



Rep. William Davis

Filed: 5/30/2017

10000SB0001ham002

LRB100 06371 MLM 27378 a

1 AMENDMENT TO SENATE BILL 1

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1 by replacing  
3 everything after the enacting clause with the following:

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

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

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

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

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

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

20 When the economic development project costs, including  
21 without limitation all municipal obligations financing  
22 economic development project costs incurred under this Act,  
23 have been paid, all surplus funds then remaining in the special  
24 tax allocation fund shall be distributed by being paid by the  
25 municipal treasurer to the county collector, who shall  
26 immediately thereafter pay those funds to the taxing districts

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

6 Upon the payment of all economic development project costs,  
7 retirement of obligations and the distribution of any excess  
8 monies pursuant to this Section the municipality shall adopt an  
9 ordinance dissolving the special tax allocation fund for the  
10 economic development project area, terminating the economic  
11 development project area, and terminating the use of tax  
12 increment allocation financing for the economic development  
13 project area. Thereafter the rates of the taxing districts  
14 shall be extended and taxes levied, collected and distributed  
15 in the manner applicable in the absence of the adoption of tax  
16 increment 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.

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

24 Section 10. The State Finance Act is amended by changing  
25 Section 13.2 as follows:

1 (30 ILCS 105/13.2) (from Ch. 127, par. 149.2)

2 Sec. 13.2. Transfers among line item appropriations.

3 (a) Transfers among line item appropriations from the same  
4 treasury fund for the objects specified in this Section may be  
5 made in the manner provided in this Section when the balance  
6 remaining in one or more such line item appropriations is  
7 insufficient for the purpose for which the appropriation was  
8 made.

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

13 (a-2) Except as otherwise provided in this Section,  
14 transfers may be made only among the objects of expenditure  
15 enumerated in this Section, except that no funds may be  
16 transferred from any appropriation for personal services, from  
17 any appropriation for State contributions to the State  
18 Employees' Retirement System, from any separate appropriation  
19 for employee retirement contributions paid by the employer, nor  
20 from any appropriation for State contribution for employee  
21 group insurance. During State fiscal year 2005, an agency may  
22 transfer amounts among its appropriations within the same  
23 treasury fund for personal services, employee retirement  
24 contributions paid by employer, and State Contributions to  
25 retirement systems; notwithstanding and in addition to the

1 transfers authorized in subsection (c) of this Section, the  
2 fiscal year 2005 transfers authorized in this sentence may be  
3 made in an amount not to exceed 2% of the aggregate amount  
4 appropriated to an agency within the same treasury fund. During  
5 State fiscal year 2007, the Departments of Children and Family  
6 Services, Corrections, Human Services, and Juvenile Justice  
7 may transfer amounts among their respective appropriations  
8 within the same treasury fund for personal services, employee  
9 retirement contributions paid by employer, and State  
10 contributions to retirement systems. During State fiscal year  
11 2010, the Department of Transportation may transfer amounts  
12 among their respective appropriations within the same treasury  
13 fund for personal services, employee retirement contributions  
14 paid by employer, and State contributions to retirement  
15 systems. During State fiscal years 2010 and 2014 only, an  
16 agency may transfer amounts among its respective  
17 appropriations within the same treasury fund for personal  
18 services, employee retirement contributions paid by employer,  
19 and State contributions to retirement systems.  
20 Notwithstanding, and in addition to, the transfers authorized  
21 in subsection (c) of this Section, these transfers may be made  
22 in an amount not to exceed 2% of the aggregate amount  
23 appropriated to an agency within the same treasury fund.

24 (a-2.5) During State fiscal year 2015 only, the State's  
25 Attorneys Appellate Prosecutor may transfer amounts among its  
26 respective appropriations contained in operational line items

1 within the same treasury fund. Notwithstanding, and in addition  
2 to, the transfers authorized in subsection (c) of this Section,  
3 these transfers may be made in an amount not to exceed 4% of  
4 the aggregate amount appropriated to the State's Attorneys  
5 Appellate Prosecutor within the same treasury fund.

6 (a-3) Further, if an agency receives a separate  
7 appropriation for employee retirement contributions paid by  
8 the employer, any transfer by that agency into an appropriation  
9 for personal services must be accompanied by a corresponding  
10 transfer into the appropriation for employee retirement  
11 contributions paid by the employer, in an amount sufficient to  
12 meet the employer share of the employee contributions required  
13 to be remitted to the retirement system.

14 (a-4) Long-Term Care Rebalancing. The Governor may  
15 designate amounts set aside for institutional services  
16 appropriated from the General Revenue Fund or any other State  
17 fund that receives monies for long-term care services to be  
18 transferred to all State agencies responsible for the  
19 administration of community-based long-term care programs,  
20 including, but not limited to, community-based long-term care  
21 programs administered by the Department of Healthcare and  
22 Family Services, the Department of Human Services, and the  
23 Department on Aging, provided that the Director of Healthcare  
24 and Family Services first certifies that the amounts being  
25 transferred are necessary for the purpose of assisting persons  
26 in or at risk of being in institutional care to transition to

1 community-based settings, including the financial data needed  
2 to prove the need for the transfer of funds. The total amounts  
3 transferred shall not exceed 4% in total of the amounts  
4 appropriated from the General Revenue Fund or any other State  
5 fund that receives monies for long-term care services for each  
6 fiscal year. A notice of the fund transfer must be made to the  
7 General Assembly and posted at a minimum on the Department of  
8 Healthcare and Family Services website, the Governor's Office  
9 of Management and Budget website, and any other website the  
10 Governor sees fit. These postings shall serve as notice to the  
11 General Assembly of the amounts to be transferred. Notice shall  
12 be given at least 30 days prior to transfer.

13 (b) In addition to the general transfer authority provided  
14 under subsection (c), the following agencies have the specific  
15 transfer authority granted in this subsection:

16 The Department of Healthcare and Family Services is  
17 authorized to make transfers representing savings attributable  
18 to not increasing grants due to the births of additional  
19 children from line items for payments of cash grants to line  
20 items for payments for employment and social services for the  
21 purposes outlined in subsection (f) of Section 4-2 of the  
22 Illinois Public Aid Code.

23 The Department of Children and Family Services is  
24 authorized to make transfers not exceeding 2% of the aggregate  
25 amount appropriated to it within the same treasury fund for the  
26 following line items among these same line items: Foster Home



1 and Specialized Foster Care and Prevention, Institutions and  
2 Group Homes and Prevention, and Purchase of Adoption and  
3 Guardianship Services.

4 The Department on Aging is authorized to make transfers not  
5 exceeding 2% of the aggregate amount appropriated to it within  
6 the same treasury fund for the following Community Care Program  
7 line items among these same line items: purchase of services  
8 covered by the Community Care Program and Comprehensive Case  
9 Coordination.

10 The State Treasurer is authorized to make transfers among  
11 line item appropriations from the Capital Litigation Trust  
12 Fund, with respect to costs incurred in fiscal years 2002 and  
13 2003 only, when the balance remaining in one or more such line  
14 item appropriations is insufficient for the purpose for which  
15 the appropriation was made, provided that no such transfer may  
16 be made unless the amount transferred is no longer required for  
17 the purpose for which that appropriation was made.

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

1 made.

2 The State Board of Education is authorized to make  
3 transfers between the following line item appropriations  
4 within the same treasury fund: Disabled Student  
5 Services/Materials (Section 14-13.01 of the School Code),  
6 Disabled Student Transportation Reimbursement (Section  
7 14-13.01 of the School Code), Disabled Student Tuition -  
8 Private Tuition (Section 14-7.02 of the School Code),  
9 Extraordinary Special Education (Section 14-7.02b of the  
10 School Code), Reimbursement for Free Lunch/Breakfast Program,  
11 Summer School Payments (Section 18-4.3 of the School Code), and  
12 Transportation - Regular/Vocational Reimbursement (Section  
13 29-5 of the School Code). Such transfers shall be made only  
14 when the balance remaining in one or more such line item  
15 appropriations is insufficient for the purpose for which the  
16 appropriation was made and provided that no such transfer may  
17 be made unless the amount transferred is no longer required for  
18 the purpose for which that appropriation was made.

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

23 (c) The sum of such transfers for an agency in a fiscal  
24 year shall not exceed 2% of the aggregate amount appropriated  
25 to it within the same treasury fund for the following objects:  
26 Personal Services; Extra Help; Student and Inmate

1 Compensation; State Contributions to Retirement Systems; State  
2 Contributions to Social Security; State Contribution 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; and, in appropriations  
10 to institutions of higher education, Awards and Grants.  
11 Notwithstanding the above, any amounts appropriated for  
12 payment of workers' compensation claims to an agency to which  
13 the authority to evaluate, administer and pay such claims has  
14 been delegated by the Department of Central Management Services  
15 may be transferred to any other expenditure object where such  
16 amounts exceed the amount necessary for the payment of such  
17 claims.

