all classrooms in this State and supporting a
26 one-to-one technological device program in each school.

1 Recommendations shall be made no later than 3 years after
2 the implementation of this Section.

3 (G) Local Capacity Target. Within 3 years after the
4 implementation of this Section, the Panel shall make
5 recommendations for any additional data desired to analyze
6 possible modifications to the Local Capacity Target, to be
7 based on measures in addition to solely EAV and to be
8 completed within 5 years after implementation of this
9 Section.

10 (H) Funding for Alternative Schools, Laboratory
11 Schools, safe schools, and alternative learning
12 opportunities programs. By the beginning of the 2021-2022
13 school year, the Panel shall study and make recommendations
14 regarding the funding levels for Alternative Schools,
15 Laboratory Schools, safe schools, and alternative learning
16 opportunities programs in this State.

17 (I) Funding for college and career acceleration
18 strategies. By the beginning of the 2021-2022 school year,
19 the Panel shall study and make recommendations regarding
20 funding levels to support college and career acceleration
21 strategies in high school that have been demonstrated to
22 result in improved secondary and postsecondary outcomes,
23 including Advanced Placement, dual-credit opportunities,
24 and college and career pathway systems.

25 (J) Special education investments. By the beginning of
26 the 2021-2022 school year, the Panel shall study and make

1 recommendations on whether and how to account for
2 disability types within the special education funding
3 category.

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

14 (5) Within 5 years after the implementation of this
15 Section, the Panel shall complete an evaluative study of the
16 entire Evidence-Based Funding model, including an assessment
17 of whether or not the formula is achieving State goals. The
18 Panel shall report to the State Board, the General Assembly,
19 and the Governor on the findings of the study.

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

24 (j) References. Beginning July 1, 2017, references in other
25 laws to general State aid funds or calculations under Section
26 18-8.05 of this Code shall be deemed to be references to

1 evidence-based model formula funds or calculations under this
2 Section.

3 (105 ILCS 5/18-9) (from Ch. 122, par. 18-9)

4 Sec. 18-9. Requirement for special equalization and
5 supplementary State aid. If property comprising an aggregate
6 assessed valuation equal to 6% or more of the total assessed
7 valuation of all taxable property in a school district is owned
8 by a person or corporation that is the subject of bankruptcy
9 proceedings or that has been adjudged bankrupt and, as a result
10 thereof, has not paid taxes on the property, then the district
11 may amend its general State aid or evidence-based funding claim
12 (i) back to the inception of the bankruptcy, not to exceed 6
13 years, in which time those taxes were not paid and (ii) for
14 each succeeding year that those taxes remain unpaid, by adding
15 to the claim an amount determined by multiplying the assessed
16 valuation of the property on which taxes have not been paid due
17 to the bankruptcy by the lesser of the total tax rate for the
18 district for the tax year for which the taxes are unpaid or the
19 applicable rate used in calculating the district's general
20 State aid under paragraph (3) of subsection (D) of Section
21 18-8.05 of this Code or evidence-based funding under Section
22 18-8.15 of this Code, as applicable. If at any time a district
23 that receives additional State aid under this Section receives
24 tax revenue from the property for the years that taxes were not
25 paid, the district's next claim for State aid shall be reduced

1 in an amount equal to the taxes paid on the property, not to
2 exceed the additional State aid received under this Section.
3 Claims under this Section shall be filed on forms prescribed by
4 the State Superintendent of Education, and the State
5 Superintendent of Education, upon receipt of a claim, shall
6 adjust the claim in accordance with the provisions of this
7 Section. Supplementary State aid for each succeeding year under
8 this Section shall be paid beginning with the first general
9 State aid or evidence-based funding claim paid after the
10 district has filed a completed claim in accordance with this
11 Section.

12 (Source: P.A. 95-496, eff. 8-28-07.)

13 (105 ILCS 5/18-12) (from Ch. 122, par. 18-12)

14 Sec. 18-12. Dates for filing State aid claims. The school
15 board of each school district, a regional office of education,
16 a laboratory school, or a State-authorized charter school shall
17 require teachers, principals, or superintendents to furnish
18 from records kept by them such data as it needs in preparing
19 and certifying to the State Superintendent of Education its
20 report of claims provided in Section 18-8.05 of this Code. The
21 claim shall be based on the latest available equalized assessed
22 valuation and tax rates, as provided in Section 18-8.05 or
23 18-8.15, shall use the average daily attendance as determined
24 by the method outlined in Section 18-8.05 or 18-8.15, and shall
25 be certified and filed with the State Superintendent of

1 Education by June 21 for districts and State-authorized charter
2 schools with an official school calendar end date before June
3 15 or within 2 weeks following the official school calendar end
4 date for districts, regional offices of education, laboratory
5 schools, or State-authorized charter schools with a school year
6 end date of June 15 or later. Failure to so file by these
7 deadlines constitutes a forfeiture of the right to receive
8 payment by the State until such claim is filed. The State
9 Superintendent of Education shall voucher for payment those
10 claims to the State Comptroller as provided in Section 18-11.

11 Except as otherwise provided in this Section, if any school
12 district fails to provide the minimum school term specified in
13 Section 10-19, the State aid claim for that year shall be
14 reduced by the State Superintendent of Education in an amount
15 equivalent to $1/176$ or .56818% for each day less than the
16 number of days required by this Code.

17 If the State Superintendent of Education determines that
18 the failure to provide the minimum school term was occasioned
19 by an act or acts of God, or was occasioned by conditions
20 beyond the control of the school district which posed a
21 hazardous threat to the health and safety of pupils, the State
22 aid claim need not be reduced.

23 If a school district is precluded from providing the
24 minimum hours of instruction required for a full day of
25 attendance due to an adverse weather condition or a condition
26 beyond the control of the school district that poses a

1 hazardous threat to the health and safety of students, then the
2 partial day of attendance may be counted if (i) the school
3 district has provided at least one hour of instruction prior to
4 the closure of the school district, (ii) a school building has
5 provided at least one hour of instruction prior to the closure
6 of the school building, or (iii) the normal start time of the
7 school district is delayed.

8 If, prior to providing any instruction, a school district
9 must close one or more but not all school buildings after
10 consultation with a local emergency response agency or due to a
11 condition beyond the control of the school district, then the
12 school district may claim attendance for up to 2 school days
13 based on the average attendance of the 3 school days
14 immediately preceding the closure of the affected school
15 building or, if approved by the State Board of Education,
16 utilize the provisions of an e-learning program for the
17 affected school building as prescribed in Section 10-20.56 of
18 this Code. The partial or no day of attendance described in
19 this Section and the reasons therefore shall be certified
20 within a month of the closing or delayed start by the school
21 district superintendent to the regional superintendent of
22 schools for forwarding to the State Superintendent of Education
23 for approval.

24 Other than the utilization of any e-learning days as
25 prescribed in Section 10-20.56 of this Code, no exception to
26 the requirement of providing a minimum school term may be

1 approved by the State Superintendent of Education pursuant to
2 this Section unless a school district has first used all
3 emergency days provided for in its regular calendar.

4 If the State Superintendent of Education declares that an
5 energy shortage exists during any part of the school year for
6 the State or a designated portion of the State, a district may
7 operate the school attendance centers within the district 4
8 days of the week during the time of the shortage by extending
9 each existing school day by one clock hour of school work, and
10 the State aid claim shall not be reduced, nor shall the
11 employees of that district suffer any reduction in salary or
12 benefits as a result thereof. A district may operate all
13 attendance centers on this revised schedule, or may apply the
14 schedule to selected attendance centers, taking into
15 consideration such factors as pupil transportation schedules
16 and patterns and sources of energy for individual attendance
17 centers.

18 Electronically submitted State aid claims shall be
19 submitted by duly authorized district individuals over a secure
20 network that is password protected. The electronic submission
21 of a State aid claim must be accompanied with an affirmation
22 that all of the provisions of Sections 18-8.05, 10-22.5, and
23 24-4 of this Code are met in all respects.

24 (Source: P.A. 99-194, eff. 7-30-15; 99-657, eff. 7-28-16.)

1 Sec. 26-16. Graduation incentives program.

2 (a) The General Assembly finds that it is critical to
3 provide options for children to succeed in school. The purpose
4 of this Section is to provide incentives for and encourage all
5 Illinois students who have experienced or are experiencing
6 difficulty in the traditional education system to enroll in
7 alternative programs.

8 (b) Any student who is below the age of 20 years is
9 eligible to enroll in a graduation incentives program if he or
10 she:

11 (1) is considered a dropout pursuant to Section 26-2a
12 of this Code;

13 (2) has been suspended or expelled pursuant to Section
14 10-22.6 or 34-19 of this Code;

15 (3) is pregnant or is a parent;

16 (4) has been assessed as chemically dependent; or

17 (5) is enrolled in a bilingual education or LEP
18 program.

19 (c) The following programs qualify as graduation
20 incentives programs for students meeting the criteria
21 established in this Section:

22 (1) Any public elementary or secondary education
23 graduation incentives program established by a school
24 district or by a regional office of education.

25 (2) Any alternative learning opportunities program
26 established pursuant to Article 13B of this Code.

1 (3) Vocational or job training courses approved by the
2 State Superintendent of Education that are available
3 through the Illinois public community college system.
4 Students may apply for reimbursement of 50% of tuition
5 costs for one course per semester or a maximum of 3 courses
6 per school year. Subject to available funds, students may
7 apply for reimbursement of up to 100% of tuition costs upon
8 a showing of employment within 6 months after completion of
9 a vocational or job training program. The qualifications
10 for reimbursement shall be established by the State
11 Superintendent of Education by rule.

12 (4) Job and career programs approved by the State
13 Superintendent of Education that are available through
14 Illinois-accredited private business and vocational
15 schools. Subject to available funds, pupils may apply for
16 reimbursement of up to 100% of tuition costs upon a showing
17 of employment within 6 months after completion of a job or
18 career program. The State Superintendent of Education
19 shall establish, by rule, the qualifications for
20 reimbursement, criteria for determining reimbursement
21 amounts, and limits on reimbursement.

22 (5) Adult education courses that offer preparation for
23 high school equivalency testing.

24 (d) Graduation incentives programs established by school
25 districts are entitled to claim general State aid and
26 evidence-based funding, subject to Sections 13B-50, 13B-50.5,

1 and 13B-50.10 of this Code. Graduation incentives programs
2 operated by regional offices of education are entitled to
3 receive general State aid and evidence-based funding at the
4 foundation level of support per pupil enrolled. A school
5 district must ensure that its graduation incentives program
6 receives supplemental general State aid, transportation
7 reimbursements, and special education resources, if
8 appropriate, for students enrolled in the program.

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

10 (105 ILCS 5/27-8.1) (from Ch. 122, par. 27-8.1)

11 (Text of Section before amendment by P.A. 99-927)

12 Sec. 27-8.1. Health examinations and immunizations.

13 (1) In compliance with rules and regulations which the
14 Department of Public Health shall promulgate, and except as
15 hereinafter provided, all children in Illinois shall have a
16 health examination as follows: within one year prior to
17 entering kindergarten or the first grade of any public,
18 private, or parochial elementary school; upon entering the
19 sixth and ninth grades of any public, private, or parochial
20 school; prior to entrance into any public, private, or
21 parochial nursery school; and, irrespective of grade,
22 immediately prior to or upon entrance into any public, private,
23 or parochial school or nursery school, each child shall present
24 proof of having been examined in accordance with this Section
25 and the rules and regulations promulgated hereunder. Any child

1 who received a health examination within one year prior to
2 entering the fifth grade for the 2007-2008 school year is not
3 required to receive an additional health examination in order
4 to comply with the provisions of Public Act 95-422 when he or
5 she attends school for the 2008-2009 school year, unless the
6 child is attending school for the first time as provided in
7 this paragraph.

8 A tuberculosis skin test screening shall be included as a
9 required part of each health examination included under this
10 Section if the child resides in an area designated by the
11 Department of Public Health as having a high incidence of
12 tuberculosis. Additional health examinations of pupils,
13 including eye examinations, may be required when deemed
14 necessary by school authorities. Parents are encouraged to have
15 their children undergo eye examinations at the same points in
16 time required for health examinations.

17 (1.5) In compliance with rules adopted by the Department of
18 Public Health and except as otherwise provided in this Section,
19 all children in kindergarten and the second and sixth grades of
20 any public, private, or parochial school shall have a dental
21 examination. Each of these children shall present proof of
22 having been examined by a dentist in accordance with this
23 Section and rules adopted under this Section before May 15th of
24 the school year. If a child in the second or sixth grade fails
25 to present proof by May 15th, the school may hold the child's
26 report card until one of the following occurs: (i) the child

1 presents proof of a completed dental examination or (ii) the
2 child presents proof that a dental examination will take place
3 within 60 days after May 15th. The Department of Public Health
4 shall establish, by rule, a waiver for children who show an
5 undue burden or a lack of access to a dentist. Each public,
6 private, and parochial school must give notice of this dental
7 examination requirement to the parents and guardians of
8 students at least 60 days before May 15th of each school year.

9 (1.10) Except as otherwise provided in this Section, all
10 children enrolling in kindergarten in a public, private, or
11 parochial school on or after the effective date of this
12 amendatory Act of the 95th General Assembly and any student
13 enrolling for the first time in a public, private, or parochial
14 school on or after the effective date of this amendatory Act of
15 the 95th General Assembly shall have an eye examination. Each
16 of these children shall present proof of having been examined
17 by a physician licensed to practice medicine in all of its
18 branches or a licensed optometrist within the previous year, in
19 accordance with this Section and rules adopted under this
20 Section, before October 15th of the school year. If the child
21 fails to present proof by October 15th, the school may hold the
22 child's report card until one of the following occurs: (i) the
23 child presents proof of a completed eye examination or (ii) the
24 child presents proof that an eye examination will take place
25 within 60 days after October 15th. The Department of Public
26 Health shall establish, by rule, a waiver for children who show

1 an undue burden or a lack of access to a physician licensed to
2 practice medicine in all of its branches who provides eye
3 examinations or to a licensed optometrist. Each public,
4 private, and parochial school must give notice of this eye
5 examination requirement to the parents and guardians of
6 students in compliance with rules of the Department of Public
7 Health. Nothing in this Section shall be construed to allow a
8 school to exclude a child from attending because of a parent's
9 or guardian's failure to obtain an eye examination for the
10 child.

11 (2) The Department of Public Health shall promulgate rules
12 and regulations specifying the examinations and procedures
13 that constitute a health examination, which shall include the
14 collection of data relating to obesity (including at a minimum,
15 date of birth, gender, height, weight, blood pressure, and date
16 of exam), and a dental examination and may recommend by rule
17 that certain additional examinations be performed. The rules
18 and regulations of the Department of Public Health shall
19 specify that a tuberculosis skin test screening shall be
20 included as a required part of each health examination included
21 under this Section if the child resides in an area designated
22 by the Department of Public Health as having a high incidence
23 of tuberculosis. The Department of Public Health shall specify
24 that a diabetes screening as defined by rule shall be included
25 as a required part of each health examination. Diabetes testing
26 is not required.