18 (c-1) Special provisions for State fiscal year 2003.  
19 Notwithstanding any other provision of this Section to the  
20 contrary, for State fiscal year 2003 only, transfers among line  
21 item appropriations to an agency from the same treasury fund  
22 may be made provided that the sum of such transfers for an  
23 agency in State fiscal year 2003 shall not exceed 3% of the  
24 aggregate amount appropriated to that State agency for State  
25 fiscal year 2003 for the following objects: personal services,  
26 except that no transfer may be approved which reduces the

1 aggregate appropriations for personal services within an  
2 agency; extra help; student and inmate compensation; State  
3 contributions to retirement systems; State contributions to  
4 social security; State contributions for employee group  
5 insurance; contractual services; travel; commodities;  
6 printing; equipment; electronic data processing; operation of  
7 automotive equipment; telecommunications services; travel and  
8 allowance for committed, paroled, and discharged prisoners;  
9 library books; federal matching grants for student loans;  
10 refunds; workers' compensation, occupational disease, and tort  
11 claims; and, in appropriations to institutions of higher  
12 education, awards and grants.

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

23 (c-3) Special provisions for State fiscal year 2015.  
24 Notwithstanding any other provision of this Section, for State  
25 fiscal year 2015, transfers among line item appropriations to a  
26 State agency from the same State treasury fund may be made for

1 operational or lump sum expenses only, provided that the sum of  
2 such transfers for a State agency in State fiscal year 2015  
3 shall not exceed 4% of the aggregate amount appropriated to  
4 that State agency for operational or lump sum expenses for  
5 State fiscal year 2015. For the purpose of this subsection,  
6 "operational or lump sum expenses" includes the following  
7 objects: personal services; extra help; student and inmate  
8 compensation; State contributions to retirement systems; State  
9 contributions to social security; State contributions for  
10 employee group insurance; contractual services; travel;  
11 commodities; printing; equipment; electronic data processing;  
12 operation of automotive equipment; telecommunications  
13 services; travel and allowance for committed, paroled, and  
14 discharged prisoners; library books; federal matching grants  
15 for student loans; refunds; workers' compensation,  
16 occupational disease, and tort claims; lump sum and other  
17 purposes; and lump sum operations. For the purpose of this  
18 subsection (c-3), "State agency" does not include the Attorney  
19 General, the Secretary of State, the Comptroller, the  
20 Treasurer, or the legislative or judicial branches.

21 (d) Transfers among appropriations made to agencies of the  
22 Legislative and Judicial departments and to the  
23 constitutionally elected officers in the Executive branch  
24 require the approval of the officer authorized in Section 10 of  
25 this Act to approve and certify vouchers. Transfers among  
26 appropriations made to the University of Illinois, Southern

1 Illinois University, Chicago State University, Eastern  
2 Illinois University, Governors State University, Illinois  
3 State University, Northeastern Illinois University, Northern  
4 Illinois University, Western Illinois University, the Illinois  
5 Mathematics and Science Academy and the Board of Higher  
6 Education require the approval of the Board of Higher Education  
7 and the Governor. Transfers among appropriations to all other  
8 agencies require the approval of the Governor.

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

22 (e) The State Board of Education, in consultation with the  
23 State Comptroller, may transfer line item appropriations for  
24 General State Aid or Evidence-Based Funding between the Common  
25 School Fund and the Education Assistance Fund. With the advice  
26 and consent of the Governor's Office of Management and Budget,

1 the State Board of Education, in consultation with the State  
2 Comptroller, may transfer line item appropriations between the  
3 General Revenue Fund and the Education Assistance Fund for the  
4 following programs:

5 (1) Disabled Student Personnel Reimbursement (Section  
6 14-13.01 of the School Code);

7 (2) Disabled Student Transportation Reimbursement  
8 (subsection (b) of Section 14-13.01 of the School Code);

9 (3) Disabled Student Tuition - Private Tuition  
10 (Section 14-7.02 of the School Code);

11 (4) Extraordinary Special Education (Section 14-7.02b  
12 of the School Code);

13 (5) Reimbursement for Free Lunch/Breakfast Programs;

14 (6) Summer School Payments (Section 18-4.3 of the  
15 School Code);

16 (7) Transportation - Regular/Vocational Reimbursement  
17 (Section 29-5 of the School Code);

18 (8) Regular Education Reimbursement (Section 18-3 of  
19 the School Code); and

20 (9) Special Education Reimbursement (Section 14-7.03  
21 of the School Code).

22 (Source: P.A. 98-24, eff. 6-19-13; 98-674, eff. 6-30-14; 99-2,  
23 eff. 3-26-15.)

24 Section 15. The Property Tax Code is amended by changing  
25 Sections 18-200 and 18-249 as follows:

1 (35 ILCS 200/18-200)

2 Sec. 18-200. School Code. A school district's State aid  
3 shall not be reduced under the computation under subsections  
4 5(a) through 5(h) of Part A of Section 18-8 of the School Code  
5 or under Section 18-8.15 of the School Code due to the  
6 operating tax rate falling from above the minimum requirement  
7 of that Section of the School Code to below the minimum  
8 requirement of that Section of the School Code due to the  
9 operation of this Law.

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

11 (35 ILCS 200/18-249)

12 Sec. 18-249. Miscellaneous provisions.

13 (a) Certification of new property. For the 1994 levy year,  
14 the chief county assessment officer shall certify to the county  
15 clerk, after all changes by the board of review or board of  
16 appeals, as the case may be, the assessed value of new property  
17 by taxing district for the 1994 levy year under rules  
18 promulgated by the Department.

19 (b) School Code. A school district's State aid shall not be  
20 reduced under the computation under subsections 5(a) through  
21 5(h) of Part A of Section 18-8 of the School Code or under  
22 Section 18-8.15 of the School Code due to the operating tax  
23 rate falling from above the minimum requirement of that Section  
24 of the School Code to below the minimum requirement of that



1 Section of the School Code due to the operation of this Law.

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

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

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

9 (40 ILCS 5/16-158) (from Ch. 108 1/2, par. 16-158)

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

12 Sec. 16-158. Contributions by State and other employing  
13 units.

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

21 The Board shall determine the amount of State contributions  
22 required for each fiscal year on the basis of the actuarial  
23 tables and other assumptions adopted by the Board and the  
24 recommendations of the actuary, using the formula in subsection

1 (b-3).

2 (a-1) Annually, on or before November 15 until November 15,  
3 2011, the Board shall certify to the Governor the amount of the  
4 required State contribution for the coming fiscal year. The  
5 certification under this subsection (a-1) shall include a copy  
6 of the actuarial recommendations upon which it is based and  
7 shall specifically identify the System's projected State  
8 normal cost for that fiscal year.

9 On or before May 1, 2004, the Board shall recalculate and  
10 recertify to the Governor the amount of the required State  
11 contribution to the System for State fiscal year 2005, taking  
12 into account the amounts appropriated to and received by the  
13 System under subsection (d) of Section 7.2 of the General  
14 Obligation Bond Act.

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

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

26 (a-5) On or before November 1 of each year, beginning

1 November 1, 2012, the Board shall submit to the State Actuary,  
2 the Governor, and the General Assembly a proposed certification  
3 of the amount of the required State contribution to the System  
4 for the next fiscal year, along with all of the actuarial  
5 assumptions, calculations, and data upon which that proposed  
6 certification is based. On or before January 1 of each year,  
7 beginning January 1, 2013, the State Actuary shall issue a  
8 preliminary report concerning the proposed certification and  
9 identifying, if necessary, recommended changes in actuarial  
10 assumptions that the Board must consider before finalizing its  
11 certification of the required State contributions. On or before  
12 January 15, 2013 and each January 15 thereafter, the Board  
13 shall certify to the Governor and the General Assembly the  
14 amount of the required State contribution for the next fiscal  
15 year. The Board's certification must note any deviations from  
16 the State Actuary's recommended changes, the reason or reasons  
17 for not following the State Actuary's recommended changes, and  
18 the fiscal impact of not following the State Actuary's  
19 recommended changes on the required State contribution.

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

23 (b-1) Beginning in State fiscal year 1996, on the 15th day  
24 of each month, or as soon thereafter as may be practicable, the  
25 Board shall submit vouchers for payment of State contributions  
26 to the System, in a total monthly amount of one-twelfth of the

1 required annual State contribution certified under subsection  
2 (a-1). From the effective date of this amendatory Act of the  
3 93rd General Assembly through June 30, 2004, the Board shall  
4 not submit vouchers for the remainder of fiscal year 2004 in  
5 excess of the fiscal year 2004 certified contribution amount  
6 determined under this Section after taking into consideration  
7 the transfer to the System under subsection (a) of Section  
8 6z-61 of the State Finance Act. These vouchers shall be paid by  
9 the State Comptroller and Treasurer by warrants drawn on the  
10 funds appropriated to the System for that fiscal year.