1 Physicians licensed to practice medicine in all of its
2 branches, licensed advanced practice nurses, or licensed
3 physician assistants shall be responsible for the performance
4 of the health examinations, other than dental examinations, eye
5 examinations, and vision and hearing screening, and shall sign
6 all report forms required by subsection (4) of this Section
7 that pertain to those portions of the health examination for
8 which the physician, advanced practice nurse, or physician
9 assistant is responsible. If a registered nurse performs any
10 part of a health examination, then a physician licensed to
11 practice medicine in all of its branches must review and sign
12 all required report forms. Licensed dentists shall perform all
13 dental examinations and shall sign all report forms required by
14 subsection (4) of this Section that pertain to the dental
15 examinations. Physicians licensed to practice medicine in all
16 its branches or licensed optometrists shall perform all eye
17 examinations required by this Section and shall sign all report
18 forms required by subsection (4) of this Section that pertain
19 to the eye examination. For purposes of this Section, an eye
20 examination shall at a minimum include history, visual acuity,
21 subjective refraction to best visual acuity near and far,
22 internal and external examination, and a glaucoma evaluation,
23 as well as any other tests or observations that in the
24 professional judgment of the doctor are necessary. Vision and
25 hearing screening tests, which shall not be considered
26 examinations as that term is used in this Section, shall be

1 conducted in accordance with rules and regulations of the
2 Department of Public Health, and by individuals whom the
3 Department of Public Health has certified. In these rules and
4 regulations, the Department of Public Health shall require that
5 individuals conducting vision screening tests give a child's
6 parent or guardian written notification, before the vision
7 screening is conducted, that states, "Vision screening is not a
8 substitute for a complete eye and vision evaluation by an eye
9 doctor. Your child is not required to undergo this vision
10 screening if an optometrist or ophthalmologist has completed
11 and signed a report form indicating that an examination has
12 been administered within the previous 12 months."

13 (3) Every child shall, at or about the same time as he or
14 she receives a health examination required by subsection (1) of
15 this Section, present to the local school proof of having
16 received such immunizations against preventable communicable
17 diseases as the Department of Public Health shall require by
18 rules and regulations promulgated pursuant to this Section and
19 the Communicable Disease Prevention Act.

20 (4) The individuals conducting the health examination,
21 dental examination, or eye examination shall record the fact of
22 having conducted the examination, and such additional
23 information as required, including for a health examination
24 data relating to obesity (including at a minimum, date of
25 birth, gender, height, weight, blood pressure, and date of
26 exam), on uniform forms which the Department of Public Health

1 and the State Board of Education shall prescribe for statewide
2 use. The examiner shall summarize on the report form any
3 condition that he or she suspects indicates a need for special
4 services, including for a health examination factors relating
5 to obesity. The individuals confirming the administration of
6 required immunizations shall record as indicated on the form
7 that the immunizations were administered.

8 (5) If a child does not submit proof of having had either
9 the health examination or the immunization as required, then
10 the child shall be examined or receive the immunization, as the
11 case may be, and present proof by October 15 of the current
12 school year, or by an earlier date of the current school year
13 established by a school district. To establish a date before
14 October 15 of the current school year for the health
15 examination or immunization as required, a school district must
16 give notice of the requirements of this Section 60 days prior
17 to the earlier established date. If for medical reasons one or
18 more of the required immunizations must be given after October
19 15 of the current school year, or after an earlier established
20 date of the current school year, then the child shall present,
21 by October 15, or by the earlier established date, a schedule
22 for the administration of the immunizations and a statement of
23 the medical reasons causing the delay, both the schedule and
24 the statement being issued by the physician, advanced practice
25 nurse, physician assistant, registered nurse, or local health
26 department that will be responsible for administration of the

1 remaining required immunizations. If a child does not comply by
2 October 15, or by the earlier established date of the current
3 school year, with the requirements of this subsection, then the
4 local school authority shall exclude that child from school
5 until such time as the child presents proof of having had the
6 health examination as required and presents proof of having
7 received those required immunizations which are medically
8 possible to receive immediately. During a child's exclusion
9 from school for noncompliance with this subsection, the child's
10 parents or legal guardian shall be considered in violation of
11 Section 26-1 and subject to any penalty imposed by Section
12 26-10. This subsection (5) does not apply to dental
13 examinations and eye examinations. If the student is an
14 out-of-state transfer student and does not have the proof
15 required under this subsection (5) before October 15 of the
16 current year or whatever date is set by the school district,
17 then he or she may only attend classes (i) if he or she has
18 proof that an appointment for the required vaccinations has
19 been scheduled with a party authorized to submit proof of the
20 required vaccinations. If the proof of vaccination required
21 under this subsection (5) is not submitted within 30 days after
22 the student is permitted to attend classes, then the student is
23 not to be permitted to attend classes until proof of the
24 vaccinations has been properly submitted. No school district or
25 employee of a school district shall be held liable for any
26 injury or illness to another person that results from admitting

1 an out-of-state transfer student to class that has an
2 appointment scheduled pursuant to this subsection (5).

3 (6) Every school shall report to the State Board of
4 Education by November 15, in the manner which that agency shall
5 require, the number of children who have received the necessary
6 immunizations and the health examination (other than a dental
7 examination or eye examination) as required, indicating, of
8 those who have not received the immunizations and examination
9 as required, the number of children who are exempt from health
10 examination and immunization requirements on religious or
11 medical grounds as provided in subsection (8). On or before
12 December 1 of each year, every public school district and
13 registered nonpublic school shall make publicly available the
14 immunization data they are required to submit to the State
15 Board of Education by November 15. The immunization data made
16 publicly available must be identical to the data the school
17 district or school has reported to the State Board of
18 Education.

19 Every school shall report to the State Board of Education
20 by June 30, in the manner that the State Board requires, the
21 number of children who have received the required dental
22 examination, indicating, of those who have not received the
23 required dental examination, the number of children who are
24 exempt from the dental examination on religious grounds as
25 provided in subsection (8) of this Section and the number of
26 children who have received a waiver under subsection (1.5) of

1 this Section.

2 Every school shall report to the State Board of Education
3 by June 30, in the manner that the State Board requires, the
4 number of children who have received the required eye
5 examination, indicating, of those who have not received the
6 required eye examination, the number of children who are exempt
7 from the eye examination as provided in subsection (8) of this
8 Section, the number of children who have received a waiver
9 under subsection (1.10) of this Section, and the total number
10 of children in noncompliance with the eye examination
11 requirement.

12 The reported information under this subsection (6) shall be
13 provided to the Department of Public Health by the State Board
14 of Education.

15 (7) Upon determining that the number of pupils who are
16 required to be in compliance with subsection (5) of this
17 Section is below 90% of the number of pupils enrolled in the
18 school district, 10% of each State aid payment made pursuant to
19 Section 18-8.05 or 18-8.15 to the school district for such year
20 may be withheld by the State Board of Education until the
21 number of students in compliance with subsection (5) is the
22 applicable specified percentage or higher.

23 (8) Children of parents or legal guardians who object to
24 health, dental, or eye examinations or any part thereof, to
25 immunizations, or to vision and hearing screening tests on
26 religious grounds shall not be required to undergo the

1 examinations, tests, or immunizations to which they so object
2 if such parents or legal guardians present to the appropriate
3 local school authority a signed Certificate of Religious
4 Exemption detailing the grounds for objection and the specific
5 immunizations, tests, or examinations to which they object. The
6 grounds for objection must set forth the specific religious
7 belief that conflicts with the examination, test,
8 immunization, or other medical intervention. The signed
9 certificate shall also reflect the parent's or legal guardian's
10 understanding of the school's exclusion policies in the case of
11 a vaccine-preventable disease outbreak or exposure. The
12 certificate must also be signed by the authorized examining
13 health care provider responsible for the performance of the
14 child's health examination confirming that the provider
15 provided education to the parent or legal guardian on the
16 benefits of immunization and the health risks to the student
17 and to the community of the communicable diseases for which
18 immunization is required in this State. However, the health
19 care provider's signature on the certificate reflects only that
20 education was provided and does not allow a health care
21 provider grounds to determine a religious exemption. Those
22 receiving immunizations required under this Code shall be
23 provided with the relevant vaccine information statements that
24 are required to be disseminated by the federal National
25 Childhood Vaccine Injury Act of 1986, which may contain
26 information on circumstances when a vaccine should not be

1 administered, prior to administering a vaccine. A healthcare
2 provider may consider including without limitation the
3 nationally accepted recommendations from federal agencies such
4 as the Advisory Committee on Immunization Practices, the
5 information outlined in the relevant vaccine information
6 statement, and vaccine package inserts, along with the
7 healthcare provider's clinical judgment, to determine whether
8 any child may be more susceptible to experiencing an adverse
9 vaccine reaction than the general population, and, if so, the
10 healthcare provider may exempt the child from an immunization
11 or adopt an individualized immunization schedule. The
12 Certificate of Religious Exemption shall be created by the
13 Department of Public Health and shall be made available and
14 used by parents and legal guardians by the beginning of the
15 2015-2016 school year. Parents or legal guardians must submit
16 the Certificate of Religious Exemption to their local school
17 authority prior to entering kindergarten, sixth grade, and
18 ninth grade for each child for which they are requesting an
19 exemption. The religious objection stated need not be directed
20 by the tenets of an established religious organization.
21 However, general philosophical or moral reluctance to allow
22 physical examinations, eye examinations, immunizations, vision
23 and hearing screenings, or dental examinations does not provide
24 a sufficient basis for an exception to statutory requirements.
25 The local school authority is responsible for determining if
26 the content of the Certificate of Religious Exemption

1 constitutes a valid religious objection. The local school
2 authority shall inform the parent or legal guardian of
3 exclusion procedures, in accordance with the Department's
4 rules under Part 690 of Title 77 of the Illinois Administrative
5 Code, at the time the objection is presented.

6 If the physical condition of the child is such that any one
7 or more of the immunizing agents should not be administered,
8 the examining physician, advanced practice nurse, or physician
9 assistant responsible for the performance of the health
10 examination shall endorse that fact upon the health examination
11 form.

12 Exempting a child from the health, dental, or eye
13 examination does not exempt the child from participation in the
14 program of physical education training provided in Sections
15 27-5 through 27-7 of this Code.

16 (9) For the purposes of this Section, "nursery schools"
17 means those nursery schools operated by elementary school
18 systems or secondary level school units or institutions of
19 higher learning.

20 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;
21 99-249, eff. 8-3-15; 99-642, eff. 7-28-16.)

22 (Text of Section after amendment by P.A. 99-927)

23 Sec. 27-8.1. Health examinations and immunizations.

24 (1) In compliance with rules and regulations which the
25 Department of Public Health shall promulgate, and except as

1 hereinafter provided, all children in Illinois shall have a
2 health examination as follows: within one year prior to
3 entering kindergarten or the first grade of any public,
4 private, or parochial elementary school; upon entering the
5 sixth and ninth grades of any public, private, or parochial
6 school; prior to entrance into any public, private, or
7 parochial nursery school; and, irrespective of grade,
8 immediately prior to or upon entrance into any public, private,
9 or parochial school or nursery school, each child shall present
10 proof of having been examined in accordance with this Section
11 and the rules and regulations promulgated hereunder. Any child
12 who received a health examination within one year prior to
13 entering the fifth grade for the 2007-2008 school year is not
14 required to receive an additional health examination in order
15 to comply with the provisions of Public Act 95-422 when he or
16 she attends school for the 2008-2009 school year, unless the
17 child is attending school for the first time as provided in
18 this paragraph.

19 A tuberculosis skin test screening shall be included as a
20 required part of each health examination included under this
21 Section if the child resides in an area designated by the
22 Department of Public Health as having a high incidence of
23 tuberculosis. Additional health examinations of pupils,
24 including eye examinations, may be required when deemed
25 necessary by school authorities. Parents are encouraged to have
26 their children undergo eye examinations at the same points in

1 time required for health examinations.

2 (1.5) In compliance with rules adopted by the Department of
3 Public Health and except as otherwise provided in this Section,
4 all children in kindergarten and the second and sixth grades of
5 any public, private, or parochial school shall have a dental
6 examination. Each of these children shall present proof of
7 having been examined by a dentist in accordance with this
8 Section and rules adopted under this Section before May 15th of
9 the school year. If a child in the second or sixth grade fails
10 to present proof by May 15th, the school may hold the child's
11 report card until one of the following occurs: (i) the child
12 presents proof of a completed dental examination or (ii) the
13 child presents proof that a dental examination will take place
14 within 60 days after May 15th. The Department of Public Health
15 shall establish, by rule, a waiver for children who show an
16 undue burden or a lack of access to a dentist. Each public,
17 private, and parochial school must give notice of this dental
18 examination requirement to the parents and guardians of
19 students at least 60 days before May 15th of each school year.

20 (1.10) Except as otherwise provided in this Section, all
21 children enrolling in kindergarten in a public, private, or
22 parochial school on or after the effective date of this
23 amendatory Act of the 95th General Assembly and any student
24 enrolling for the first time in a public, private, or parochial
25 school on or after the effective date of this amendatory Act of
26 the 95th General Assembly shall have an eye examination. Each

1 of these children shall present proof of having been examined
2 by a physician licensed to practice medicine in all of its
3 branches or a licensed optometrist within the previous year, in
4 accordance with this Section and rules adopted under this
5 Section, before October 15th of the school year. If the child
6 fails to present proof by October 15th, the school may hold the
7 child's report card until one of the following occurs: (i) the
8 child presents proof of a completed eye examination or (ii) the
9 child presents proof that an eye examination will take place
10 within 60 days after October 15th. The Department of Public
11 Health shall establish, by rule, a waiver for children who show
12 an undue burden or a lack of access to a physician licensed to
13 practice medicine in all of its branches who provides eye
14 examinations or to a licensed optometrist. Each public,
15 private, and parochial school must give notice of this eye
16 examination requirement to the parents and guardians of
17 students in compliance with rules of the Department of Public
18 Health. Nothing in this Section shall be construed to allow a
19 school to exclude a child from attending because of a parent's
20 or guardian's failure to obtain an eye examination for the
21 child.

22 (2) The Department of Public Health shall promulgate rules
23 and regulations specifying the examinations and procedures
24 that constitute a health examination, which shall include an
25 age-appropriate developmental screening, an age-appropriate
26 social and emotional screening, and the collection of data

1 relating to obesity (including at a minimum, date of birth,
2 gender, height, weight, blood pressure, and date of exam), and
3 a dental examination and may recommend by rule that certain
4 additional examinations be performed. The rules and
5 regulations of the Department of Public Health shall specify
6 that a tuberculosis skin test screening shall be included as a
7 required part of each health examination included under this
8 Section if the child resides in an area designated by the
9 Department of Public Health as having a high incidence of
10 tuberculosis. With respect to the developmental screening and
11 the social and emotional screening, the Department of Public
12 Health must develop rules and appropriate revisions to the
13 Child Health Examination form in conjunction with a statewide
14 organization representing school boards; a statewide
15 organization representing pediatricians; statewide
16 organizations representing individuals holding Illinois
17 educator licenses with school support personnel endorsements,
18 including school social workers, school psychologists, and
19 school nurses; a statewide organization representing
20 children's mental health experts; a statewide organization
21 representing school principals; the Director of Healthcare and
22 Family Services or his or her designee, the State
23 Superintendent of Education or his or her designee; and
24 representatives of other appropriate State agencies and, at a
25 minimum, must recommend the use of validated screening tools
26 appropriate to the child's age or grade, and, with regard to

1 the social and emotional screening, require recording only
2 whether or not the screening was completed. The rules shall
3 take into consideration the screening recommendations of the
4 American Academy of Pediatrics and must be consistent with the
5 State Board of Education's social and emotional learning
6 standards. The Department of Public Health shall specify that a
7 diabetes screening as defined by rule shall be included as a
8 required part of each health examination. Diabetes testing is
9 not required.

10 Physicians licensed to practice medicine in all of its
11 branches, licensed advanced practice nurses, or licensed
12 physician assistants shall be responsible for the performance
13 of the health examinations, other than dental examinations, eye
14 examinations, and vision and hearing screening, and shall sign
15 all report forms required by subsection (4) of this Section
16 that pertain to those portions of the health examination for
17 which the physician, advanced practice nurse, or physician
18 assistant is responsible. If a registered nurse performs any
19 part of a health examination, then a physician licensed to
20 practice medicine in all of its branches must review and sign
21 all required report forms. Licensed dentists shall perform all
22 dental examinations and shall sign all report forms required by
23 subsection (4) of this Section that pertain to the dental
24 examinations. Physicians licensed to practice medicine in all
25 its branches or licensed optometrists shall perform all eye
26 examinations required by this Section and shall sign all report

1 forms required by subsection (4) of this Section that pertain
2 to the eye examination. For purposes of this Section, an eye
3 examination shall at a minimum include history, visual acuity,
4 subjective refraction to best visual acuity near and far,
5 internal and external examination, and a glaucoma evaluation,
6 as well as any other tests or observations that in the
7 professional judgment of the doctor are necessary. Vision and
8 hearing screening tests, which shall not be considered
9 examinations as that term is used in this Section, shall be
10 conducted in accordance with rules and regulations of the
11 Department of Public Health, and by individuals whom the
12 Department of Public Health has certified. In these rules and
13 regulations, the Department of Public Health shall require that
14 individuals conducting vision screening tests give a child's
15 parent or guardian written notification, before the vision
16 screening is conducted, that states, "Vision screening is not a
17 substitute for a complete eye and vision evaluation by an eye
18 doctor. Your child is not required to undergo this vision
19 screening if an optometrist or ophthalmologist has completed
20 and signed a report form indicating that an examination has
21 been administered within the previous 12 months."

22 (2.5) With respect to the developmental screening and the
23 social and emotional screening portion of the health
24 examination, each child may present proof of having been
25 screened in accordance with this Section and the rules adopted
26 under this Section before October 15th of the school year. With

1 regard to the social and emotional screening only, the
2 examining health care provider shall only record whether or not
3 the screening was completed. If the child fails to present
4 proof of the developmental screening or the social and
5 emotional screening portions of the health examination by
6 October 15th of the school year, qualified school support
7 personnel may, with a parent's or guardian's consent, offer the
8 developmental screening or the social and emotional screening
9 to the child. Each public, private, and parochial school must
10 give notice of the developmental screening and social and
11 emotional screening requirements to the parents and guardians
12 of students in compliance with the rules of the Department of
13 Public Health. Nothing in this Section shall be construed to
14 allow a school to exclude a child from attending because of a
15 parent's or guardian's failure to obtain a developmental
16 screening or a social and emotional screening for the child.
17 Once a developmental screening or a social and emotional
18 screening is completed and proof has been presented to the
19 school, the school may, with a parent's or guardian's consent,
20 make available appropriate school personnel to work with the
21 parent or guardian, the child, and the provider who signed the
22 screening form to obtain any appropriate evaluations and
23 services as indicated on the form and in other information and
24 documentation provided by the parents, guardians, or provider.

25 (3) Every child shall, at or about the same time as he or
26 she receives a health examination required by subsection (1) of

1 this Section, present to the local school proof of having
2 received such immunizations against preventable communicable
3 diseases as the Department of Public Health shall require by
4 rules and regulations promulgated pursuant to this Section and
5 the Communicable Disease Prevention Act.

6 (4) The individuals conducting the health examination,
7 dental examination, or eye examination shall record the fact of
8 having conducted the examination, and such additional
9 information as required, including for a health examination
10 data relating to obesity (including at a minimum, date of
11 birth, gender, height, weight, blood pressure, and date of
12 exam), on uniform forms which the Department of Public Health
13 and the State Board of Education shall prescribe for statewide
14 use. The examiner shall summarize on the report form any
15 condition that he or she suspects indicates a need for special
16 services, including for a health examination factors relating
17 to obesity. The duty to summarize on the report form does not
18 apply to social and emotional screenings. The confidentiality
19 of the information and records relating to the developmental
20 screening and the social and emotional screening shall be
21 determined by the statutes, rules, and professional ethics
22 governing the type of provider conducting the screening. The
23 individuals confirming the administration of required
24 immunizations shall record as indicated on the form that the
25 immunizations were administered.

26 (5) If a child does not submit proof of having had either

1 the health examination or the immunization as required, then
2 the child shall be examined or receive the immunization, as the
3 case may be, and present proof by October 15 of the current
4 school year, or by an earlier date of the current school year
5 established by a school district. To establish a date before
6 October 15 of the current school year for the health
7 examination or immunization as required, a school district must
8 give notice of the requirements of this Section 60 days prior
9 to the earlier established date. If for medical reasons one or
10 more of the required immunizations must be given after October
11 15 of the current school year, or after an earlier established
12 date of the current school year, then the child shall present,
13 by October 15, or by the earlier established date, a schedule
14 for the administration of the immunizations and a statement of
15 the medical reasons causing the delay, both the schedule and
16 the statement being issued by the physician, advanced practice
17 nurse, physician assistant, registered nurse, or local health
18 department that will be responsible for administration of the
19 remaining required immunizations. If a child does not comply by
20 October 15, or by the earlier established date of the current
21 school year, with the requirements of this subsection, then the
22 local school authority shall exclude that child from school
23 until such time as the child presents proof of having had the
24 health examination as required and presents proof of having
25 received those required immunizations which are medically
26 possible to receive immediately. During a child's exclusion

1 from school for noncompliance with this subsection, the child's
2 parents or legal guardian shall be considered in violation of
3 Section 26-1 and subject to any penalty imposed by Section
4 26-10. This subsection (5) does not apply to dental
5 examinations, eye examinations, and the developmental
6 screening and the social and emotional screening portions of
7 the health examination. If the student is an out-of-state
8 transfer student and does not have the proof required under
9 this subsection (5) before October 15 of the current year or
10 whatever date is set by the school district, then he or she may
11 only attend classes (i) if he or she has proof that an
12 appointment for the required vaccinations has been scheduled
13 with a party authorized to submit proof of the required
14 vaccinations. If the proof of vaccination required under this
15 subsection (5) is not submitted within 30 days after the
16 student is permitted to attend classes, then the student is not
17 to be permitted to attend classes until proof of the
18 vaccinations has been properly submitted. No school district or
19 employee of a school district shall be held liable for any
20 injury or illness to another person that results from admitting
21 an out-of-state transfer student to class that has an
22 appointment scheduled pursuant to this subsection (5).

23 (6) Every school shall report to the State Board of
24 Education by November 15, in the manner which that agency shall
25 require, the number of children who have received the necessary
26 immunizations and the health examination (other than a dental

1 examination or eye examination) as required, indicating, of
2 those who have not received the immunizations and examination
3 as required, the number of children who are exempt from health
4 examination and immunization requirements on religious or
5 medical grounds as provided in subsection (8). On or before
6 December 1 of each year, every public school district and
7 registered nonpublic school shall make publicly available the
8 immunization data they are required to submit to the State
9 Board of Education by November 15. The immunization data made
10 publicly available must be identical to the data the school
11 district or school has reported to the State Board of
12 Education.

13 Every school shall report to the State Board of Education
14 by June 30, in the manner that the State Board requires, the
15 number of children who have received the required dental
16 examination, indicating, of those who have not received the
17 required dental examination, the number of children who are
18 exempt from the dental examination on religious grounds as
19 provided in subsection (8) of this Section and the number of
20 children who have received a waiver under subsection (1.5) of
21 this Section.

22 Every school shall report to the State Board of Education
23 by June 30, in the manner that the State Board requires, the
24 number of children who have received the required eye
25 examination, indicating, of those who have not received the
26 required eye examination, the number of children who are exempt

1 from the eye examination as provided in subsection (8) of this
2 Section, the number of children who have received a waiver
3 under subsection (1.10) of this Section, and the total number
4 of children in noncompliance with the eye examination
5 requirement.

6 The reported information under this subsection (6) shall be
7 provided to the Department of Public Health by the State Board
8 of Education.

9 (7) Upon determining that the number of pupils who are
10 required to be in compliance with subsection (5) of this
11 Section is below 90% of the number of pupils enrolled in the
12 school district, 10% of each State aid payment made pursuant to
13 Section 18-8.05 or 18-8.15 to the school district for such year
14 may be withheld by the State Board of Education until the
15 number of students in compliance with subsection (5) is the
16 applicable specified percentage or higher.

17 (8) Children of parents or legal guardians who object to
18 health, dental, or eye examinations or any part thereof, to
19 immunizations, or to vision and hearing screening tests on
20 religious grounds shall not be required to undergo the
21 examinations, tests, or immunizations to which they so object
22 if such parents or legal guardians present to the appropriate
23 local school authority a signed Certificate of Religious
24 Exemption detailing the grounds for objection and the specific
25 immunizations, tests, or examinations to which they object. The
26 grounds for objection must set forth the specific religious

1 belief that conflicts with the examination, test,
2 immunization, or other medical intervention. The signed
3 certificate shall also reflect the parent's or legal guardian's
4 understanding of the school's exclusion policies in the case of
5 a vaccine-preventable disease outbreak or exposure. The
6 certificate must also be signed by the authorized examining
7 health care provider responsible for the performance of the
8 child's health examination confirming that the provider
9 provided education to the parent or legal guardian on the
10 benefits of immunization and the health risks to the student
11 and to the community of the communicable diseases for which
12 immunization is required in this State. However, the health
13 care provider's signature on the certificate reflects only that
14 education was provided and does not allow a health care
15 provider grounds to determine a religious exemption. Those
16 receiving immunizations required under this Code shall be
17 provided with the relevant vaccine information statements that
18 are required to be disseminated by the federal National
19 Childhood Vaccine Injury Act of 1986, which may contain
20 information on circumstances when a vaccine should not be
21 administered, prior to administering a vaccine. A healthcare
22 provider may consider including without limitation the
23 nationally accepted recommendations from federal agencies such
24 as the Advisory Committee on Immunization Practices, the
25 information outlined in the relevant vaccine information
26 statement, and vaccine package inserts, along with the

1 healthcare provider's clinical judgment, to determine whether
2 any child may be more susceptible to experiencing an adverse
3 vaccine reaction than the general population, and, if so, the
4 healthcare provider may exempt the child from an immunization
5 or adopt an individualized immunization schedule. The
6 Certificate of Religious Exemption shall be created by the
7 Department of Public Health and shall be made available and
8 used by parents and legal guardians by the beginning of the
9 2015-2016 school year. Parents or legal guardians must submit
10 the Certificate of Religious Exemption to their local school
11 authority prior to entering kindergarten, sixth grade, and
12 ninth grade for each child for which they are requesting an
13 exemption. The religious objection stated need not be directed
14 by the tenets of an established religious organization.
15 However, general philosophical or moral reluctance to allow
16 physical examinations, eye examinations, immunizations, vision
17 and hearing screenings, or dental examinations does not provide
18 a sufficient basis for an exception to statutory requirements.
19 The local school authority is responsible for determining if
20 the content of the Certificate of Religious Exemption
21 constitutes a valid religious objection. The local school
22 authority shall inform the parent or legal guardian of
23 exclusion procedures, in accordance with the Department's
24 rules under Part 690 of Title 77 of the Illinois Administrative
25 Code, at the time the objection is presented.

26 If the physical condition of the child is such that any one

1 or more of the immunizing agents should not be administered,
2 the examining physician, advanced practice nurse, or physician
3 assistant responsible for the performance of the health
4 examination shall endorse that fact upon the health examination
5 form.

6 Exempting a child from the health, dental, or eye
7 examination does not exempt the child from participation in the
8 program of physical education training provided in Sections
9 27-5 through 27-7 of this Code.

10 (9) For the purposes of this Section, "nursery schools"
11 means those nursery schools operated by elementary school
12 systems or secondary level school units or institutions of
13 higher learning.

14 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;
15 99-249, eff. 8-3-15; 99-642, eff. 7-28-16; 99-927, eff.
16 6-1-17.)

17 (105 ILCS 5/27A-9)

18 Sec. 27A-9. Term of charter; renewal.

19 (a) For charters granted before January 1, 2017 (the
20 effective date of Public Act 99-840) ~~this amendatory Act of the~~
21 ~~99th General Assembly~~, a charter may be granted for a period
22 not less than 5 and not more than 10 school years. For charters
23 granted on or after January 1, 2017 (the effective date of
24 Public Act 99-840) ~~this amendatory Act of the 99th General~~
25 ~~Assembly~~, a charter shall be granted for a period of 5 school

1 years. For charters renewed before January 1, 2017 (the
2 effective date of Public Act 99-840) ~~this amendatory Act of the~~
3 ~~99th General Assembly~~, a charter may be renewed in incremental
4 periods not to exceed 5 school years. For charters renewed on
5 or after January 1, 2017 (the effective date of Public Act
6 99-840) ~~this amendatory Act of the 99th General Assembly~~, a
7 charter may be renewed in incremental periods not to exceed 10
8 school years; however, the Commission may renew a charter only
9 in incremental periods not to exceed 5 years. Authorizers shall
10 ensure that every charter granted on or after January 1, 2017
11 (the effective date of Public Act 99-840) ~~this amendatory Act~~
12 ~~of the 99th General Assembly~~ includes standards and goals for
13 academic, organizational, and financial performance. A charter
14 must meet all standards and goals for academic, organizational,
15 and financial performance set forth by the authorizer in order
16 to be renewed for a term in excess of 5 years but not more than
17 10 years. If an authorizer fails to establish standards and
18 goals, a charter shall not be renewed for a term in excess of 5
19 years. Nothing contained in this Section shall require an
20 authorizer to grant a full 10-year renewal term to any
21 particular charter school, but an authorizer may award a full
22 10-year renewal term to charter schools that have a
23 demonstrated track record of improving student performance.

24 (b) A charter school renewal proposal submitted to the
25 local school board or the Commission, as the chartering entity,
26 shall contain:

1 (1) A report on the progress of the charter school in
2 achieving the goals, objectives, pupil performance
3 standards, content standards, and other terms of the
4 initial approved charter proposal; and

5 (2) A financial statement that discloses the costs of
6 administration, instruction, and other spending categories
7 for the charter school that is understandable to the
8 general public and that will allow comparison of those
9 costs to other schools or other comparable organizations,
10 in a format required by the State Board.

11 (c) A charter may be revoked or not renewed if the local
12 school board or the Commission, as the chartering entity,
13 clearly demonstrates that the charter school did any of the
14 following, or otherwise failed to comply with the requirements
15 of this law:

16 (1) Committed a material violation of any of the
17 conditions, standards, or procedures set forth in the
18 charter.

19 (2) Failed to meet or make reasonable progress toward
20 achievement of the content standards or pupil performance
21 standards identified in the charter.

22 (3) Failed to meet generally accepted standards of
23 fiscal management.

24 (4) Violated any provision of law from which the
25 charter school was not exempted.

26 In the case of revocation, the local school board or the

1 Commission, as the chartering entity, shall notify the charter
2 school in writing of the reason why the charter is subject to
3 revocation. The charter school shall submit a written plan to
4 the local school board or the Commission, whichever is
5 applicable, to rectify the problem. The plan shall include a
6 timeline for implementation, which shall not exceed 2 years or
7 the date of the charter's expiration, whichever is earlier. If
8 the local school board or the Commission, as the chartering
9 entity, finds that the charter school has failed to implement
10 the plan of remediation and adhere to the timeline, then the
11 chartering entity shall revoke the charter. Except in
12 situations of an emergency where the health, safety, or
13 education of the charter school's students is at risk, the
14 revocation shall take place at the end of a school year.
15 Nothing in Public Act 96-105 ~~this amendatory Act of the 96th~~
16 ~~General Assembly~~ shall be construed to prohibit an
17 implementation timetable that is less than 2 years in duration.

18 (d) (Blank).