11 If in any month the amount remaining unexpended from all  
12 other appropriations to the System for the applicable fiscal  
13 year (including the appropriations to the System under Section  
14 8.12 of the State Finance Act and Section 1 of the State  
15 Pension Funds Continuing Appropriation Act) is less than the  
16 amount lawfully vouchered under this subsection, the  
17 difference shall be paid from the Common School Fund under the  
18 continuing appropriation authority provided in Section 1.1 of  
19 the State Pension Funds Continuing Appropriation Act.

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

23 (b-3) For State fiscal years 2012 through 2045, the minimum  
24 contribution to the System to be made by the State for each  
25 fiscal year shall be an amount determined by the System to be  
26 sufficient to bring the total assets of the System up to 90% of

1 the total actuarial liabilities of the System by the end of  
2 State fiscal year 2045. In making these determinations, the  
3 required State contribution shall be calculated each year as a  
4 level percentage of payroll over the years remaining to and  
5 including fiscal year 2045 and shall be determined under the  
6 projected unit credit actuarial cost method.

7 For State fiscal years 1996 through 2005, the State  
8 contribution to the System, as a percentage of the applicable  
9 employee payroll, shall be increased in equal annual increments  
10 so that by State fiscal year 2011, the State is contributing at  
11 the rate required under this Section; except that in the  
12 following specified State fiscal years, the State contribution  
13 to the System shall not be less than the following indicated  
14 percentages of the applicable employee payroll, even if the  
15 indicated percentage will produce a State contribution in  
16 excess of the amount otherwise required under this subsection  
17 and subsection (a), and notwithstanding any contrary  
18 certification made under subsection (a-1) before the effective  
19 date of this amendatory Act of 1998: 10.02% in FY 1999; 10.77%  
20 in FY 2000; 11.47% in FY 2001; 12.16% in FY 2002; 12.86% in FY  
21 2003; and 13.56% in FY 2004.

22 Notwithstanding any other provision of this Article, the  
23 total required State contribution for State fiscal year 2006 is  
24 \$534,627,700.

25 Notwithstanding any other provision of this Article, the  
26 total required State contribution for State fiscal year 2007 is

1 \$738,014,500.

2 For each of State fiscal years 2008 through 2009, the State  
3 contribution to the System, as a percentage of the applicable  
4 employee payroll, shall be increased in equal annual increments  
5 from the required State contribution for State fiscal year  
6 2007, so that by State fiscal year 2011, the State is  
7 contributing at the rate otherwise required under this Section.

8 Notwithstanding any other provision of this Article, the  
9 total required State contribution for State fiscal year 2010 is  
10 \$2,089,268,000 and shall be made from the proceeds of bonds  
11 sold in fiscal year 2010 pursuant to Section 7.2 of the General  
12 Obligation Bond Act, less (i) the pro rata share of bond sale  
13 expenses determined by the System's share of total bond  
14 proceeds, (ii) any amounts received from the Common School Fund  
15 in fiscal year 2010, and (iii) any reduction in bond proceeds  
16 due to the issuance of discounted bonds, if applicable.

17 Notwithstanding any other provision of this Article, the  
18 total required State contribution for State fiscal year 2011 is  
19 the amount recertified by the System on or before April 1, 2011  
20 pursuant to subsection (a-1) of this Section and shall be made  
21 from the proceeds of bonds sold in fiscal year 2011 pursuant to  
22 Section 7.2 of the General Obligation Bond Act, less (i) the  
23 pro rata share of bond sale expenses determined by the System's  
24 share of total bond proceeds, (ii) any amounts received from  
25 the Common School Fund in fiscal year 2011, and (iii) any  
26 reduction in bond proceeds due to the issuance of discounted

1 bonds, if applicable. This amount shall include, in addition to  
2 the amount certified by the System, an amount necessary to meet  
3 employer contributions required by the State as an employer  
4 under paragraph (e) of this Section, which may also be used by  
5 the System for contributions required by paragraph (a) of  
6 Section 16-127.

7 Beginning in State fiscal year 2046, the minimum State  
8 contribution for each fiscal year shall be the amount needed to  
9 maintain the total assets of the System at 90% of the total  
10 actuarial liabilities of the System.

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

23 Notwithstanding any other provision of this Section, the  
24 required State contribution for State fiscal year 2005 and for  
25 fiscal year 2008 and each fiscal year thereafter, as calculated  
26 under this Section and certified under subsection (a-1), shall

1 not exceed an amount equal to (i) the amount of the required  
2 State contribution that would have been calculated under this  
3 Section for that fiscal year if the System had not received any  
4 payments under subsection (d) of Section 7.2 of the General  
5 Obligation Bond Act, minus (ii) the portion of the State's  
6 total debt service payments for that fiscal year on the bonds  
7 issued in fiscal year 2003 for the purposes of that Section  
8 7.2, as determined and certified by the Comptroller, that is  
9 the same as the System's portion of the total moneys  
10 distributed under subsection (d) of Section 7.2 of the General  
11 Obligation Bond Act. In determining this maximum for State  
12 fiscal years 2008 through 2010, however, the amount referred to  
13 in item (i) shall be increased, as a percentage of the  
14 applicable employee payroll, in equal increments calculated  
15 from the sum of the required State contribution for State  
16 fiscal year 2007 plus the applicable portion of the State's  
17 total debt service payments for fiscal year 2007 on the bonds  
18 issued in fiscal year 2003 for the purposes of Section 7.2 of  
19 the General Obligation Bond Act, so that, by State fiscal year  
20 2011, the State is contributing at the rate otherwise required  
21 under this Section.

22 (c) Payment of the required State contributions and of all  
23 pensions, retirement annuities, death benefits, refunds, and  
24 other benefits granted under or assumed by this System, and all  
25 expenses in connection with the administration and operation  
26 thereof, are obligations of the State.



1           If members are paid from special trust or federal funds  
2 which are administered by the employing unit, whether school  
3 district or other unit, the employing unit shall pay to the  
4 System from such funds the full accruing retirement costs based  
5 upon that service, which, beginning July 1, 2018 ~~2014~~, shall be  
6 at a rate, expressed as a percentage of salary, equal to the  
7 total employer's ~~minimum contribution to the System to be made~~  
8 ~~by the State for that fiscal year, including both~~ normal cost  
9 ~~and unfunded liability components~~, expressed as a percentage of  
10 payroll, as determined by the System ~~under subsection (b-3) of~~  
11 ~~this Section~~. Employer contributions, based on salary paid to  
12 members from federal funds, may be forwarded by the  
13 distributing agency of the State of Illinois to the System  
14 prior to allocation, in an amount determined in accordance with  
15 guidelines established by such agency and the System. Any  
16 contribution for fiscal year 2015 collected as a result of the  
17 change made by this amendatory Act of the 98th General Assembly  
18 shall be considered a State contribution under subsection (b-3)  
19 of this Section.

20           (d) Effective July 1, 1986, any employer of a teacher as  
21 defined in paragraph (8) of Section 16-106 shall pay the  
22 employer's normal cost of benefits based upon the teacher's  
23 service, in addition to employee contributions, as determined  
24 by the System. Such employer contributions shall be forwarded  
25 monthly in accordance with guidelines established by the  
26 System.

1           However, with respect to benefits granted under Section  
2 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8)  
3 of Section 16-106, the employer's contribution shall be 12%  
4 (rather than 20%) of the member's highest annual salary rate  
5 for each year of creditable service granted, and the employer  
6 shall also pay the required employee contribution on behalf of  
7 the teacher. For the purposes of Sections 16-133.4 and  
8 16-133.5, a teacher as defined in paragraph (8) of Section  
9 16-106 who is serving in that capacity while on leave of  
10 absence from another employer under this Article shall not be  
11 considered an employee of the employer from which the teacher  
12 is on leave.

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

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

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

22           The school district or other employing unit may pay these  
23 employer contributions out of any source of funding available  
24 for that purpose and shall forward the contributions to the  
25 System on the schedule established for the payment of member  
26 contributions.

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

4           Each employer of teachers is entitled to a credit against  
5 the contributions required under this subsection (e) with  
6 respect to salaries paid to teachers for the period January 1,  
7 2002 through June 30, 2003, equal to the amount paid by that  
8 employer under subsection (a-5) of Section 6.6 of the State  
9 Employees Group Insurance Act of 1971 with respect to salaries  
10 paid to teachers for that period.