19 (e) Notice of a local school board's decision to deny,
20 revoke, or not ~~to~~ renew a charter shall be provided to the
21 Commission and the State Board. The Commission may reverse a
22 local board's decision if the Commission finds that the charter
23 school or charter school proposal (i) is in compliance with
24 this Article, and (ii) is in the best interests of the students
25 it is designed to serve. The Commission may condition the
26 granting of an appeal on the acceptance by the charter school

1 of funding in an amount less than that requested in the
2 proposal submitted to the local school board. Final decisions
3 of the Commission shall be subject to judicial review under the
4 Administrative Review Law.

5 (f) Notwithstanding other provisions of this Article, if
6 the Commission on appeal reverses a local board's decision or
7 if a charter school is approved by referendum, the Commission
8 shall act as the authorized chartering entity for the charter
9 school. The Commission shall approve the charter and shall
10 perform all functions under this Article otherwise performed by
11 the local school board. The State Board shall determine whether
12 the charter proposal approved by the Commission is consistent
13 with the provisions of this Article and, if the approved
14 proposal complies, certify the proposal pursuant to this
15 Article. The State Board shall report the aggregate number of
16 charter school pupils resident in a school district to that
17 district and shall notify the district of the amount of funding
18 to be paid by the State Board to the charter school enrolling
19 such students. The Commission shall require the charter school
20 to maintain accurate records of daily attendance that shall be
21 deemed sufficient to file claims under Section 18-8.05 or
22 18-8.15 notwithstanding any other requirements of that Section
23 regarding hours of instruction and teacher certification. The
24 State Board shall withhold from funds otherwise due the
25 district the funds authorized by this Article to be paid to the
26 charter school and shall pay such amounts to the charter

1 school.

2 (g) For charter schools authorized by the Commission, the
3 Commission shall quarterly certify to the State Board the
4 student enrollment for each of its charter schools.

5 (h) For charter schools authorized by the Commission, the
6 State Board shall pay directly to a charter school any federal
7 or State aid attributable to a student with a disability
8 attending the school.

9 (Source: P.A. 98-739, eff. 7-16-14; 99-840, eff. 1-1-17;
10 revised 10-27-16.)

11 (105 ILCS 5/27A-11)

12 Sec. 27A-11. Local financing.

13 (a) For purposes of the School Code, pupils enrolled in a
14 charter school shall be included in the pupil enrollment of the
15 school district within which the pupil resides. Each charter
16 school (i) shall determine the school district in which each
17 pupil who is enrolled in the charter school resides, (ii) shall
18 report the aggregate number of pupils resident of a school
19 district who are enrolled in the charter school to the school
20 district in which those pupils reside, and (iii) shall maintain
21 accurate records of daily attendance that shall be deemed
22 sufficient to file claims under Section 18-8 or 18-8.15
23 notwithstanding any other requirements of that Section
24 regarding hours of instruction and teacher certification.

25 (b) Except for a charter school established by referendum

1 under Section 27A-6.5, as part of a charter school contract,
2 the charter school and the local school board shall agree on
3 funding and any services to be provided by the school district
4 to the charter school. Agreed funding that a charter school is
5 to receive from the local school board for a school year shall
6 be paid in equal quarterly installments with the payment of the
7 installment for the first quarter being made not later than
8 July 1, unless the charter establishes a different payment
9 schedule. However, if a charter school dismisses a pupil from
10 the charter school after receiving a quarterly payment, the
11 charter school shall return to the school district, on a
12 quarterly basis, the prorated portion of public funding
13 provided for the education of that pupil for the time the
14 student is not enrolled at the charter school. Likewise, if a
15 pupil transfers to a charter school between quarterly payments,
16 the school district shall provide, on a quarterly basis, a
17 prorated portion of the public funding to the charter school to
18 provide for the education of that pupil.

19 All services centrally or otherwise provided by the school
20 district including, but not limited to, rent, food services,
21 custodial services, maintenance, curriculum, media services,
22 libraries, transportation, and warehousing shall be subject to
23 negotiation between a charter school and the local school board
24 and paid for out of the revenues negotiated pursuant to this
25 subsection (b); provided that the local school board shall not
26 attempt, by negotiation or otherwise, to obligate a charter

1 school to provide pupil transportation for pupils for whom a
2 district is not required to provide transportation under the
3 criteria set forth in subsection (a) (13) of Section 27A-7.

4 In no event shall the funding be less than 75% or more than
5 125% of the school district's per capita student tuition
6 multiplied by the number of students residing in the district
7 who are enrolled in the charter school. However, for charter
8 agreements entered into on or after the effective date of this
9 amendatory Act of the 100th General Assembly, in no event shall
10 the funding be less than 97% or more than 103% of the school
11 district's per capita student tuition multiplied by the number
12 of students residing in the district who are enrolled in the
13 charter school.

14 It is the intent of the General Assembly that funding and
15 service agreements under this subsection (b) shall be neither a
16 financial incentive nor a financial disincentive to the
17 establishment of a charter school.

18 The charter school may set and collect reasonable fees.
19 Fees collected from students enrolled at a charter school shall
20 be retained by the charter school.

21 (c) Notwithstanding subsection (b) of this Section, the
22 proportionate share of State and federal resources generated by
23 students with disabilities or staff serving them shall be
24 directed to charter schools enrolling those students by their
25 school districts or administrative units. The proportionate
26 share of moneys generated under other federal or State

1 categorical aid programs shall be directed to charter schools
2 serving students eligible for that aid.

3 (d) The governing body of a charter school is authorized to
4 accept gifts, donations, or grants of any kind made to the
5 charter school and to expend or use gifts, donations, or grants
6 in accordance with the conditions prescribed by the donor;
7 however, a gift, donation, or grant may not be accepted by the
8 governing body if it is subject to any condition contrary to
9 applicable law or contrary to the terms of the contract between
10 the charter school and the local school board. Charter schools
11 shall be encouraged to solicit and utilize community volunteer
12 speakers and other instructional resources when providing
13 instruction on the Holocaust and other historical events.

14 (e) (Blank).

15 (f) The Commission shall provide technical assistance to
16 persons and groups preparing or revising charter applications.

17 (g) At the non-renewal or revocation of its charter, each
18 charter school shall refund to the local board of education all
19 unspent funds.

20 (h) A charter school is authorized to incur temporary,
21 short term debt to pay operating expenses in anticipation of
22 receipt of funds from the local school board.

23 (Source: P.A. 98-640, eff. 6-9-14; 98-739, eff. 7-16-14; 99-78,
24 eff. 7-20-15.)

25 (105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

1 Sec. 29-5. Reimbursement by State for transportation. Any
2 school district, maintaining a school, transporting resident
3 pupils to another school district's vocational program,
4 offered through a joint agreement approved by the State Board
5 of Education, as provided in Section 10-22.22 or transporting
6 its resident pupils to a school which meets the standards for
7 recognition as established by the State Board of Education
8 which provides transportation meeting the standards of safety,
9 comfort, convenience, efficiency and operation prescribed by
10 the State Board of Education for resident pupils in
11 kindergarten or any of grades 1 through 12 who: (a) reside at
12 least 1 1/2 miles as measured by the customary route of travel,
13 from the school attended; or (b) reside in areas where
14 conditions are such that walking constitutes a hazard to the
15 safety of the child when determined under Section 29-3; and (c)
16 are transported to the school attended from pick-up points at
17 the beginning of the school day and back again at the close of
18 the school day or transported to and from their assigned
19 attendance centers during the school day, shall be reimbursed
20 by the State as hereinafter provided in this Section.

21 The State will pay the cost of transporting eligible pupils
22 less the prior year assessed valuation in a dual school
23 district maintaining secondary grades 9 to 12 inclusive times a
24 qualifying rate of .05%; in elementary school districts
25 maintaining grades K to 8 times a qualifying rate of .06%; and
26 in unit districts maintaining grades K to 12, including

1 optional elementary unit districts and combined high school -
2 unit districts, times a qualifying rate of .07%; provided that
3 for optional elementary unit districts and combined high school
4 - unit districts, prior year assessed valuation for high school
5 purposes, as defined in Article 11E of this Code, must be used.
6 To be eligible to receive reimbursement in excess of 4/5 of the
7 cost to transport eligible pupils, a school district shall have
8 a Transportation Fund tax rate of at least .12%. If a school
9 district does not have a .12% Transportation Fund tax rate, the
10 amount of its claim in excess of 4/5 of the cost of
11 transporting pupils shall be reduced by the sum arrived at by
12 subtracting the Transportation Fund tax rate from .12% and
13 multiplying that amount by the district's prior year ~~districts~~
14 equalized or assessed valuation, provided, that in no case
15 shall said reduction result in reimbursement of less than 4/5
16 of the cost to transport eligible pupils.

17 The minimum amount to be received by a district is \$16
18 times the number of eligible pupils transported.

19 When calculating the reimbursement for transportation
20 costs, the State Board of Education may not deduct the number
21 of pupils enrolled in early education programs from the number
22 of pupils eligible for reimbursement if the pupils enrolled in
23 the early education programs are transported at the same time
24 as other eligible pupils.

25 Any such district transporting resident pupils during the
26 school day to an area vocational school or another school

1 district's vocational program more than 1 1/2 miles from the
2 school attended, as provided in Sections 10-22.20a and
3 10-22.22, shall be reimbursed by the State for 4/5 of the cost
4 of transporting eligible pupils.

5 School day means that period of time which the pupil is
6 required to be in attendance for instructional purposes.

7 If a pupil is at a location within the school district
8 other than his residence for child care purposes at the time
9 for transportation to school, that location may be considered
10 for purposes of determining the 1 1/2 miles from the school
11 attended.

12 Claims for reimbursement that include children who attend
13 any school other than a public school shall show the number of
14 such children transported.

15 Claims for reimbursement under this Section shall not be
16 paid for the transportation of pupils for whom transportation
17 costs are claimed for payment under other Sections of this Act.

18 The allowable direct cost of transporting pupils for
19 regular, vocational, and special education pupil
20 transportation shall be limited to the sum of the cost of
21 physical examinations required for employment as a school bus
22 driver; the salaries of full or part-time drivers and school
23 bus maintenance personnel; employee benefits excluding
24 Illinois municipal retirement payments, social security
25 payments, unemployment insurance payments and workers'
26 compensation insurance premiums; expenditures to independent

1 carriers who operate school buses; payments to other school
2 districts for pupil transportation services; pre-approved
3 contractual expenditures for computerized bus scheduling; the
4 cost of gasoline, oil, tires, and other supplies necessary for
5 the operation of school buses; the cost of converting buses'
6 gasoline engines to more fuel efficient engines or to engines
7 which use alternative energy sources; the cost of travel to
8 meetings and workshops conducted by the regional
9 superintendent or the State Superintendent of Education
10 pursuant to the standards established by the Secretary of State
11 under Section 6-106 of the Illinois Vehicle Code to improve the
12 driving skills of school bus drivers; the cost of maintenance
13 of school buses including parts and materials used;
14 expenditures for leasing transportation vehicles, except
15 interest and service charges; the cost of insurance and
16 licenses for transportation vehicles; expenditures for the
17 rental of transportation equipment; plus a depreciation
18 allowance of 20% for 5 years for school buses and vehicles
19 approved for transporting pupils to and from school and a
20 depreciation allowance of 10% for 10 years for other
21 transportation equipment so used. Each school year, if a school
22 district has made expenditures to the Regional Transportation
23 Authority or any of its service boards, a mass transit
24 district, or an urban transportation district under an
25 intergovernmental agreement with the district to provide for
26 the transportation of pupils and if the public transit carrier

1 received direct payment for services or passes from a school
2 district within its service area during the 2000-2001 school
3 year, then the allowable direct cost of transporting pupils for
4 regular, vocational, and special education pupil
5 transportation shall also include the expenditures that the
6 district has made to the public transit carrier. In addition to
7 the above allowable costs school districts shall also claim all
8 transportation supervisory salary costs, including Illinois
9 municipal retirement payments, and all transportation related
10 building and building maintenance costs without limitation.

11 Special education allowable costs shall also include
12 expenditures for the salaries of attendants or aides for that
13 portion of the time they assist special education pupils while
14 in transit and expenditures for parents and public carriers for
15 transporting special education pupils when pre-approved by the
16 State Superintendent of Education.

17 Indirect costs shall be included in the reimbursement claim
18 for districts which own and operate their own school buses.
19 Such indirect costs shall include administrative costs, or any
20 costs attributable to transporting pupils from their
21 attendance centers to another school building for
22 instructional purposes. No school district which owns and
23 operates its own school buses may claim reimbursement for
24 indirect costs which exceed 5% of the total allowable direct
25 costs for pupil transportation.

26 The State Board of Education shall prescribe uniform

1 regulations for determining the above standards and shall
2 prescribe forms of cost accounting and standards of determining
3 reasonable depreciation. Such depreciation shall include the
4 cost of equipping school buses with the safety features
5 required by law or by the rules, regulations and standards
6 promulgated by the State Board of Education, and the Department
7 of Transportation for the safety and construction of school
8 buses provided, however, any equipment cost reimbursed by the
9 Department of Transportation for equipping school buses with
10 such safety equipment shall be deducted from the allowable cost
11 in the computation of reimbursement under this Section in the
12 same percentage as the cost of the equipment is depreciated.

13 On or before August 15, annually, the chief school
14 administrator for the district shall certify to the State
15 Superintendent of Education the district's claim for
16 reimbursement for the school year ending on June 30 next
17 preceding. The State Superintendent of Education shall check
18 and approve the claims and prepare the vouchers showing the
19 amounts due for district reimbursement claims. Each fiscal
20 year, the State Superintendent of Education shall prepare and
21 transmit the first 3 vouchers to the Comptroller on the 30th
22 day of September, December and March, respectively, and the
23 final voucher, no later than June 20.

24 If the amount appropriated for transportation
25 reimbursement is insufficient to fund total claims for any
26 fiscal year, the State Board of Education shall reduce each

1 school district's allowable costs and flat grant amount
2 proportionately to make total adjusted claims equal the total
3 amount appropriated.

4 For purposes of calculating claims for reimbursement under
5 this Section for any school year beginning July 1, 1998, or
6 thereafter, the equalized assessed valuation for a school
7 district used to compute reimbursement shall be computed in the
8 same manner as it is computed under paragraph (2) of subsection
9 (G) of Section 18-8.05.

10 All reimbursements received from the State shall be
11 deposited into the district's transportation fund or into the
12 fund from which the allowable expenditures were made.

13 Notwithstanding any other provision of law, any school
14 district receiving a payment under this Section or under
15 Section 14-7.02, 14-7.02b, or 14-13.01 of this Code may
16 classify all or a portion of the funds that it receives in a
17 particular fiscal year or from general State aid pursuant to
18 Section 18-8.05 of this Code as funds received in connection
19 with any funding program for which it is entitled to receive
20 funds from the State in that fiscal year (including, without
21 limitation, any funding program referenced in this Section),
22 regardless of the source or timing of the receipt. The district
23 may not classify more funds as funds received in connection
24 with the funding program than the district is entitled to
25 receive in that fiscal year for that program. Any
26 classification by a district must be made by a resolution of

1 its board of education. The resolution must identify the amount
2 of any payments or general State aid to be classified under
3 this paragraph and must specify the funding program to which
4 the funds are to be treated as received in connection
5 therewith. This resolution is controlling as to the
6 classification of funds referenced therein. A certified copy of
7 the resolution must be sent to the State Superintendent of
8 Education. The resolution shall still take effect even though a
9 copy of the resolution has not been sent to the State
10 Superintendent of Education in a timely manner. No
11 classification under this paragraph by a district shall affect
12 the total amount or timing of money the district is entitled to
13 receive under this Code. No classification under this paragraph
14 by a district shall in any way relieve the district from or
15 affect any requirements that otherwise would apply with respect
16 to that funding program, including any accounting of funds by
17 source, reporting expenditures by original source and purpose,
18 reporting requirements, or requirements of providing services.

19 Any school district with a population of not more than
20 500,000 must deposit all funds received under this Article into
21 the transportation fund and use those funds for the provision
22 of transportation services.

23 Notwithstanding anything to the contrary contained in this
24 Section, the State Board of Education shall award to a school
25 district having a population exceeding 500,000 inhabitants
26 3.9% of the funds appropriated by the General Assembly for any

1 fiscal year for purposes of payments to school districts under
2 this Section.

3 (Source: P.A. 95-903, eff. 8-25-08; 96-1264, eff. 1-1-11.)

4 (105 ILCS 5/34-2.3) (from Ch. 122, par. 34-2.3)

5 Sec. 34-2.3. Local school councils - Powers and duties.
6 Each local school council shall have and exercise, consistent
7 with the provisions of this Article and the powers and duties
8 of the board of education, the following powers and duties:

9 1. (A) To annually evaluate the performance of the
10 principal of the attendance center using a Board approved
11 principal evaluation form, which shall include the evaluation
12 of (i) student academic improvement, as defined by the school
13 improvement plan, (ii) student absenteeism rates at the school,
14 (iii) instructional leadership, (iv) the effective
15 implementation of programs, policies, or strategies to improve
16 student academic achievement, (v) school management, and (vi)
17 any other factors deemed relevant by the local school council,
18 including, without limitation, the principal's communication
19 skills and ability to create and maintain a student-centered
20 learning environment, to develop opportunities for
21 professional development, and to encourage parental
22 involvement and community partnerships to achieve school
23 improvement;

24 (B) to determine in the manner provided by subsection (c)
25 of Section 34-2.2 and subdivision 1.5 of this Section whether

1 the performance contract of the principal shall be renewed; and

2 (C) to directly select, in the manner provided by
3 subsection (c) of Section 34-2.2, a new principal (including a
4 new principal to fill a vacancy) -- without submitting any list
5 of candidates for that position to the general superintendent
6 as provided in paragraph 2 of this Section -- to serve under a
7 4 year performance contract; provided that (i) the
8 determination of whether the principal's performance contract
9 is to be renewed, based upon the evaluation required by
10 subdivision 1.5 of this Section, shall be made no later than
11 150 days prior to the expiration of the current
12 performance-based contract of the principal, (ii) in cases
13 where such performance contract is not renewed -- a direct
14 selection of a new principal -- to serve under a 4 year
15 performance contract shall be made by the local school council
16 no later than 45 days prior to the expiration of the current
17 performance contract of the principal, and (iii) a selection by
18 the local school council of a new principal to fill a vacancy
19 under a 4 year performance contract shall be made within 90
20 days after the date such vacancy occurs. A Council shall be
21 required, if requested by the principal, to provide in writing
22 the reasons for the council's not renewing the principal's
23 contract.

24 1.5. The local school council's determination of whether to
25 renew the principal's contract shall be based on an evaluation
26 to assess the educational and administrative progress made at

1 the school during the principal's current performance-based
2 contract. The local school council shall base its evaluation on
3 (i) student academic improvement, as defined by the school
4 improvement plan, (ii) student absenteeism rates at the school,
5 (iii) instructional leadership, (iv) the effective
6 implementation of programs, policies, or strategies to improve
7 student academic achievement, (v) school management, and (vi)
8 any other factors deemed relevant by the local school council,
9 including, without limitation, the principal's communication
10 skills and ability to create and maintain a student-centered
11 learning environment, to develop opportunities for
12 professional development, and to encourage parental
13 involvement and community partnerships to achieve school
14 improvement. If a local school council fails to renew the
15 performance contract of a principal rated by the general
16 superintendent, or his or her designee, in the previous years'
17 evaluations as meeting or exceeding expectations, the
18 principal, within 15 days after the local school council's
19 decision not to renew the contract, may request a review of the
20 local school council's principal non-retention decision by a
21 hearing officer appointed by the American Arbitration
22 Association. A local school council member or members or the
23 general superintendent may support the principal's request for
24 review. During the period of the hearing officer's review of
25 the local school council's decision on whether or not to retain
26 the principal, the local school council shall maintain all

1 authority to search for and contract with a person to serve as
2 interim or acting principal, or as the principal of the
3 attendance center under a 4-year performance contract,
4 provided that any performance contract entered into by the
5 local school council shall be voidable or modified in
6 accordance with the decision of the hearing officer. The
7 principal may request review only once while at that attendance
8 center. If a local school council renews the contract of a
9 principal who failed to obtain a rating of "meets" or "exceeds
10 expectations" in the general superintendent's evaluation for
11 the previous year, the general superintendent, within 15 days
12 after the local school council's decision to renew the
13 contract, may request a review of the local school council's
14 principal retention decision by a hearing officer appointed by
15 the American Arbitration Association. The general
16 superintendent may request a review only once for that
17 principal at that attendance center. All requests to review the
18 retention or non-retention of a principal shall be submitted to
19 the general superintendent, who shall, in turn, forward such
20 requests, within 14 days of receipt, to the American
21 Arbitration Association. The general superintendent shall send
22 a contemporaneous copy of the request that was forwarded to the
23 American Arbitration Association to the principal and to each
24 local school council member and shall inform the local school
25 council of its rights and responsibilities under the
26 arbitration process, including the local school council's

1 right to representation and the manner and process by which the
2 Board shall pay the costs of the council's representation. If
3 the local school council retains the principal and the general
4 superintendent requests a review of the retention decision, the
5 local school council and the general superintendent shall be
6 considered parties to the arbitration, a hearing officer shall
7 be chosen between those 2 parties pursuant to procedures
8 promulgated by the State Board of Education, and the principal
9 may retain counsel and participate in the arbitration. If the
10 local school council does not retain the principal and the
11 principal requests a review of the retention decision, the
12 local school council and the principal shall be considered
13 parties to the arbitration and a hearing officer shall be
14 chosen between those 2 parties pursuant to procedures
15 promulgated by the State Board of Education. The hearing shall
16 begin (i) within 45 days after the initial request for review
17 is submitted by the principal to the general superintendent or
18 (ii) if the initial request for review is made by the general
19 superintendent, within 45 days after that request is mailed to
20 the American Arbitration Association. The hearing officer
21 shall render a decision within 45 days after the hearing begins
22 and within 90 days after the initial request for review. The
23 Board shall contract with the American Arbitration Association
24 for all of the hearing officer's reasonable and necessary
25 costs. In addition, the Board shall pay any reasonable costs
26 incurred by a local school council for representation before a

1 hearing officer.

2 1.10. The hearing officer shall conduct a hearing, which
3 shall include (i) a review of the principal's performance,
4 evaluations, and other evidence of the principal's service at
5 the school, (ii) reasons provided by the local school council
6 for its decision, and (iii) documentation evidencing views of
7 interested persons, including, without limitation, students,
8 parents, local school council members, school faculty and
9 staff, the principal, the general superintendent or his or her
10 designee, and members of the community. The burden of proof in
11 establishing that the local school council's decision was
12 arbitrary and capricious shall be on the party requesting the
13 arbitration, and this party shall sustain the burden by a
14 preponderance of the evidence. The hearing officer shall set
15 the local school council decision aside if that decision, in
16 light of the record developed at the hearing, is arbitrary and
17 capricious. The decision of the hearing officer may not be
18 appealed to the Board or the State Board of Education. If the
19 hearing officer decides that the principal shall be retained,
20 the retention period shall not exceed 2 years.

21 2. In the event (i) the local school council does not renew
22 the performance contract of the principal, or the principal
23 fails to receive a satisfactory rating as provided in
24 subsection (h) of Section 34-8.3, or the principal is removed
25 for cause during the term of his or her performance contract in
26 the manner provided by Section 34-85, or a vacancy in the

1 position of principal otherwise occurs prior to the expiration
2 of the term of a principal's performance contract, and (ii) the
3 local school council fails to directly select a new principal
4 to serve under a 4 year performance contract, the local school
5 council in such event shall submit to the general
6 superintendent a list of 3 candidates -- listed in the local
7 school council's order of preference -- for the position of
8 principal, one of which shall be selected by the general
9 superintendent to serve as principal of the attendance center.
10 If the general superintendent fails or refuses to select one of
11 the candidates on the list to serve as principal within 30 days
12 after being furnished with the candidate list, the general
13 superintendent shall select and place a principal on an interim
14 basis (i) for a period not to exceed one year or (ii) until the
15 local school council selects a new principal with 7 affirmative
16 votes as provided in subsection (c) of Section 34-2.2,
17 whichever occurs first. If the local school council fails or
18 refuses to select and appoint a new principal, as specified by
19 subsection (c) of Section 34-2.2, the general superintendent
20 may select and appoint a new principal on an interim basis for
21 an additional year or until a new contract principal is
22 selected by the local school council. There shall be no
23 discrimination on the basis of race, sex, creed, color or
24 disability unrelated to ability to perform in connection with
25 the submission of candidates for, and the selection of a
26 candidate to serve as principal of an attendance center. No

1 person shall be directly selected, listed as a candidate for,
2 or selected to serve as principal of an attendance center (i)
3 if such person has been removed for cause from employment by
4 the Board or (ii) if such person does not hold a valid
5 administrative certificate issued or exchanged under Article
6 21 and endorsed as required by that Article for the position of
7 principal. A principal whose performance contract is not
8 renewed as provided under subsection (c) of Section 34-2.2 may
9 nevertheless, if otherwise qualified and certified as herein
10 provided and if he or she has received a satisfactory rating as
11 provided in subsection (h) of Section 34-8.3, be included by a
12 local school council as one of the 3 candidates listed in order
13 of preference on any candidate list from which one person is to
14 be selected to serve as principal of the attendance center
15 under a new performance contract. The initial candidate list
16 required to be submitted by a local school council to the
17 general superintendent in cases where the local school council
18 does not renew the performance contract of its principal and
19 does not directly select a new principal to serve under a 4
20 year performance contract shall be submitted not later than 30
21 days prior to the expiration of the current performance
22 contract. In cases where the local school council fails or
23 refuses to submit the candidate list to the general
24 superintendent no later than 30 days prior to the expiration of
25 the incumbent principal's contract, the general superintendent
26 may appoint a principal on an interim basis for a period not to

1 exceed one year, during which time the local school council
2 shall be able to select a new principal with 7 affirmative
3 votes as provided in subsection (c) of Section 34-2.2. In cases
4 where a principal is removed for cause or a vacancy otherwise
5 occurs in the position of principal and the vacancy is not
6 filled by direct selection by the local school council, the
7 candidate list shall be submitted by the local school council
8 to the general superintendent within 90 days after the date
9 such removal or vacancy occurs. In cases where the local school
10 council fails or refuses to submit the candidate list to the
11 general superintendent within 90 days after the date of the
12 vacancy, the general superintendent may appoint a principal on
13 an interim basis for a period of one year, during which time
14 the local school council shall be able to select a new
15 principal with 7 affirmative votes as provided in subsection
16 (c) of Section 34-2.2.

17 2.5. Whenever a vacancy in the office of a principal occurs
18 for any reason, the vacancy shall be filled in the manner
19 provided by this Section by the selection of a new principal to
20 serve under a 4 year performance contract.

21 3. To establish additional criteria to be included as part
22 of the performance contract of its principal, provided that
23 such additional criteria shall not discriminate on the basis of
24 race, sex, creed, color or disability unrelated to ability to
25 perform, and shall not be inconsistent with the uniform 4 year
26 performance contract for principals developed by the board as

1 provided in Section 34-8.1 of the School Code or with other
2 provisions of this Article governing the authority and
3 responsibility of principals.

4 4. To approve the expenditure plan prepared by the
5 principal with respect to all funds allocated and distributed
6 to the attendance center by the Board. The expenditure plan
7 shall be administered by the principal. Notwithstanding any
8 other provision of this Act or any other law, any expenditure
9 plan approved and administered under this Section 34-2.3 shall
10 be consistent with and subject to the terms of any contract for
11 services with a third party entered into by the Chicago School
12 Reform Board of Trustees or the board under this Act.

13 Via a supermajority vote of 7 members of the local school
14 council or 8 members of a high school local school council, the
15 Council may transfer allocations pursuant to Section 34-2.3
16 within funds; provided that such a transfer is consistent with
17 applicable law and collective bargaining agreements.

18 Beginning in fiscal year 1991 and in each fiscal year
19 thereafter, the Board may reserve up to 1% of its total fiscal
20 year budget for distribution on a prioritized basis to schools
21 throughout the school system in order to assure adequate
22 programs to meet the needs of special student populations as
23 determined by the Board. This distribution shall take into
24 account the needs catalogued in the Systemwide Plan and the
25 various local school improvement plans of the local school
26 councils. Information about these centrally funded programs

1 shall be distributed to the local school councils so that their
2 subsequent planning and programming will account for these
3 provisions.

4 Beginning in fiscal year 1991 and in each fiscal year
5 thereafter, from other amounts available in the applicable
6 fiscal year budget, the board shall allocate a lump sum amount
7 to each local school based upon such formula as the board shall
8 determine taking into account the special needs of the student
9 body. The local school principal shall develop an expenditure
10 plan in consultation with the local school council, the
11 professional personnel leadership committee and with all other
12 school personnel, which reflects the priorities and activities
13 as described in the school's local school improvement plan and
14 is consistent with applicable law and collective bargaining
15 agreements and with board policies and standards; however, the
16 local school council shall have the right to request waivers of
17 board policy from the board of education and waivers of
18 employee collective bargaining agreements pursuant to Section
19 34-8.1a.

20 The expenditure plan developed by the principal with
21 respect to amounts available from the fund for prioritized
22 special needs programs and the allocated lump sum amount must
23 be approved by the local school council.

24 The lump sum allocation shall take into account the
25 following principles:

26 a. Teachers: Each school shall be allocated funds equal

1 to the amount appropriated in the previous school year for
2 compensation for teachers (regular grades kindergarten
3 through 12th grade) plus whatever increases in
4 compensation have been negotiated contractually or through
5 longevity as provided in the negotiated agreement.
6 Adjustments shall be made due to layoff or reduction in
7 force, lack of funds or work, change in subject
8 requirements, enrollment changes, or contracts with third
9 parties for the performance of services or to rectify any
10 inconsistencies with system-wide allocation formulas or
11 for other legitimate reasons.

12 b. Other personnel: Funds for other teacher
13 certificated and uncertificated personnel paid through
14 non-categorical funds shall be provided according to
15 system-wide formulas based on student enrollment and the
16 special needs of the school as determined by the Board.

17 c. Non-compensation items: Appropriations for all
18 non-compensation items shall be based on system-wide
19 formulas based on student enrollment and on the special
20 needs of the school or factors related to the physical
21 plant, including but not limited to textbooks, electronic
22 textbooks and the technological equipment necessary to
23 gain access to and use electronic textbooks, supplies,
24 electricity, equipment, and routine maintenance.

25 d. Funds for categorical programs: Schools shall
26 receive personnel and funds based on, and shall use such

1 personnel and funds in accordance with State and Federal
2 requirements applicable to each categorical program
3 provided to meet the special needs of the student body
4 (including but not limited to, Federal Chapter I,
5 Bilingual, and Special Education).

6 d.1. Funds for State Title I: Each school shall receive
7 funds based on State and Board requirements applicable to
8 each State Title I pupil provided to meet the special needs
9 of the student body. Each school shall receive the
10 proportion of funds as provided in Section 18-8 or 18-8.15
11 to which they are entitled. These funds shall be spent only
12 with the budgetary approval of the Local School Council as
13 provided in Section 34-2.3.

14 e. The Local School Council shall have the right to
15 request the principal to close positions and open new ones
16 consistent with the provisions of the local school
17 improvement plan provided that these decisions are
18 consistent with applicable law and collective bargaining
19 agreements. If a position is closed, pursuant to this
20 paragraph, the local school shall have for its use the
21 system-wide average compensation for the closed position.