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

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

1 after May 1, 1998.

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

26 Whenever it determines that a payment is or may be required

1 under this subsection, the System shall calculate the amount of  
2 the payment and bill the employer for that amount. The bill  
3 shall specify the calculations used to determine the amount  
4 due. If the employer disputes the amount of the bill, it may,  
5 within 30 days after receipt of the bill, apply to the System  
6 in writing for a recalculation. The application must specify in  
7 detail the grounds of the dispute and, if the employer asserts  
8 that the calculation is subject to subsection (g) or (h) of  
9 this Section, must include an affidavit setting forth and  
10 attesting to all facts within the employer's knowledge that are  
11 pertinent to the applicability of that subsection. Upon  
12 receiving a timely application for recalculation, the System  
13 shall review the application and, if appropriate, recalculate  
14 the amount due.

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

24 (g) This subsection (g) applies only to payments made or  
25 salary increases given on or after June 1, 2005 but before July  
26 1, 2011. The changes made by Public Act 94-1057 shall not

1 require the System to refund any payments received before July  
2 31, 2006 (the effective date of Public Act 94-1057).

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

7 When assessing payment for any amount due under subsection  
8 (f), the System shall exclude salary increases paid to a  
9 teacher at a time when the teacher is 10 or more years from  
10 retirement eligibility under Section 16-132 or 16-133.2.

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

21 When assessing payment for any amount due under subsection  
22 (f), the System shall exclude a salary increase resulting from  
23 a promotion (i) for which the employee is required to hold a  
24 certificate or supervisory endorsement issued by the State  
25 Teacher Certification Board that is a different certification  
26 or supervisory endorsement than is required for the teacher's

1 previous position and (ii) to a position that has existed and  
2 been filled by a member for no less than one complete academic  
3 year and the salary increase from the promotion is an increase  
4 that results in an amount no greater than the lesser of the  
5 average salary paid for other similar positions in the district  
6 requiring the same certification or the amount stipulated in  
7 the collective bargaining agreement for a similar position  
8 requiring the same certification.

9 When assessing payment for any amount due under subsection  
10 (f), the System shall exclude any payment to the teacher from  
11 the State of Illinois or the State Board of Education over  
12 which the employer does not have discretion, notwithstanding  
13 that the payment is included in the computation of final  
14 average salary.

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

25 (i) The System shall prepare a report and file copies of  
26 the report with the Governor and the General Assembly by

1 January 1, 2007 that contains all of the following information:

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

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

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

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

14 (j) For purposes of determining the required State  
15 contribution to the System, the value of the System's assets  
16 shall be equal to the actuarial value of the System's assets,  
17 which shall be calculated as follows:

18 As of June 30, 2008, the actuarial value of the System's  
19 assets shall be equal to the market value of the assets as of  
20 that date. In determining the actuarial value of the System's  
21 assets for fiscal years after June 30, 2008, any actuarial  
22 gains or losses from investment return incurred in a fiscal  
23 year shall be recognized in equal annual amounts over the  
24 5-year period following that fiscal year.

25 (k) For purposes of determining the required State  
26 contribution to the system for a particular year, the actuarial



1 value of assets shall be assumed to earn a rate of return equal  
2 to the system's actuarially assumed rate of return.

3 (Source: P.A. 96-43, eff. 7-15-09; 96-1497, eff. 1-14-11;  
4 96-1511, eff. 1-27-11; 96-1554, eff. 3-18-11; 97-694, eff.  
5 6-18-12; 97-813, eff. 7-13-12; 98-674, eff. 6-30-14.)

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

8 (50 ILCS 470/33)

9 Sec. 33. STAR Bonds School Improvement and Operations Trust  
10 Fund.

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

1 the State Treasurer. All interest accruing from these  
2 investments shall be deposited in the Trust Fund.

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

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

1 the taxable real property within the STAR bond district.

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

23 (e) The county clerk or other person authorized by law  
24 shall compute the tax rates for each taxing district with all  
25 or a portion of its equalized assessed value located in the  
26 STAR bond district. The rate per cent of tax determined shall

1 be extended to the current equalized assessed value of all  
2 property in the district in the same manner as the rate per  
3 cent of tax is extended to all other taxable property in the  
4 taxing district.

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

19 (g) Beginning with the year in which taxes are collected  
20 based on the assessment year in which the first destination  
21 user in the first STAR bond project in a STAR bond district  
22 makes its first retail sales and for each year thereafter until  
23 final maturity of the last STAR bonds issued in the district,  
24 the county collector shall, within 30 days after receipt of  
25 property taxes, transmit to the Department to be deposited into  
26 the STAR Bonds School Improvement and Operations Trust Fund 15%

1 of property taxes attributable to the increase in equalized  
2 assessed value within the STAR bond district from each taxing  
3 district as certified in subsection (f).

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

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

24 (i) In any year that an assessment appeal is filed, the  
25 extension of taxes on any assessment so appealed shall not be  
26 delayed. In the case of an assessment that is altered, any

1 taxes extended upon the unauthorized assessment or part thereof  
2 shall be abated, or, if already paid, shall be refunded with  
3 interest as provided in Section 23-20 of the Property Tax Code.  
4 In the case of an assessment appeal, the county collector shall  
5 notify the Department that an assessment appeal has been filed  
6 and the amount of the tax that would have been deposited in the  
7 STAR Bonds School Improvement and Operations Trust Fund. The  
8 county collector shall hold that amount in a separate fund  
9 until the appeal process is final. After the appeal process is  
10 finalized, the county collector shall transmit to the  
11 Department the amount of tax that remains, if any, after all  
12 required refunds are made. The Department shall pay any amount  
13 deposited into the Trust Fund under this Section in the same  
14 proportion as determined for payments for that taxable year  
15 under subsection (h).

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

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

24 Section 25. The County Economic Development Project Area  
25 Property Tax Allocation Act is amended by changing Section 7 as

1 follows:

2 (55 ILCS 85/7) (from Ch. 34, par. 7007)

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

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

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

4 (2) That portion, if any, of those taxes which 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 are, over and above the initial equalized assessed value of  
9 each property existing at the time property tax allocation  
10 financing was adopted shall be allocated to and when  
11 collected shall be paid to the county treasurer, who shall  
12 deposit those taxes into a special fund called the special  
13 tax allocation fund of the county for the purpose of paying  
14 economic development project costs and obligations  
15 incurred in the payment thereof.

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



1 18-8.15 of the School Code, until such time as all economic  
2 development projects costs have been paid as provided for in  
3 this Section.

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

22 When the economic development project costs, including  
23 without limitation all county obligations financing economic  
24 development project costs incurred under this Act, have been  
25 paid, all surplus funds then remaining in the special tax  
26 allocation funds shall be distributed by being paid by the

1 county treasurer to the county collector, who shall immediately  
2 thereafter pay those funds to the taxing districts having  
3 taxable property in the economic development project area in  
4 the same manner and proportion as the most recent distribution  
5 by the county collector to those taxing districts of real  
6 property taxes from real property in the economic development  
7 project area.

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

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

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

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

21 Section 30. The County Economic Development Project Area  
22 Tax Increment Allocation Act of 1991 is amended by changing  
23 Section 50 as follows:

24 (55 ILCS 90/50) (from Ch. 34, par. 8050)

1           Sec. 50. Special tax allocation fund.

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

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

24           (2) That portion, if any, of the taxes that is  
25 attributable to the increase in the current equalized  
26 assessed valuation of each taxable lot, block, tract, or

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

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

23 (c) When the economic development projects costs,  
24 including without limitation all county obligations financing  
25 economic development project costs incurred under this Act,  
26 have been paid, all surplus monies then remaining in the

1 special tax allocation fund shall be distributed by being paid  
2 by the county treasurer to the county collector, who shall  
3 immediately pay the monies to the taxing districts having  
4 taxable property in the economic development project area in  
5 the same manner and proportion as the most recent distribution  
6 by the county collector to those taxing districts of real  
7 property taxes from real property in the economic development  
8 project area.

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

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

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

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

4           (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

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

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

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

18           (1) If improved, industrial, commercial, and  
19 residential buildings or improvements are detrimental to  
20 the public safety, health, or welfare because of a  
21 combination of 5 or more of the following factors, each of  
22 which is (i) 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) reasonably distributed throughout the

1 improved part of the redevelopment project area:

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

9 (B) Obsolescence. The condition or process of  
10 falling into disuse. Structures have become ill-suited  
11 for the original use.

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

23 (D) Presence of structures below minimum code  
24 standards. All structures that do not meet the  
25 standards of zoning, subdivision, building, fire, and  
26 other governmental codes applicable to property, but



1 not including housing and property maintenance codes.