22 f. Operating within existing laws and collective
23 bargaining agreements, the local school council shall have
24 the right to direct the principal to shift expenditures
25 within funds.

26 g. (Blank).

1 Any funds unexpended at the end of the fiscal year shall be
2 available to the board of education for use as part of its
3 budget for the following fiscal year.

4 5. To make recommendations to the principal concerning
5 textbook selection and concerning curriculum developed
6 pursuant to the school improvement plan which is consistent
7 with systemwide curriculum objectives in accordance with
8 Sections 34-8 and 34-18 of the School Code and in conformity
9 with the collective bargaining agreement.

10 6. To advise the principal concerning the attendance and
11 disciplinary policies for the attendance center, subject to the
12 provisions of this Article and Article 26, and consistent with
13 the uniform system of discipline established by the board
14 pursuant to Section 34-19.

15 7. To approve a school improvement plan developed as
16 provided in Section 34-2.4. The process and schedule for plan
17 development shall be publicized to the entire school community,
18 and the community shall be afforded the opportunity to make
19 recommendations concerning the plan. At least twice a year the
20 principal and local school council shall report publicly on
21 progress and problems with respect to plan implementation.

22 8. To evaluate the allocation of teaching resources and
23 other certificated and uncertificated staff to the attendance
24 center to determine whether such allocation is consistent with
25 and in furtherance of instructional objectives and school
26 programs reflective of the school improvement plan adopted for

1 the attendance center; and to make recommendations to the
2 board, the general superintendent and the principal concerning
3 any reallocation of teaching resources or other staff whenever
4 the council determines that any such reallocation is
5 appropriate because the qualifications of any existing staff at
6 the attendance center do not adequately match or support
7 instructional objectives or school programs which reflect the
8 school improvement plan.

9 9. To make recommendations to the principal and the general
10 superintendent concerning their respective appointments, after
11 August 31, 1989, and in the manner provided by Section 34-8 and
12 Section 34-8.1, of persons to fill any vacant, additional or
13 newly created positions for teachers at the attendance center
14 or at attendance centers which include the attendance center
15 served by the local school council.

16 10. To request of the Board the manner in which training
17 and assistance shall be provided to the local school council.
18 Pursuant to Board guidelines a local school council is
19 authorized to direct the Board of Education to contract with
20 personnel or not-for-profit organizations not associated with
21 the school district to train or assist council members. If
22 training or assistance is provided by contract with personnel
23 or organizations not associated with the school district, the
24 period of training or assistance shall not exceed 30 hours
25 during a given school year; person shall not be employed on a
26 continuous basis longer than said period and shall not have

1 been employed by the Chicago Board of Education within the
2 preceding six months. Council members shall receive training in
3 at least the following areas:

4 1. school budgets;

5 2. educational theory pertinent to the attendance
6 center's particular needs, including the development of
7 the school improvement plan and the principal's
8 performance contract; and

9 3. personnel selection.

10 Council members shall, to the greatest extent possible,
11 complete such training within 90 days of election.

12 11. In accordance with systemwide guidelines contained in
13 the System-Wide Educational Reform Goals and Objectives Plan,
14 criteria for evaluation of performance shall be established for
15 local school councils and local school council members. If a
16 local school council persists in noncompliance with systemwide
17 requirements, the Board may impose sanctions and take necessary
18 corrective action, consistent with Section 34-8.3.

19 12. Each local school council shall comply with the Open
20 Meetings Act and the Freedom of Information Act. Each local
21 school council shall issue and transmit to its school community
22 a detailed annual report accounting for its activities
23 programmatically and financially. Each local school council
24 shall convene at least 2 well-publicized meetings annually with
25 its entire school community. These meetings shall include
26 presentation of the proposed local school improvement plan, of

1 the proposed school expenditure plan, and the annual report,
2 and shall provide an opportunity for public comment.

3 13. Each local school council is encouraged to involve
4 additional non-voting members of the school community in
5 facilitating the council's exercise of its responsibilities.

6 14. The local school council may adopt a school uniform or
7 dress code policy that governs the attendance center and that
8 is necessary to maintain the orderly process of a school
9 function or prevent endangerment of student health or safety,
10 consistent with the policies and rules of the Board of
11 Education. A school uniform or dress code policy adopted by a
12 local school council: (i) shall not be applied in such manner
13 as to discipline or deny attendance to a transfer student or
14 any other student for noncompliance with that policy during
15 such period of time as is reasonably necessary to enable the
16 student to acquire a school uniform or otherwise comply with
17 the dress code policy that is in effect at the attendance
18 center into which the student's enrollment is transferred; and
19 (ii) shall include criteria and procedures under which the
20 local school council will accommodate the needs of or otherwise
21 provide appropriate resources to assist a student from an
22 indigent family in complying with an applicable school uniform
23 or dress code policy. A student whose parents or legal
24 guardians object on religious grounds to the student's
25 compliance with an applicable school uniform or dress code
26 policy shall not be required to comply with that policy if the

1 student's parents or legal guardians present to the local
2 school council a signed statement of objection detailing the
3 grounds for the objection.

4 15. All decisions made and actions taken by the local
5 school council in the exercise of its powers and duties shall
6 comply with State and federal laws, all applicable collective
7 bargaining agreements, court orders and rules properly
8 promulgated by the Board.

9 15a. To grant, in accordance with board rules and policies,
10 the use of assembly halls and classrooms when not otherwise
11 needed, including lighting, heat, and attendants, for public
12 lectures, concerts, and other educational and social
13 activities.

14 15b. To approve, in accordance with board rules and
15 policies, receipts and expenditures for all internal accounts
16 of the attendance center, and to approve all fund-raising
17 activities by nonschool organizations that use the school
18 building.

19 16. (Blank).

20 17. Names and addresses of local school council members
21 shall be a matter of public record.

22 (Source: P.A. 96-1403, eff. 7-29-10.)

23 (105 ILCS 5/34-18) (from Ch. 122, par. 34-18)

24 Sec. 34-18. Powers of the board. The board shall exercise
25 general supervision and jurisdiction over the public education

1 and the public school system of the city, and, except as
2 otherwise provided by this Article, shall have power:

3 1. To make suitable provision for the establishment and
4 maintenance throughout the year or for such portion thereof
5 as it may direct, not less than 9 months, of schools of all
6 grades and kinds, including normal schools, high schools,
7 night schools, schools for defectives and delinquents,
8 parental and truant schools, schools for the blind, the
9 deaf and persons with physical disabilities, schools or
10 classes in manual training, constructural and vocational
11 teaching, domestic arts and physical culture, vocation and
12 extension schools and lecture courses, and all other
13 educational courses and facilities, including
14 establishing, equipping, maintaining and operating
15 playgrounds and recreational programs, when such programs
16 are conducted in, adjacent to, or connected with any public
17 school under the general supervision and jurisdiction of
18 the board; provided that the calendar for the school term
19 and any changes must be submitted to and approved by the
20 State Board of Education before the calendar or changes may
21 take effect, and provided that in allocating funds from
22 year to year for the operation of all attendance centers
23 within the district, the board shall ensure that
24 supplemental general State aid or supplemental grant funds
25 are allocated and applied in accordance with Section 18-8,
26 ~~or~~ 18-8.05, or 18-8.15. To admit to such schools without

1 charge foreign exchange students who are participants in an
2 organized exchange student program which is authorized by
3 the board. The board shall permit all students to enroll in
4 apprenticeship programs in trade schools operated by the
5 board, whether those programs are union-sponsored or not.
6 No student shall be refused admission into or be excluded
7 from any course of instruction offered in the common
8 schools by reason of that student's sex. No student shall
9 be denied equal access to physical education and
10 interscholastic athletic programs supported from school
11 district funds or denied participation in comparable
12 physical education and athletic programs solely by reason
13 of the student's sex. Equal access to programs supported
14 from school district funds and comparable programs will be
15 defined in rules promulgated by the State Board of
16 Education in consultation with the Illinois High School
17 Association. Notwithstanding any other provision of this
18 Article, neither the board of education nor any local
19 school council or other school official shall recommend
20 that children with disabilities be placed into regular
21 education classrooms unless those children with
22 disabilities are provided with supplementary services to
23 assist them so that they benefit from the regular classroom
24 instruction and are included on the teacher's regular
25 education class register;

26 2. To furnish lunches to pupils, to make a reasonable

1 charge therefor, and to use school funds for the payment of
2 such expenses as the board may determine are necessary in
3 conducting the school lunch program;

4 3. To co-operate with the circuit court;

5 4. To make arrangements with the public or quasi-public
6 libraries and museums for the use of their facilities by
7 teachers and pupils of the public schools;

8 5. To employ dentists and prescribe their duties for
9 the purpose of treating the pupils in the schools, but
10 accepting such treatment shall be optional with parents or
11 guardians;

12 6. To grant the use of assembly halls and classrooms
13 when not otherwise needed, including light, heat, and
14 attendants, for free public lectures, concerts, and other
15 educational and social interests, free of charge, under
16 such provisions and control as the principal of the
17 affected attendance center may prescribe;

18 7. To apportion the pupils to the several schools;
19 provided that no pupil shall be excluded from or segregated
20 in any such school on account of his color, race, sex, or
21 nationality. The board shall take into consideration the
22 prevention of segregation and the elimination of
23 separation of children in public schools because of color,
24 race, sex, or nationality. Except that children may be
25 committed to or attend parental and social adjustment
26 schools established and maintained either for boys or girls

1 only. All records pertaining to the creation, alteration or
2 revision of attendance areas shall be open to the public.
3 Nothing herein shall limit the board's authority to
4 establish multi-area attendance centers or other student
5 assignment systems for desegregation purposes or
6 otherwise, and to apportion the pupils to the several
7 schools. Furthermore, beginning in school year 1994-95,
8 pursuant to a board plan adopted by October 1, 1993, the
9 board shall offer, commencing on a phased-in basis, the
10 opportunity for families within the school district to
11 apply for enrollment of their children in any attendance
12 center within the school district which does not have
13 selective admission requirements approved by the board.
14 The appropriate geographical area in which such open
15 enrollment may be exercised shall be determined by the
16 board of education. Such children may be admitted to any
17 such attendance center on a space available basis after all
18 children residing within such attendance center's area
19 have been accommodated. If the number of applicants from
20 outside the attendance area exceed the space available,
21 then successful applicants shall be selected by lottery.
22 The board of education's open enrollment plan must include
23 provisions that allow low income students to have access to
24 transportation needed to exercise school choice. Open
25 enrollment shall be in compliance with the provisions of
26 the Consent Decree and Desegregation Plan cited in Section

1 34-1.01;

2 8. To approve programs and policies for providing
3 transportation services to students. Nothing herein shall
4 be construed to permit or empower the State Board of
5 Education to order, mandate, or require busing or other
6 transportation of pupils for the purpose of achieving
7 racial balance in any school;

8 9. Subject to the limitations in this Article, to
9 establish and approve system-wide curriculum objectives
10 and standards, including graduation standards, which
11 reflect the multi-cultural diversity in the city and are
12 consistent with State law, provided that for all purposes
13 of this Article courses or proficiency in American Sign
14 Language shall be deemed to constitute courses or
15 proficiency in a foreign language; and to employ principals
16 and teachers, appointed as provided in this Article, and
17 fix their compensation. The board shall prepare such
18 reports related to minimal competency testing as may be
19 requested by the State Board of Education, and in addition
20 shall monitor and approve special education and bilingual
21 education programs and policies within the district to
22 assure that appropriate services are provided in
23 accordance with applicable State and federal laws to
24 children requiring services and education in those areas;

25 10. To employ non-teaching personnel or utilize
26 volunteer personnel for: (i) non-teaching duties not

1 requiring instructional judgment or evaluation of pupils,
2 including library duties; and (ii) supervising study
3 halls, long distance teaching reception areas used
4 incident to instructional programs transmitted by
5 electronic media such as computers, video, and audio,
6 detention and discipline areas, and school-sponsored
7 extracurricular activities. The board may further utilize
8 volunteer non-certificated personnel or employ
9 non-certificated personnel to assist in the instruction of
10 pupils under the immediate supervision of a teacher holding
11 a valid certificate, directly engaged in teaching subject
12 matter or conducting activities; provided that the teacher
13 shall be continuously aware of the non-certificated
14 persons' activities and shall be able to control or modify
15 them. The general superintendent shall determine
16 qualifications of such personnel and shall prescribe rules
17 for determining the duties and activities to be assigned to
18 such personnel;

19 10.5. To utilize volunteer personnel from a regional
20 School Crisis Assistance Team (S.C.A.T.), created as part
21 of the Safe to Learn Program established pursuant to
22 Section 25 of the Illinois Violence Prevention Act of 1995,
23 to provide assistance to schools in times of violence or
24 other traumatic incidents within a school community by
25 providing crisis intervention services to lessen the
26 effects of emotional trauma on individuals and the

1 community; the School Crisis Assistance Team Steering
2 Committee shall determine the qualifications for
3 volunteers;

4 11. To provide television studio facilities in not to
5 exceed one school building and to provide programs for
6 educational purposes, provided, however, that the board
7 shall not construct, acquire, operate, or maintain a
8 television transmitter; to grant the use of its studio
9 facilities to a licensed television station located in the
10 school district; and to maintain and operate not to exceed
11 one school radio transmitting station and provide programs
12 for educational purposes;

13 12. To offer, if deemed appropriate, outdoor education
14 courses, including field trips within the State of
15 Illinois, or adjacent states, and to use school educational
16 funds for the expense of the said outdoor educational
17 programs, whether within the school district or not;

18 13. During that period of the calendar year not
19 embraced within the regular school term, to provide and
20 conduct courses in subject matters normally embraced in the
21 program of the schools during the regular school term and
22 to give regular school credit for satisfactory completion
23 by the student of such courses as may be approved for
24 credit by the State Board of Education;

25 14. To insure against any loss or liability of the
26 board, the former School Board Nominating Commission,

1 Local School Councils, the Chicago Schools Academic
2 Accountability Council, or the former Subdistrict Councils
3 or of any member, officer, agent or employee thereof,
4 resulting from alleged violations of civil rights arising
5 from incidents occurring on or after September 5, 1967 or
6 from the wrongful or negligent act or omission of any such
7 person whether occurring within or without the school
8 premises, provided the officer, agent or employee was, at
9 the time of the alleged violation of civil rights or
10 wrongful act or omission, acting within the scope of his
11 employment or under direction of the board, the former
12 School Board Nominating Commission, the Chicago Schools
13 Academic Accountability Council, Local School Councils, or
14 the former Subdistrict Councils; and to provide for or
15 participate in insurance plans for its officers and
16 employees, including but not limited to retirement
17 annuities, medical, surgical and hospitalization benefits
18 in such types and amounts as may be determined by the
19 board; provided, however, that the board shall contract for
20 such insurance only with an insurance company authorized to
21 do business in this State. Such insurance may include
22 provision for employees who rely on treatment by prayer or
23 spiritual means alone for healing, in accordance with the
24 tenets and practice of a recognized religious
25 denomination;

26 15. To contract with the corporate authorities of any

1 municipality or the county board of any county, as the case
2 may be, to provide for the regulation of traffic in parking
3 areas of property used for school purposes, in such manner
4 as is provided by Section 11-209 of The Illinois Vehicle
5 Code, approved September 29, 1969, as amended;

6 16. (a) To provide, on an equal basis, access to a high
7 school campus and student directory information to the
8 official recruiting representatives of the armed forces of
9 Illinois and the United States for the purposes of
10 informing students of the educational and career
11 opportunities available in the military if the board has
12 provided such access to persons or groups whose purpose is
13 to acquaint students with educational or occupational
14 opportunities available to them. The board is not required
15 to give greater notice regarding the right of access to
16 recruiting representatives than is given to other persons
17 and groups. In this paragraph 16, "directory information"
18 means a high school student's name, address, and telephone
19 number.