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

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

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

25 (H) Inadequate utilities. Underground and overhead  
26 utilities such as storm sewers and storm drainage,

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

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

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

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

18 (L) Lack of community planning. The proposed  
19 redevelopment project area was developed prior to or  
20 without the benefit or guidance of a community plan.  
21 This means that the development occurred prior to the  
22 adoption by the municipality of a comprehensive or  
23 other community plan or that the plan was not followed  
24 at the time of the area's development. This factor must  
25 be documented by evidence of adverse or incompatible  
26 land-use relationships, inadequate street layout,

1           improper subdivision, parcels of inadequate shape and  
2           size to meet contemporary development standards, or  
3           other evidence demonstrating an absence of effective  
4           community planning.

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

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

26                (A) Obsolete platting of vacant land that results

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

10 (B) Diversity of ownership of parcels of vacant  
11 land sufficient in number to retard or impede the  
12 ability to assemble the land for development.

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

16 (D) Deterioration of structures or site  
17 improvements in neighboring areas adjacent to the  
18 vacant land.

19 (E) The area has incurred Illinois Environmental  
20 Protection Agency or United States Environmental  
21 Protection Agency remediation costs for, or a study  
22 conducted by an independent consultant recognized as  
23 having expertise in environmental remediation has  
24 determined a need for, the clean-up of hazardous waste,  
25 hazardous substances, or underground storage tanks  
26 required by State or federal law, provided that the

1 remediation costs constitute a material impediment to  
2 the development or redevelopment of the redevelopment  
3 project area.

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

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

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

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

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

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

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

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

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

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

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

25 (2) Obsolescence. The condition or process of falling  
26 into disuse. Structures have become ill-suited for the



1 original use.

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

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

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

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

25 (7) Lack of ventilation, light, or sanitary  
26 facilities. The absence of adequate ventilation for light

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

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

20 (9) Excessive land coverage and overcrowding of  
21 structures and community facilities. The over-intensive  
22 use of property and the crowding of buildings and accessory  
23 facilities onto a site. Examples of problem conditions  
24 warranting the designation of an area as one exhibiting  
25 excessive land coverage are: the presence of buildings  
26 either improperly situated on parcels or located on parcels

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

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

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

1 contemporary development standards, or other evidence  
2 demonstrating an absence of effective community planning.

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

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

24 (c) "Industrial park" means an area in a blighted or  
25 conservation area suitable for use by any manufacturing,  
26 industrial, research or transportation enterprise, of

1 facilities to include but not be limited to factories, mills,  
2 processing plants, assembly plants, packing plants,  
3 fabricating plants, industrial distribution centers,  
4 warehouses, repair overhaul or service facilities, freight  
5 terminals, research facilities, test facilities or railroad  
6 facilities.

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

18 (e) "Labor surplus municipality" means a municipality in  
19 which, at any time during the 6 months before the municipality  
20 by ordinance designates an industrial park conservation area,  
21 the unemployment rate was over 6% and was also 100% or more of  
22 the national average unemployment rate for that same time as  
23 published in the United States Department of Labor Bureau of  
24 Labor Statistics publication entitled "The Employment  
25 Situation" or its successor publication. For the purpose of  
26 this subsection, if unemployment rate statistics for the

1 municipality are not available, the unemployment rate in the  
2 municipality shall be deemed to be the same as the unemployment  
3 rate in the principal county in which the municipality is  
4 located.

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

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

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

24 (h) "Municipal Sales Tax Increment" means an amount equal  
25 to the increase in the aggregate amount of taxes paid to a  
26 municipality from the Local Government Tax Fund arising from

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

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



1 Tax Amounts or the Revised Initial Sales Tax Amounts, as the  
2 case may be.

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

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

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

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

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

24 (k) "Net State Utility Tax Increment" means the sum of the  
25 following: (a) 80% of the first \$100,000 of State Utility Tax  
26 Increment annually generated by a redevelopment project area;

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

19 Municipalities that issue bonds in connection with the  
20 redevelopment project during the period from June 1, 1988 until  
21 3 years after the effective date of this Amendatory Act of 1988  
22 shall receive the Net State Utility Tax Increment, subject to  
23 appropriation, for 15 State Fiscal Years after the issuance of  
24 such bonds. For the 16th through the 20th State Fiscal Years  
25 after issuance of the bonds, the Net State Utility Tax  
26 Increment shall be calculated as follows: By multiplying the

1 Net State Utility Tax Increment by 90% in year 16; 80% in year  
2 17; 70% in year 18; 60% in year 19; and 50% in year 20.  
3 Refunding of any bonds issued prior to June 1, 1988, shall not  
4 alter the revised Net State Utility Tax Increment payments set  
5 forth above.

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

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

22 (n) "Redevelopment plan" means the comprehensive program  
23 of the municipality for development or redevelopment intended  
24 by the payment of redevelopment project costs to reduce or  
25 eliminate those conditions the existence of which qualified the  
26 redevelopment project area as a "blighted area" or

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

20 (A) an itemized list of estimated redevelopment  
21 project costs;

22 (B) evidence indicating that the redevelopment project  
23 area on the whole has not been subject to growth and  
24 development through investment by private enterprise,  
25 provided that such evidence shall not be required for any  
26 redevelopment project area located within a transit

1 facility improvement area established pursuant to Section  
2 11-74.4-3.3;

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

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

9 (E) the nature and term of the obligations to be  
10 issued;

11 (F) the most recent equalized assessed valuation of the  
12 redevelopment project area;

13 (G) an estimate as to the equalized assessed valuation  
14 after redevelopment and the general land uses to apply in  
15 the redevelopment project area;

16 (H) a commitment to fair employment practices and an  
17 affirmative action plan;

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

25 (J) if property is to be annexed to the municipality,  
26 the plan shall include the terms of the annexation

1 agreement.

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

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

19 (2) The municipality finds that the redevelopment plan  
20 and project conform to the comprehensive plan for the  
21 development of the municipality as a whole, or, for  
22 municipalities with a population of 100,000 or more,  
23 regardless of when the redevelopment plan and project was  
24 adopted, the redevelopment plan and project either: (i)  
25 conforms to the strategic economic development or  
26 redevelopment plan issued by the designated planning



1 authority of the municipality, or (ii) includes land uses  
2 that have been approved by the planning commission of the  
3 municipality.

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

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

17 (3.5) The municipality finds, in the case of an  
18 industrial park conservation area, also that the  
19 municipality is a labor surplus municipality and that the  
20 implementation of the redevelopment plan will reduce  
21 unemployment, create new jobs and by the provision of new  
22 facilities enhance the tax base of the taxing districts  
23 that extend into the redevelopment project area.

24 (4) If any incremental revenues are being utilized  
25 under Section 8(a)(1) or 8(a)(2) of this Act in  
26 redevelopment project areas approved by ordinance after

1 January 1, 1986, the municipality finds: (a) that the  
2 redevelopment project area would not reasonably be  
3 developed without the use of such incremental revenues, and  
4 (b) that such incremental revenues will be exclusively  
5 utilized for the development of the redevelopment project  
6 area.

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

25 Part I of the housing impact study shall include (i)  
26 data as to whether the residential units are single family

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

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

25 (6) On and after November 1, 1999, the housing impact  
26 study required by paragraph (5) shall be incorporated in

1 the redevelopment plan for the redevelopment project area.

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

23 (8) On and after November 1, 1999, if, after the  
24 adoption of the redevelopment plan for the redevelopment  
25 project area, any municipality desires to amend its  
26 redevelopment plan to remove more inhabited residential

1 units than specified in its original redevelopment plan,  
2 that change shall be made in accordance with the procedures  
3 in subsection (c) of Section 11-74.4-5.

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

18 (o) "Redevelopment project" means any public and private  
19 development project in furtherance of the objectives of a  
20 redevelopment plan. On and after November 1, 1999 (the  
21 effective date of Public Act 91-478), no redevelopment plan may  
22 be approved or amended that includes the development of vacant  
23 land (i) with a golf course and related clubhouse and other  
24 facilities or (ii) designated by federal, State, county, or  
25 municipal government as public land for outdoor recreational  
26 activities or for nature preserves and used for that purpose

1 within 5 years prior to the adoption of the redevelopment plan.  
2 For the purpose of this subsection, "recreational activities"  
3 is limited to mean camping and hunting.

4 (p) "Redevelopment project area" means an area designated  
5 by the municipality, which is not less in the aggregate than 1  
6 1/2 acres and in respect to which the municipality has made a  
7 finding that there exist conditions which cause the area to be  
8 classified as an industrial park conservation area or a  
9 blighted area or a conservation area, or a combination of both  
10 blighted areas and conservation areas.

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

22 (p-2) Notwithstanding any provision of this Act to the  
23 contrary, on and after the effective date of this amendatory  
24 Act of the 99th General Assembly, a redevelopment project area  
25 may include areas within a transit facility improvement area  
26 that has been established pursuant to Section 11-74.4-3.3

1 without a finding that the area is classified as an industrial  
2 park conservation area, a blighted area, a conservation area,  
3 or any combination thereof.

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

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

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

13 (1.5) After July 1, 1999, annual administrative costs  
14 shall not include general overhead or administrative costs  
15 of the municipality that would still have been incurred by  
16 the municipality if the municipality had not designated a  
17 redevelopment project area or approved a redevelopment  
18 plan;

19 (1.6) The cost of marketing sites within the  
20 redevelopment project area to prospective businesses,  
21 developers, and investors;

22 (2) Property assembly costs, including but not limited  
23 to acquisition of land and other property, real or  
24 personal, or rights or interests therein, demolition of  
25 buildings, site preparation, site improvements that serve  
26 as an engineered barrier addressing ground level or below



1 ground environmental contamination, including, but not  
2 limited to parking lots and other concrete or asphalt  
3 barriers, and the clearing and grading of land;

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

15 (4) Costs of the construction of public works or  
16 improvements, including any direct or indirect costs  
17 relating to Green Globes or LEED certified construction  
18 elements or construction elements with an equivalent  
19 certification, except that on and after November 1, 1999,  
20 redevelopment project costs shall not include the cost of  
21 constructing a new municipal public building principally  
22 used to provide offices, storage space, or conference  
23 facilities or vehicle storage, maintenance, or repair for  
24 administrative, public safety, or public works personnel  
25 and that is not intended to replace an existing public  
26 building as provided under paragraph (3) of subsection (q)

1 of Section 11-74.4-3 unless either (i) the construction of  
2 the new municipal building implements a redevelopment  
3 project that was included in a redevelopment plan that was  
4 adopted by the municipality prior to November 1, 1999, (ii)  
5 the municipality makes a reasonable determination in the  
6 redevelopment plan, supported by information that provides  
7 the basis for that determination, that the new municipal  
8 building is required to meet an increase in the need for  
9 public safety purposes anticipated to result from the  
10 implementation of the redevelopment plan, or (iii) the new  
11 municipal public building is for the storage, maintenance,  
12 or repair of transit vehicles and is located in a transit  
13 facility improvement area that has been established  
14 pursuant to Section 11-74.4-3.3;

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

19 (6) Financing costs, including but not limited to all  
20 necessary and incidental expenses related to the issuance  
21 of obligations and which may include payment of interest on  
22 any obligations issued hereunder including interest  
23 accruing during the estimated period of construction of any  
24 redevelopment project for which such obligations are  
25 issued and for not exceeding 36 months thereafter and  
26 including reasonable reserves related thereto;

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

7           (7.5) For redevelopment project areas designated (or  
8 redevelopment project areas amended to add or increase the  
9 number of tax-increment-financing assisted housing units)  
10 on or after November 1, 1999, an elementary, secondary, or  
11 unit school district's increased costs attributable to  
12 assisted housing units located within the redevelopment  
13 project area for which the developer or redeveloper  
14 receives financial assistance through an agreement with  
15 the municipality or because the municipality incurs the  
16 cost of necessary infrastructure improvements within the  
17 boundaries of the assisted housing sites necessary for the  
18 completion of that housing as authorized by this Act, and  
19 which costs shall be paid by the municipality from the  
20 Special Tax Allocation Fund when the tax increment revenue  
21 is received as a result of the assisted housing units and  
22 shall be calculated annually as follows:

23           (A) for foundation districts, excluding any school  
24 district in a municipality with a population in excess  
25 of 1,000,000, by multiplying the district's increase  
26 in attendance resulting from the net increase in new

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

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

23 (ii) for elementary school districts with a  
24 district average 1995-96 Per Capita Tuition Charge  
25 of less than \$5,900, no more than 17% of the total  
26 amount of property tax increment revenue produced

1           by those housing units that have received tax  
2           increment finance assistance under this Act; and

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

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

1 Section 18-8.05 of the School Code or evidence-based  
2 funding as defined in Section 18-8.15 of the School  
3 Code attributable to these added new students subject  
4 to the following annual limitations:

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

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

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

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

24 (i) no increased costs shall be reimbursed  
25 unless the school district certifies that each of  
26 the schools affected by the assisted housing

1 project is at or over its student capacity;

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

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

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

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

24          The amount paid to a library district under this  
25          paragraph (7.7) shall be calculated by multiplying (i) the  
26          net increase in the number of persons eligible to obtain a



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

20 A library district is not eligible for any payment  
21 under this paragraph (7.7) unless the library district has  
22 experienced an increase in the number of patrons from the  
23 municipality that created the tax-increment-financing  
24 district since the designation of the redevelopment  
25 project area.

26 Any library district seeking payment under this

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

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

20 (9) Payment in lieu of taxes;

21 (10) Costs of job training, retraining, advanced  
22 vocational education or career education, including but  
23 not limited to courses in occupational, semi-technical or  
24 technical fields leading directly to employment, incurred  
25 by one or more taxing districts, provided that such costs  
26 (i) are related to the establishment and maintenance of

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

19 (11) Interest cost incurred by a redeveloper related to  
20 the construction, renovation or rehabilitation of a  
21 redevelopment project provided that:

22 (A) such costs are to be paid directly from the  
23 special tax allocation fund established pursuant to  
24 this Act;

25 (B) such payments in any one year may not exceed  
26 30% of the annual interest costs incurred by the

1 redeveloper with regard to the redevelopment project  
2 during that year;

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

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

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

23 (F) instead ~~instead~~ of the eligible costs provided  
24 by subparagraphs (B) and (D) of paragraph (11), as  
25 modified by this subparagraph, and notwithstanding any  
26 other provisions of this Act to the contrary, the

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

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

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

25 (11.5) If the redevelopment project area is located  
26 within a municipality with a population of more than

1 100,000, the cost of day care services for children of  
2 employees from low-income families working for businesses  
3 located within the redevelopment project area and all or a  
4 portion of the cost of operation of day care centers  
5 established by redevelopment project area businesses to  
6 serve employees from low-income families working in  
7 businesses located in the redevelopment project area. For  
8 the purposes of this paragraph, "low-income families"  
9 means families whose annual income does not exceed 80% of  
10 the municipal, county, or regional median income, adjusted  
11 for family size, as the annual income and municipal,  
12 county, or regional median income are determined from time  
13 to time by the United States Department of Housing and  
14 Urban Development.

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

18 ~~(13)~~ After November 1, 1999 (the effective date of Public  
19 Act 91-478), none of the redevelopment project costs enumerated  
20 in this subsection shall be eligible redevelopment project  
21 costs if those costs would provide direct financial support to  
22 a retail entity initiating operations in the redevelopment  
23 project area while terminating operations at another Illinois  
24 location within 10 miles of the redevelopment project area but  
25 outside the boundaries of the redevelopment project area  
26 municipality. For purposes of this paragraph, termination

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

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

24 If a special service area has been established pursuant to  
25 the Special Service Area Tax Act or Special Service Area Tax  
26 Law, then any tax increment revenues derived from the tax



1 imposed pursuant to the Special Service Area Tax Act or Special  
2 Service Area Tax Law may be used within the redevelopment  
3 project area for the purposes permitted by that Act or Law as  
4 well as the purposes permitted by this Act.

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

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

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

23 (s) "State Sales Tax Increment" means an amount equal to  
24 the increase in the aggregate amount of taxes paid by retailers  
25 and servicemen, other than retailers and servicemen subject to  
26 the Public Utilities Act, on transactions at places of business

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

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

1 shall have deducted therefrom the certified Initial Sales Tax  
2 Amounts, Adjusted Initial Sales Tax Amounts or the Revised  
3 Initial Sales Tax Amounts. Municipalities intending to receive  
4 a distribution of State Sales Tax Increment must report a list  
5 of retailers to the Department of Revenue by October 31, 1988  
6 and by July 31, of each year thereafter.