20 (b) If a student or his or her parent or guardian
21 submits a signed, written request to the high school before
22 the end of the student's sophomore year (or if the student
23 is a transfer student, by another time set by the high
24 school) that indicates that the student or his or her
25 parent or guardian does not want the student's directory
26 information to be provided to official recruiting

1 representatives under subsection (a) of this Section, the
2 high school may not provide access to the student's
3 directory information to these recruiting representatives.
4 The high school shall notify its students and their parents
5 or guardians of the provisions of this subsection (b).

6 (c) A high school may require official recruiting
7 representatives of the armed forces of Illinois and the
8 United States to pay a fee for copying and mailing a
9 student's directory information in an amount that is not
10 more than the actual costs incurred by the high school.

11 (d) Information received by an official recruiting
12 representative under this Section may be used only to
13 provide information to students concerning educational and
14 career opportunities available in the military and may not
15 be released to a person who is not involved in recruiting
16 students for the armed forces of Illinois or the United
17 States;

18 17. (a) To sell or market any computer program
19 developed by an employee of the school district, provided
20 that such employee developed the computer program as a
21 direct result of his or her duties with the school district
22 or through the utilization of the school district resources
23 or facilities. The employee who developed the computer
24 program shall be entitled to share in the proceeds of such
25 sale or marketing of the computer program. The distribution
26 of such proceeds between the employee and the school

1 district shall be as agreed upon by the employee and the
2 school district, except that neither the employee nor the
3 school district may receive more than 90% of such proceeds.
4 The negotiation for an employee who is represented by an
5 exclusive bargaining representative may be conducted by
6 such bargaining representative at the employee's request.

7 (b) For the purpose of this paragraph 17:

8 (1) "Computer" means an internally programmed,
9 general purpose digital device capable of
10 automatically accepting data, processing data and
11 supplying the results of the operation.

12 (2) "Computer program" means a series of coded
13 instructions or statements in a form acceptable to a
14 computer, which causes the computer to process data in
15 order to achieve a certain result.

16 (3) "Proceeds" means profits derived from
17 marketing or sale of a product after deducting the
18 expenses of developing and marketing such product;

19 18. To delegate to the general superintendent of
20 schools, by resolution, the authority to approve contracts
21 and expenditures in amounts of \$10,000 or less;

22 19. Upon the written request of an employee, to
23 withhold from the compensation of that employee any dues,
24 payments or contributions payable by such employee to any
25 labor organization as defined in the Illinois Educational
26 Labor Relations Act. Under such arrangement, an amount

1 shall be withheld from each regular payroll period which is
2 equal to the pro rata share of the annual dues plus any
3 payments or contributions, and the board shall transmit
4 such withholdings to the specified labor organization
5 within 10 working days from the time of the withholding;

6 19a. Upon receipt of notice from the comptroller of a
7 municipality with a population of 500,000 or more, a county
8 with a population of 3,000,000 or more, the Cook County
9 Forest Preserve District, the Chicago Park District, the
10 Metropolitan Water Reclamation District, the Chicago
11 Transit Authority, or a housing authority of a municipality
12 with a population of 500,000 or more that a debt is due and
13 owing the municipality, the county, the Cook County Forest
14 Preserve District, the Chicago Park District, the
15 Metropolitan Water Reclamation District, the Chicago
16 Transit Authority, or the housing authority by an employee
17 of the Chicago Board of Education, to withhold, from the
18 compensation of that employee, the amount of the debt that
19 is due and owing and pay the amount withheld to the
20 municipality, the county, the Cook County Forest Preserve
21 District, the Chicago Park District, the Metropolitan
22 Water Reclamation District, the Chicago Transit Authority,
23 or the housing authority; provided, however, that the
24 amount deducted from any one salary or wage payment shall
25 not exceed 25% of the net amount of the payment. Before the
26 Board deducts any amount from any salary or wage of an

1 employee under this paragraph, the municipality, the
2 county, the Cook County Forest Preserve District, the
3 Chicago Park District, the Metropolitan Water Reclamation
4 District, the Chicago Transit Authority, or the housing
5 authority shall certify that (i) the employee has been
6 afforded an opportunity for a hearing to dispute the debt
7 that is due and owing the municipality, the county, the
8 Cook County Forest Preserve District, the Chicago Park
9 District, the Metropolitan Water Reclamation District, the
10 Chicago Transit Authority, or the housing authority and
11 (ii) the employee has received notice of a wage deduction
12 order and has been afforded an opportunity for a hearing to
13 object to the order. For purposes of this paragraph, "net
14 amount" means that part of the salary or wage payment
15 remaining after the deduction of any amounts required by
16 law to be deducted and "debt due and owing" means (i) a
17 specified sum of money owed to the municipality, the
18 county, the Cook County Forest Preserve District, the
19 Chicago Park District, the Metropolitan Water Reclamation
20 District, the Chicago Transit Authority, or the housing
21 authority for services, work, or goods, after the period
22 granted for payment has expired, or (ii) a specified sum of
23 money owed to the municipality, the county, the Cook County
24 Forest Preserve District, the Chicago Park District, the
25 Metropolitan Water Reclamation District, the Chicago
26 Transit Authority, or the housing authority pursuant to a

1 court order or order of an administrative hearing officer
2 after the exhaustion of, or the failure to exhaust,
3 judicial review;

4 20. The board is encouraged to employ a sufficient
5 number of certified school counselors to maintain a
6 student/counselor ratio of 250 to 1 by July 1, 1990. Each
7 counselor shall spend at least 75% of his work time in
8 direct contact with students and shall maintain a record of
9 such time;

10 21. To make available to students vocational and career
11 counseling and to establish 5 special career counseling
12 days for students and parents. On these days
13 representatives of local businesses and industries shall
14 be invited to the school campus and shall inform students
15 of career opportunities available to them in the various
16 businesses and industries. Special consideration shall be
17 given to counseling minority students as to career
18 opportunities available to them in various fields. For the
19 purposes of this paragraph, minority student means a person
20 who is any of the following:

21 (a) American Indian or Alaska Native (a person having
22 origins in any of the original peoples of North and South
23 America, including Central America, and who maintains
24 tribal affiliation or community attachment).

25 (b) Asian (a person having origins in any of the
26 original peoples of the Far East, Southeast Asia, or the

1 Indian subcontinent, including, but not limited to,
2 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,
3 the Philippine Islands, Thailand, and Vietnam).

4 (c) Black or African American (a person having origins
5 in any of the black racial groups of Africa). Terms such as
6 "Haitian" or "Negro" can be used in addition to "Black or
7 African American".

8 (d) Hispanic or Latino (a person of Cuban, Mexican,
9 Puerto Rican, South or Central American, or other Spanish
10 culture or origin, regardless of race).

11 (e) Native Hawaiian or Other Pacific Islander (a person
12 having origins in any of the original peoples of Hawaii,
13 Guam, Samoa, or other Pacific Islands).

14 Counseling days shall not be in lieu of regular school
15 days;

16 22. To report to the State Board of Education the
17 annual student dropout rate and number of students who
18 graduate from, transfer from or otherwise leave bilingual
19 programs;

20 23. Except as otherwise provided in the Abused and
21 Neglected Child Reporting Act or other applicable State or
22 federal law, to permit school officials to withhold, from
23 any person, information on the whereabouts of any child
24 removed from school premises when the child has been taken
25 into protective custody as a victim of suspected child
26 abuse. School officials shall direct such person to the

1 Department of Children and Family Services, or to the local
2 law enforcement agency if appropriate;

3 24. To develop a policy, based on the current state of
4 existing school facilities, projected enrollment and
5 efficient utilization of available resources, for capital
6 improvement of schools and school buildings within the
7 district, addressing in that policy both the relative
8 priority for major repairs, renovations and additions to
9 school facilities, and the advisability or necessity of
10 building new school facilities or closing existing schools
11 to meet current or projected demographic patterns within
12 the district;

13 25. To make available to the students in every high
14 school attendance center the ability to take all courses
15 necessary to comply with the Board of Higher Education's
16 college entrance criteria effective in 1993;

17 26. To encourage mid-career changes into the teaching
18 profession, whereby qualified professionals become
19 certified teachers, by allowing credit for professional
20 employment in related fields when determining point of
21 entry on teacher pay scale;

22 27. To provide or contract out training programs for
23 administrative personnel and principals with revised or
24 expanded duties pursuant to this Act in order to assure
25 they have the knowledge and skills to perform their duties;

26 28. To establish a fund for the prioritized special

1 needs programs, and to allocate such funds and other lump
2 sum amounts to each attendance center in a manner
3 consistent with the provisions of part 4 of Section 34-2.3.
4 Nothing in this paragraph shall be construed to require any
5 additional appropriations of State funds for this purpose;

6 29. (Blank);

7 30. Notwithstanding any other provision of this Act or
8 any other law to the contrary, to contract with third
9 parties for services otherwise performed by employees,
10 including those in a bargaining unit, and to layoff those
11 employees upon 14 days written notice to the affected
12 employees. Those contracts may be for a period not to
13 exceed 5 years and may be awarded on a system-wide basis.
14 The board may not operate more than 30 contract schools,
15 provided that the board may operate an additional 5
16 contract turnaround schools pursuant to item (5.5) of
17 subsection (d) of Section 34-8.3 of this Code;

18 31. To promulgate rules establishing procedures
19 governing the layoff or reduction in force of employees and
20 the recall of such employees, including, but not limited
21 to, criteria for such layoffs, reductions in force or
22 recall rights of such employees and the weight to be given
23 to any particular criterion. Such criteria shall take into
24 account factors including, but not be limited to,
25 qualifications, certifications, experience, performance
26 ratings or evaluations, and any other factors relating to

1 an employee's job performance;

2 32. To develop a policy to prevent nepotism in the
3 hiring of personnel or the selection of contractors;

4 33. To enter into a partnership agreement, as required
5 by Section 34-3.5 of this Code, and, notwithstanding any
6 other provision of law to the contrary, to promulgate
7 policies, enter into contracts, and take any other action
8 necessary to accomplish the objectives and implement the
9 requirements of that agreement; and

10 34. To establish a Labor Management Council to the
11 board comprised of representatives of the board, the chief
12 executive officer, and those labor organizations that are
13 the exclusive representatives of employees of the board and
14 to promulgate policies and procedures for the operation of
15 the Council.

16 The specifications of the powers herein granted are not to
17 be construed as exclusive but the board shall also exercise all
18 other powers that they may be requisite or proper for the
19 maintenance and the development of a public school system, not
20 inconsistent with the other provisions of this Article or
21 provisions of this Code which apply to all school districts.

22 In addition to the powers herein granted and authorized to
23 be exercised by the board, it shall be the duty of the board to
24 review or to direct independent reviews of special education
25 expenditures and services. The board shall file a report of
26 such review with the General Assembly on or before May 1, 1990.

1 (Source: P.A. 99-143, eff. 7-27-15.)

2 (105 ILCS 5/34-18.30)

3 Sec. 34-18.30. Dependents of military personnel; no
4 tuition charge. If, at the time of enrollment, a dependent of
5 United States military personnel is housed in temporary housing
6 located outside of the school district, but will be living
7 within the district within 60 days after the time of initial
8 enrollment, the dependent must be allowed to enroll, subject to
9 the requirements of this Section, and must not be charged
10 tuition. Any United States military personnel attempting to
11 enroll a dependent under this Section shall provide proof that
12 the dependent will be living within the district within 60 days
13 after the time of initial enrollment. Proof of residency may
14 include, but is not limited to, postmarked mail addressed to
15 the military personnel and sent to an address located within
16 the district, a lease agreement for occupancy of a residence
17 located within the district, or proof of ownership of a
18 residence located within the district. Non-resident dependents
19 of United States military personnel attending school on a
20 tuition-free basis may be counted for the purposes of
21 determining the apportionment of State aid provided under
22 Section 18-8.05 or 18-8.15 of this Code.

23 (Source: P.A. 95-331, eff. 8-21-07.)

24 (105 ILCS 5/34-43.1) (from Ch. 122, par. 34-43.1)

1 Sec. 34-43.1. (A) Limitation of noninstructional costs. It
2 is the purpose of this Section to establish for the Board of
3 Education and the general superintendent of schools
4 requirements and standards which maximize the proportion of
5 school district resources in direct support of educational,
6 program, and building maintenance and safety services for the
7 pupils of the district, and which correspondingly minimize the
8 amount and proportion of such resources associated with
9 centralized administration, administrative support services,
10 and other noninstructional services.

11 For the 1989-90 school year and for all subsequent school
12 years, the Board of Education shall undertake budgetary and
13 expenditure control actions which limit the administrative
14 expenditures of the Board of Education to levels, as provided
15 for in this Section, which represent an average of the
16 administrative expenses of all school districts in this State
17 not subject to Article 34.

18 (B) Certification of expenses by the State Superintendent
19 of Education. The State Superintendent of Education shall
20 annually certify, on or before May 1, to the Board of Education
21 and the School Finance Authority, for the applicable school
22 year, the following information:

23 (1) the annual expenditures of all school districts of
24 the State not subject to Article 34 properly attributable
25 to expenditure functions defined by the rules and
26 regulations of the State Board of Education as: 2210

1 (Improvement of Instructional Services); 2300 (Support
2 Services - General Administration) excluding, however,
3 2320 (Executive Administrative Services); 2490 (Other
4 Support Services - School Administration); 2500 (Support
5 Services - Business); 2600 (Support Services - Central);

6 (2) the total annual expenditures of all school
7 districts not subject to Article 34 attributable to the
8 Education Fund, the Operations, Building and Maintenance
9 Fund, the Transportation Fund and the Illinois Municipal
10 Retirement Fund of the several districts, as defined by the
11 rules and regulations of the State Board of Education; and

12 (3) a ratio, to be called the statewide average of
13 administrative expenditures, derived by dividing the
14 expenditures certified pursuant to paragraph (B) (1) by the
15 expenditures certified pursuant to paragraph (B) (2).

16 For purposes of the annual certification of expenditures
17 and ratios required by this Section, the "applicable year" of
18 certification shall initially be the 1986-87 school year and,
19 in sequent years, each succeeding school year.

20 The State Superintendent of Education shall consult with
21 the Board of Education to ascertain whether particular
22 expenditure items allocable to the administrative functions
23 enumerated in paragraph (B) (1) are appropriately or
24 necessarily higher in the applicable school district than in
25 the rest of the State due to noncomparable factors. The State
26 Superintendent shall also review the relevant cost proportions

1 in other large urban school districts. The State Superintendent
2 shall also review the expenditure categories in paragraph
3 (B)(1) to ascertain whether they contain school-level
4 expenses. If he or she finds that adjustments to the formula
5 are appropriate or necessary to establish a more fair and
6 comparable standard for administrative cost for the Board of
7 Education or to exclude school-level expenses, the State
8 Superintendent shall recommend to the School Finance Authority
9 rules and regulations adjusting particular subcategories in
10 this subsection (B) or adjusting certain costs in determining
11 the budget and expenditure items properly attributable to the
12 functions or otherwise adjust the formula.