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

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

17 (v) As used in subsection (a) of Section 11-74.4-3 of this  
18 Act, "vacant land" means any parcel or combination of parcels  
19 of real property without industrial, commercial, and  
20 residential buildings which has not been used for commercial  
21 agricultural purposes within 5 years prior to the designation  
22 of the redevelopment project area, unless the parcel is  
23 included in an industrial park conservation area or the parcel  
24 has been subdivided; provided that if the parcel was part of a  
25 larger tract that has been divided into 3 or more smaller  
26 tracts that were accepted for recording during the period from

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

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

25 (x) "LEED certified" means any certification level of  
26 construction elements by a qualified Leadership in Energy and

1 Environmental Design Accredited Professional as determined by  
2 the U.S. Green Building Council.

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

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

7 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

8 Sec. 11-74.4-8. Tax increment allocation financing. A  
9 municipality may not adopt tax increment financing in a  
10 redevelopment project area after the effective date of this  
11 amendatory Act of 1997 that will encompass an area that is  
12 currently included in an enterprise zone created under the  
13 Illinois Enterprise Zone Act unless that municipality,  
14 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,  
15 amends the enterprise zone designating ordinance to limit the  
16 eligibility for tax abatements as provided in Section 5.4.1 of  
17 the Illinois Enterprise Zone Act. A municipality, at the time a  
18 redevelopment project area is designated, may adopt tax  
19 increment allocation financing by passing an ordinance  
20 providing that the ad valorem taxes, if any, arising from the  
21 levies upon taxable real property in such redevelopment project  
22 area by taxing districts and tax rates determined in the manner  
23 provided in paragraph (c) of Section 11-74.4-9 each year after  
24 the effective date of the ordinance until redevelopment project  
25 costs and all municipal obligations financing redevelopment

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

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

19 (b) Except from a tax levied by a township to retire  
20 bonds issued to satisfy court-ordered damages, that  
21 portion, if any, of such taxes which is attributable to the  
22 increase in the current equalized assessed valuation of  
23 each taxable lot, block, tract or parcel of real property  
24 in the redevelopment project area over and above the  
25 initial equalized assessed value of each property in the  
26 project area shall be allocated to and when collected shall

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

26 (1) The total equalized assessed value of the



1 redevelopment project area as last determined was not  
2 less than 175% of the total initial equalized assessed  
3 value.

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

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

21 (4) The municipality has not requested that the total  
22 initial equalized assessed value of real property be  
23 adjusted as provided in subsection (b) of Section  
24 11-74.4-9.

25 The conditions of paragraphs (1) through (4) do not  
26 apply after December 31, 1999 to payments to a municipal

1 treasurer made by a county with 3,000,000 or more  
2 inhabitants that has adopted an estimated billing  
3 procedure for collecting taxes. If a county that has  
4 adopted the estimated billing procedure makes an erroneous  
5 overpayment of tax revenue to the municipal treasurer, then  
6 the county may seek a refund of that overpayment. The  
7 county shall send the municipal treasurer a notice of  
8 liability for the overpayment on or before the mailing date  
9 of the next real estate tax bill within the county. The  
10 refund shall be limited to the amount of the overpayment.

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

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

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

1 11-74.4-3.3 in a municipality with a population of  
2 1,000,000 or more, ad valorem taxes, if any, arising from  
3 the levies upon the taxable real property in such  
4 redevelopment project area shall be allocated as  
5 specifically provided in this Section:

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

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

1 current homestead exemptions pertaining to each piece  
2 of property provided by Article 15 of the Property Tax  
3 Code in the redevelopment project area, shall be  
4 allocated to and when collected shall be paid to the  
5 municipal Treasurer, who shall deposit said taxes into  
6 a special fund called the special tax allocation fund  
7 of the municipality for the purpose of paying  
8 redevelopment project costs and obligations incurred  
9 in the payment thereof.

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

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

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

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

1 incremental revenue received from the State or the  
2 municipality less any annual surplus distribution of  
3 incremental revenue previously made; with any remaining  
4 funds to be paid to the County Collector who shall  
5 immediately thereafter pay said funds to the taxing  
6 districts in the redevelopment project area in the same  
7 manner and proportion as the most recent distribution by  
8 the county collector to the affected districts of real  
9 property taxes from real property in the redevelopment  
10 project area.

11 Upon the payment of all redevelopment project costs,  
12 the retirement of obligations, the distribution of any  
13 excess monies pursuant to this Section, and final closing  
14 of the books and records of the redevelopment project area,  
15 the municipality shall adopt an ordinance dissolving the  
16 special tax allocation fund for the redevelopment project  
17 area and terminating the designation of the redevelopment  
18 project area as a redevelopment project area. Title to real  
19 or personal property and public improvements acquired by or  
20 for the municipality as a result of the redevelopment  
21 project and plan shall vest in the municipality when  
22 acquired and shall continue to be held by the municipality  
23 after the redevelopment project area has been terminated.  
24 Municipalities shall notify affected taxing districts  
25 prior to November 1 if the redevelopment project area is to  
26 be terminated by December 31 of that same year. If a

1 municipality extends estimated dates of completion of a  
2 redevelopment project and retirement of obligations to  
3 finance a redevelopment project, as allowed by this  
4 amendatory Act of 1993, that extension shall not extend the  
5 property tax increment allocation financing authorized by  
6 this Section. Thereafter the rates of the taxing districts  
7 shall be extended and taxes levied, collected and  
8 distributed in the manner applicable in the absence of the  
9 adoption of tax increment allocation financing.

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

22 (1) That portion of the taxes levied upon each  
23 taxable lot, block, tract or parcel of real property  
24 which is attributable to the lower of (i) the current  
25 equalized assessed value or "current equalized  
26 assessed value as adjusted" or (ii) the initial



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

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

23 (A) First, that portion which would be payable  
24 to a school district whose boundaries are  
25 coterminous with such municipality in the absence  
26 of the adoption of tax increment allocation

1 financing, shall be paid to such school district in  
2 the manner required by law in the absence of the  
3 adoption of tax increment allocation financing;  
4 then

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

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

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

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

1           Sec. 11-74.6-35. Ordinance for tax increment allocation  
2 financing.

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

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

25           (2) That portion, if any, of those taxes that is  
26 attributable to the increase in the current equalized

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

1        assessed value of the property divided by the number of  
2        installments in which real estate taxes are billed and  
3        collected within the county, provided that the payments on  
4        or before December 31, 1999 to a municipal treasurer shall  
5        be made only if each of the following conditions are met:

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

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

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

25        The conditions of paragraphs (A) through (C) do not apply  
26        after December 31, 1999 to payments to a municipal treasurer

1 made by a county with 3,000,000 or more inhabitants that has  
2 adopted an estimated billing procedure for collecting taxes. If  
3 a county that has adopted the estimated billing procedure makes  
4 an erroneous overpayment of tax revenue to the municipal  
5 treasurer, then the county may seek a refund of that  
6 overpayment. The county shall send the municipal treasurer a  
7 notice of liability for the overpayment on or before the  
8 mailing date of the next real estate tax bill within the  
9 county. The refund shall be limited to the amount of the  
10 overpayment.

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

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

1 real property in the redevelopment project area by taxing  
2 districts and tax rates determined in the manner provided in  
3 paragraph (b) of Section 11-74.6-40 shall be divided as  
4 follows:

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

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

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

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

22 Whenever a municipality issues bonds for the purpose of  
23 financing redevelopment project costs, that municipality may  
24 provide by ordinance for the appointment of a trustee, which  
25 may be any trust company within the State, and for the  
26 establishment of any funds or accounts to be maintained by that



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

15 When the redevelopment projects costs, including without  
16 limitation all municipal obligations financing redevelopment  
17 project costs incurred under this Law, have been paid, all  
18 surplus funds then remaining in the special tax allocation fund  
19 shall be distributed by being paid by the municipal treasurer  
20 to the municipality and the county collector; first to the  
21 municipality in direct proportion to the tax incremental  
22 revenue received from the municipality, but not to exceed the  
23 total incremental revenue received from the municipality,  
24 minus any annual surplus distribution of incremental revenue  
25 previously made. Any remaining funds shall be paid to the  
26 county collector who shall immediately distribute that payment

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

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

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

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

24 Section 40. The Economic Development Project Area Tax  
25 Increment Allocation Act of 1995 is amended by changing Section

1 50 as follows:

2 (65 ILCS 110/50)

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  
10 municipal obligations financing economic development project  
11 costs have been paid, the ad valorem taxes, if any, arising  
12 from the 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 municipal treasurer, who  
9           shall deposit the taxes into a special fund (called the  
10          special tax allocation fund of the municipality) for the  
11          purpose of paying economic development project costs and  
12          obligations incurred in the payment of those costs.

13          (b) The municipality, by an ordinance adopting tax  
14          increment allocation financing, may pledge the monies in and to  
15          be deposited into the special tax allocation fund for the  
16          payment of obligations issued under this Act and for the  
17          payment of economic development project costs. No part of the  
18          current equalized assessed valuation of each property in the  
19          economic development project area attributable to any increase  
20          above the total initial equalized assessed value of those  
21          properties shall be used in calculating the general State  
22          ~~school~~ aid 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 municipal obligations  
2 financing economic development project costs incurred under  
3 this Act, have been paid, all surplus monies then remaining in  
4 the special tax allocation fund shall be distributed by being  
5 paid by the municipal treasurer to the county collector, who  
6 shall 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 and not later than 23 years  
15 from the date of the adoption of the ordinance establishing the  
16 economic development project area, the municipality shall  
17 adopt an ordinance dissolving the special tax allocation fund  
18 for the economic development project area and terminating the  
19 designation of the economic development project area as an  
20 economic development project area. Thereafter, the rates of the  
21 taxing districts shall be extended and taxes shall be levied,  
22 collected, and distributed in the manner applicable in the  
23 absence of the adoption of tax increment allocation financing.