13 (C) Administrative expenditure limitations. The annual
14 budget of the Board of Education, as adopted and implemented,
15 and the related annual expenditures for the school year, shall
16 reflect a limitation on administrative outlays as required by
17 the following provisions, taking into account any adjustments
18 established by the State Superintendent of Education: (1) the
19 budget and expenditures of the Board of Education for the
20 1989-90 school year shall reflect a ratio of administrative
21 expenditures to total expenditures equal to or less than the
22 statewide average of administrative expenditures for the
23 1986-87 school year as certified by the State Superintendent of
24 Education pursuant to paragraph (B)(3); (2) for the 1990-91
25 school year and for all subsequent school years, the budget and
26 expenditures of the Board of Education shall reflect a ratio of

1 administrative expenditures to total expenditures equal to or
2 less than the statewide average of administrative expenditures
3 certified by the State Superintendent of Education for the
4 applicable year pursuant to paragraph (B)(3); (3) if for any
5 school year the budget of the Board of Education reflects a
6 ratio of administrative expenditures to total expenditures
7 which exceeds the applicable statewide average, the Board of
8 Education shall reduce expenditure items allocable to the
9 administrative functions enumerated in paragraph (B)(1) such
10 that the Board of Education's ratio of administrative
11 expenditures to total expenditures is equal to or less than the
12 applicable statewide average ratio.

13 For purposes of this Section, the ratio of administrative
14 expenditures to the total expenditures of the Board of
15 Education, as applied to the budget of the Board of Education,
16 shall mean: the budgeted expenditure items of the Board of
17 Education properly attributable to the expenditure functions
18 identified in paragraph (B)(1) divided by the total budgeted
19 expenditures of the Board of Education properly attributable to
20 the Board of Education funds corresponding to those funds
21 identified in paragraph (B)(2), exclusive of any monies
22 budgeted for payment to the Public School Teachers' Pension and
23 Retirement System, attributable to payments due from the
24 General Funds of the State of Illinois.

25 The annual expenditure of the Board of Education for 2320
26 (Executive Administrative Services) for the 1989-90 school

1 year shall be no greater than the 2320 expenditure for the
2 1988-89 school year. The annual expenditure of the Board of
3 Education for 2320 for the 1990-91 school year and each
4 subsequent school year shall be no greater than the 2320
5 expenditure for the immediately preceding school year or the
6 1988-89 school year, whichever is less. This annual expenditure
7 limitation may be adjusted in each year in an amount not to
8 exceed any change effective during the applicable school year
9 in salary to be paid under the collective bargaining agreement
10 with instructional personnel to which the Board is a party and
11 in benefit costs either required by law or such collective
12 bargaining agreement.

13 (D) Cost control measures. In undertaking actions to
14 control or reduce expenditure items necessitated by the
15 administrative expenditure limitations of this Section, the
16 Board of Education shall give priority consideration to
17 reductions or cost controls with the least effect upon direct
18 services to students or instructional services for pupils, and
19 upon the safety and well-being of pupils, and, as applicable,
20 with the particular costs or functions to which the Board of
21 Education is higher than the statewide average.

22 For purposes of assuring that the cost control priorities
23 of this subsection (D) are met, the State Superintendent of
24 Education shall, with the assistance of the Board of Education,
25 review the cost allocation practices of the Board of Education,
26 and the State Superintendent of Education shall thereafter

1 recommend to the School Finance Authority rules and regulations
2 which define administrative areas which most impact upon the
3 direct and instructional needs of students and upon the safety
4 and well-being of the pupils of the district. No position
5 closed shall be reopened using State or federal categorical
6 funds.

7 (E) Report of Audited Information. For the 1988-89 school
8 year and for all subsequent school years, the Board of
9 Education shall file with the State Board of Education the
10 Annual Financial Report and its audit, as required by the rules
11 of the State Board of Education. Such reports shall be filed no
12 later than February 15 following the end of the school year of
13 the Board of Education, beginning with the report to be filed
14 no later than February 15, 1990 for the 1988-89 school year.

15 As part of the required Annual Financial Report, the Board
16 of Education shall provide a detailed accounting of the central
17 level, district, bureau and department costs and personnel
18 included within expenditure functions included in paragraph
19 (B)(1). The nature and detail of the reporting required for
20 these functions shall be prescribed by the State Board of
21 Education in rules and regulations. A copy of this detailed
22 accounting shall also be provided annually to the School
23 Finance Authority and the public. This report shall contain a
24 reconciliation to the board of education's adopted budget for
25 that fiscal year, specifically delineating administrative
26 functions.

1 If the information required under this Section is not
2 provided by the Board of Education in a timely manner, or is
3 initially or subsequently determined by the State
4 Superintendent of Education to be incomplete or inaccurate, the
5 State Superintendent shall, in writing, notify the Board of
6 Education of reporting deficiencies. The Board of Education
7 shall, within 60 days of such notice, address the reporting
8 deficiencies identified. If the State Superintendent of
9 Education does not receive satisfactory response to these
10 reporting deficiencies within 60 days, the next payment of
11 general State aid or evidence-based funding due the Board of
12 Education under Section 18-8 or Section 18-8.15, as applicable,
13 and all subsequent payments, shall be withheld by the State
14 Superintendent of Education until the enumerated deficiencies
15 have been addressed.

16 Utilizing the Annual Financial Report, the State
17 Superintendent of Education shall certify on or before May 1 to
18 the School Finance Authority the Board of Education's ratio of
19 administrative expenditures to total expenditures for the
20 1988-89 school year and for each succeeding school year. Such
21 certification shall indicate the extent to which the
22 administrative expenditure ratio of the Board of Education
23 conformed to the limitations required in subsection (C) of this
24 Section, taking into account any adjustments of the limitations
25 which may have been recommended by the State Superintendent of
26 Education to the School Finance Authority. In deriving the

1 administrative expenditure ratio of the Chicago Board of
2 Education, the State Superintendent of Education shall utilize
3 the definition of this ratio prescribed in subsection (C) of
4 this Section, except that the actual expenditures of the Board
5 of Education shall be substituted for budgeted expenditure
6 items.

7 (F) Approval and adjustments to administrative expenditure
8 limitations. The School Finance Authority organized under
9 Article 34A shall monitor the Board of Education's adherence to
10 the requirements of this Section. As part of its responsibility
11 the School Finance Authority shall determine whether the Board
12 of Education's budget for the next school year, and the
13 expenditures for a prior school year, comply with the
14 limitation of administrative expenditures required by this
15 Section. The Board of Education and the State Board of
16 Education shall provide such information as is required by the
17 School Finance Authority in order for the Authority to
18 determine compliance with the provisions of this Section. If
19 the Authority determines that the budget proposed by the Board
20 of Education does not meet the cost control requirements of
21 this Section, the Board of Education shall undertake budgetary
22 reductions, consistent with the requirements of this Section,
23 to bring the proposed budget into compliance with such cost
24 control limitations.

25 If, in formulating cost control and cost reduction
26 alternatives, the Board of Education believes that meeting the

1 cost control requirements of this Section related to the budget
2 for the ensuing year would impair the education, safety, or
3 well-being of the pupils of the school district, the Board of
4 Education may request that the School Finance Authority make
5 adjustments to the limitations required by this Section. The
6 Board of Education shall specify the amount, nature, and
7 reasons for the relief required and shall also identify cost
8 reductions which can be made in expenditure functions not
9 enumerated in paragraph (B) (1), which would serve the purposes
10 of this Section.

11 The School Finance Authority shall consult with the State
12 Superintendent of Education concerning the reasonableness from
13 an educational administration perspective of the adjustments
14 sought by the Board of Education. The School Finance Authority
15 shall provide an opportunity for the public to comment upon the
16 reasonableness of the Board's request. If, after such
17 consultation, the School Finance Authority determines that all
18 or a portion of the adjustments sought by the Board of
19 Education are reasonably appropriate or necessary, the
20 Authority may grant such relief from the provisions of this
21 Section which the Authority deems appropriate. Adjustments so
22 granted apply only to the specific school year for which the
23 request was made.

24 In the event that the School Finance Authority determines
25 that the Board of Education has failed to achieve the required
26 administrative expenditure limitations for a prior school

1 year, or if the Authority determines that the Board of
2 Education has not met the requirements of subsection (F), the
3 Authority shall make recommendations to the Board of Education
4 concerning appropriate corrective actions. If the Board of
5 Education fails to provide adequate assurance to the Authority
6 that appropriate corrective actions have been or will be taken,
7 the Authority may, within 60 days thereafter, require the board
8 to adjust its current budget to correct for the prior year's
9 shortage or may recommend to the members of the General
10 Assembly and the Governor such sanctions or remedial actions as
11 will serve to deter any further such failures on the part of
12 the Board of Education.

13 To assist the Authority in its monitoring
14 responsibilities, the Board of Education shall provide such
15 reports and information as are from time to time required by
16 the Authority.

17 (G) Independent reviews of administrative expenditures.
18 The School Finance Authority may direct independent reviews of
19 the administrative and administrative support expenditures and
20 services and other non-instructional expenditure functions of
21 the Board of Education. The Board of Education shall afford
22 full cooperation to the School Finance Authority in such review
23 activity. The purpose of such reviews shall be to verify
24 specific targets for improved operating efficiencies of the
25 Board of Education, to identify other areas of potential
26 efficiencies, and to assure full and proper compliance by the

1 Board of Education with all requirements of this Section.

2 In the conduct of reviews under this subsection, the
3 Authority may request the assistance and consultation of the
4 State Superintendent of Education with regard to questions of
5 efficiency and effectiveness in educational administration.

6 (H) Reports to Governor and General Assembly. On or before
7 May 1, 1991 and no less frequently than yearly thereafter, the
8 School Finance Authority shall provide to the Governor, the
9 State Board of Education, and the members of the General
10 Assembly an annual report, as outlined in Section 34A-606,
11 which includes the following information: (1) documenting the
12 compliance or non-compliance of the Board of Education with the
13 requirements of this Section; (2) summarizing the costs,
14 findings, and recommendations of any reviews directed by the
15 School Finance Authority, and the response to such
16 recommendations made by the Board of Education; and (3)
17 recommending sanctions or legislation necessary to fulfill the
18 intent of this Section.

19 (Source: P.A. 86-124; 86-1477.)

20 Section 50. The Educational Opportunity for Military
21 Children Act is amended by changing Section 25 as follows:

22 (105 ILCS 70/25)

23 Sec. 25. Tuition for children of active duty military
24 personnel who are transfer students. If a student who is a

1 child of active duty military personnel is (i) placed with a
2 non-custodial parent and (ii) as a result of placement, must
3 attend a non-resident school district, then the student must
4 not be charged the tuition of the school that the student
5 attends as a result of placement with the non-custodial parent
6 and the student must be counted in the calculation of average
7 daily attendance under Section 18-8.05 or 18-8.15 of the School
8 Code.

9 (Source: P.A. 98-673, eff. 6-30-14.)

10 Section 60. The Childhood Hunger Relief Act is amended by
11 changing Section 15 as follows:

12 (105 ILCS 126/15)

13 Sec. 15. School breakfast program.

14 (a) The board of education of each school district in this
15 State shall implement and operate a school breakfast program in
16 the next school year, if a breakfast program does not currently
17 exist, in accordance with federal guidelines in each school
18 building within its district in which at least 40% or more of
19 the students are eligible for free or reduced-price lunches
20 based upon the current year's October claim (for those schools
21 that participate in the National School Lunch Program) or in
22 which at least 40% or more of the students are classified as
23 low-income according to the Fall Housing Data from the previous
24 year (for those schools that do not participate in the National

1 School Lunch Program).

2 (b) School districts may charge students who do not meet
3 federal criteria for free school meals for the breakfasts
4 served to these students within the allowable limits set by
5 federal regulations.

6 (c) School breakfast programs established under this
7 Section shall be supported entirely by federal funds and
8 commodities, charges to students and other participants, and
9 other available State and local resources, including under the
10 School Breakfast and Lunch Program Act. Allowable costs for
11 reimbursement to school districts, in accordance with the
12 United States Department of Agriculture, include compensation
13 of employees for the time devoted and identified specifically
14 to implement the school breakfast program; the cost of
15 materials acquired, consumed, or expended specifically to
16 implement the school breakfast program; equipment and other
17 approved capital expenditures necessary to implement the
18 school breakfast program; and transportation expenses incurred
19 specifically to implement and operate the school breakfast
20 program.

21 Notwithstanding anything to the contrary contained in this
22 Section, the State Board of Education shall award to a school
23 district having a population exceeding 500,000 inhabitants
24 50.7% of the funds appropriated by the General Assembly for any
25 fiscal year for purposes of payment of claims under this
26 Section.

1 (d) A school district shall be allowed to opt out a school
2 or schools from the school breakfast program requirement of
3 this Section if it is determined that, due to circumstances
4 specific to that school district, the expense reimbursement
5 would not fully cover the costs of implementing and operating a
6 school breakfast program. The school district shall petition
7 its regional superintendent of schools by February 15 of each
8 year to request to be exempt from operating the school
9 breakfast program in the school or schools in the next school
10 year. The petition shall include all legitimate costs
11 associated with implementing and operating a school breakfast
12 program, the estimated reimbursement from State and federal
13 sources, and any unique circumstances the school district can
14 verify that exist that would cause the implementation and
15 operation of such a program to be cost prohibitive.

16 The regional superintendent of schools shall review the
17 petition. In accordance with the Open Meetings Act, he or she
18 shall convene a public hearing to hear testimony from the
19 school district and interested community members. The regional
20 superintendent shall, by March 15 of each year, inform the
21 school district of his or her decision, along with the reasons
22 why the exemption was granted or denied, in writing. The
23 regional superintendent must also send notification to the
24 State Board of Education detailing which schools requested an
25 exemption and the results. If the regional superintendent
26 grants an exemption to the school district, then the school

1 district is relieved from the requirement to establish and
2 implement a school breakfast program in the school or schools
3 granted an exemption for the next school year.

4 If the regional superintendent of schools does not grant an
5 exemption, then the school district shall implement and operate
6 a school breakfast program in accordance with this Section by
7 the first student attendance day of the next school year.
8 However, the school district or a resident of the school
9 district may by April 15 appeal the decision of the regional
10 superintendent to the State Superintendent of Education. The
11 State Superintendent shall hear appeals on the decisions of
12 regional superintendents of schools no later than May 15 of
13 each year. The State Superintendent shall make a final decision
14 at the conclusion of the hearing on the school district's
15 request for an exemption from the school breakfast program
16 requirement. If the State Superintendent grants an exemption,
17 then the school district is relieved from the requirement to
18 implement and operate a school breakfast program in the school
19 or schools granted an exemption for the next school year. If
20 the State Superintendent does not grant an exemption, then the
21 school district shall implement and operate a school breakfast
22 program in accordance with this Section by the first student
23 attendance day of the next school year.

24 A school district may not attempt to opt out a school or
25 schools from the school breakfast program requirement of this
26 Section by requesting a waiver under Section 2-3.25g of the

1 School Code.

2 (Source: P.A. 96-158, eff. 8-7-09.)

3 Section 95. No acceleration or delay. Where this Act makes
4 changes in a statute that is represented in this Act by text
5 that is not yet or no longer in effect (for example, a Section
6 represented by multiple versions), the use of that text does
7 not accelerate or delay the taking effect of (i) the changes
8 made by this Act or (ii) provisions derived from any other
9 Public Act.

10 Section 97. Savings clause. Any repeal or amendment made by
11 this Act shall not affect or impair any of the following: suits
12 pending or rights existing at the time this Act takes effect;
13 any grant or conveyance made or right acquired or cause of
14 action now existing under any Section, Article, or Act repealed
15 or amended by this Act; the validity of any bonds or other
16 obligations issued or sold and constituting valid obligations
17 of the issuing authority at the time this Act takes effect; the
18 validity of any contract; the validity of any tax levied under
19 any law in effect prior to the effective date of this Act; or
20 any offense committed, act done, penalty, punishment, or
21 forfeiture incurred or any claim, right, power, or remedy
22 accrued under any law in effect prior to the effective date of
23 this Act.

24 Section 99. Effective date. This Act takes effect upon

1 becoming law.