24 (e) Nothing in this Section shall be construed as relieving  
25 property in the economic development project areas from being  
26 assessed as provided in the Property Tax Code or as relieving

1 owners or lessees of that property from paying a uniform rate  
2 of taxes as required by Section 4 of Article IX of the Illinois  
3 Constitution.

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

5 Section 45. The School Code is amended by changing Sections  
6 1A-8, 1B-5, 1B-6, 1B-7, 1B-8, 1C-1, 1C-2, 1D-1, 1E-20, 1F-20,  
7 1F-62, 1H-20, 1H-70, 2-3.33, 2-3.51.5, 2-3.66, 2-3.66b,  
8 2-3.84, 2-3.109a, 3-14.21, 7-14A, 10-17a, 10-19, 10-22.5a,  
9 10-22.20, 10-29, 11E-135, 13A-8, 13B-20.20, 13B-45, 13B-50,  
10 13B-50.10, 13B-50.15, 14-7.02b, 14-13.01, 14C-1, 14C-12, 17-1,  
11 17-1.2, 17-1.5, 17-2.11, 17-2A, 18-4.3, 18-8.05, 18-8.10,  
12 18-9, 18-12, 26-16, 27-8.1, 27A-9, 27A-11, 29-5, 34-2.3, 34-18,  
13 34-18.30, and 34-43.1 and by adding Sections 2-3.170, 17-3.6,  
14 and 18-8.15 as follows:

15 (105 ILCS 5/1A-8) (from Ch. 122, par. 1A-8)

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

22 (a) The State Superintendent of Education may require a  
23 school district, including any district subject to Article 34A  
24 of this Code, to share financial information relevant to a

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

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

25 (1) The district has issued school or teacher orders  
26 for wages as permitted in Sections 8-16, 32-7.2 and 34-76

1 of this Code.

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

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

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

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

24 No school district shall be certified by the State Board of  
25 Education to be in financial difficulty solely by reason of any  
26 of the above circumstances arising as a result of (i) the



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

23 A district certified to be in financial difficulty, other  
24 than a district subject to Article 34A, shall report to the  
25 State Board of Education at such times and in such manner as  
26 the State Board may direct, concerning the district's

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

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

25 Any financial profile compiled and distributed by the State  
26 Board of Education in Fiscal Year 2009 or any fiscal year

1 thereafter shall incorporate such adjustments as may be needed  
2 in the profile scores to reflect the financial effects of the  
3 inability or refusal of the State of Illinois to make timely  
4 disbursements of any general State aid, evidence-based  
5 funding, or mandated categorical aid payments due school  
6 districts or to fully reimburse school districts for mandated  
7 categorical programs pursuant to reimbursement formulas  
8 provided in this School Code.

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

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

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

21 Members of the Panel 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. A member of the Panel may not be a board  
25 member or employee of the district for which the Panel is

1 constituted, nor may a member have a direct financial interest  
2 in that district.

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

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

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

21 The Panel and the State Superintendent shall cooperate with  
22 each other in the exercise of their respective powers. The  
23 Panel shall report not later than September 1 annually to the  
24 State Board and the State Superintendent with respect to its  
25 activities and the condition of the school district for the  
26 previous fiscal year.

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

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

17 (105 ILCS 5/1B-6) (from Ch. 122, par. 1B-6)

18 Sec. 1B-6. General powers. The purpose of the Financial  
19 Oversight Panel shall be to exercise financial control over the  
20 board of education, and, when approved by the State Board and  
21 the State Superintendent of Education, to furnish financial  
22 assistance so that the board can provide public education  
23 within the board's jurisdiction while permitting the board to  
24 meet its obligations to its creditors and the holders of its  
25 notes and bonds. Except as expressly limited by this Article,

1 the Panel shall have all powers necessary to meet its  
2 responsibilities and to carry out its purposes and the purposes  
3 of this Article, including, but not limited to, the following  
4 powers:

5 (a) to sue and be sued;

6 (b) to provide for its organization and internal  
7 management;

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

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

1 board or the Panel may remove such treasurer or chief school  
2 business official;

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

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

15 (g) to require and approve a school district financial  
16 plan;

17 (h) to approve and require revisions of the school district  
18 budget;

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

21 (j) to authorize emergency State financial assistance,  
22 including requirements regarding the terms and conditions of  
23 repayment of such assistance, and to require the board of  
24 education to levy a separate local property tax, subject to the  
25 limitations of Section 1B-8, sufficient to repay such  
26 assistance consistent with the terms and conditions of

1 repayment and the district's approved financial plan and  
2 budget;

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

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

9 (m) to direct a phased reduction in the oversight  
10 responsibilities of the Financial Administrator and of the  
11 Panel as the circumstances permit;

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

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

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

22 (q) to contract for and to accept any gifts, grants or  
23 loans of funds or property or financial or other aid in any  
24 form from the federal government, State government, unit of  
25 local government, school district or any agency or  
26 instrumentality thereof, or from any other private or public



1 source, and to comply with the terms and conditions thereof;

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

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

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

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

13 (105 ILCS 5/1B-7) (from Ch. 122, par. 1B-7)

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

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

23 (b) to direct the local board to reorganize its financial  
24 accounts, budgetary systems, and internal accounting and  
25 financial controls, in whatever manner the Panel deems

1 appropriate to achieve greater financial responsibility and to  
2 reduce financial inefficiency, and to provide technical  
3 assistance to aid the district in accomplishing the  
4 reorganization;

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

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

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

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

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

23 (105 ILCS 5/1B-8) (from Ch. 122, par. 1B-8)

24 Sec. 1B-8. There is created in the State Treasury a special  
25 fund to be known as the School District Emergency Financial

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

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

1 funding.

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

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

20       The payment of an emergency State financial assistance  
21 grant or loan shall be subject to appropriation by the General  
22 Assembly. Payment of the emergency State financial assistance  
23 loan is subject to the applicable provisions of the Illinois  
24 Finance Authority Act. Emergency State financial assistance  
25 allocated and paid to a school district under this Article may  
26 be applied to any fund or funds from which the local board of

1 education of that district is authorized to make expenditures  
2 by law.

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

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

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

1 be required to levy the tax if the district's operating tax  
2 rate as determined under Section 18-8, ~~or~~ 18-8.05, or 18-8.15  
3 exceeds 200% of the district's tax rate for educational  
4 purposes for the prior year.

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

6 (105 ILCS 5/1C-1)

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

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

15 (Source: P.A. 88-555, eff. 7-27-94; 89-15, eff. 5-30-95;  
16 89-397, eff. 8-20-95; 89-626, eff. 8-9-96.)

17 (105 ILCS 5/1C-2)

18 Sec. 1C-2. Block grants.

19 (a) For fiscal year 1999, and each fiscal year thereafter,  
20 the State Board of Education shall award to school districts  
21 block grants as described in subsection (c). The State Board of  
22 Education may adopt rules and regulations necessary to  
23 implement this Section. In accordance with Section 2-3.32, all  
24 state block grants are subject to an audit. Therefore, block

1 grant receipts and block grant expenditures shall be recorded  
2 to the appropriate fund code.

3 (b) (Blank).

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



1 percentage of the grant to fund programs for children ages 0-3  
2 without reducing the amount of the grant for existing providers  
3 of preschool education programs, then the percentage of the  
4 grant to fund programs for children ages 0-3 may be held steady  
5 instead of increased.

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

7 (105 ILCS 5/1D-1)

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

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

22 (b) The general education block grant shall include the  
23 following programs: REI Initiative, Summer Bridges, Preschool  
24 At Risk, K-6 Comprehensive Arts, School Improvement Support,  
25 Urban Education, Scientific Literacy, Substance Abuse

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

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

1 pursuant to Section 2-3.25g.

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

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

1 for that fiscal year. In the case of the Summer Bridges  
2 program, the amount of the district's block grant shall be  
3 equal to 44% of the amount of the current fiscal year  
4 appropriation made for that program.

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

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

22 (g) Through fiscal year 2017, this ~~This~~ paragraph provides  
23 for the treatment of block grants under Article 1C for purposes  
24 of calculating the amount of block grants for a district under  
25 this Section. Those block grants under Article 1C are, for this  
26 purpose, treated as included in the amount of appropriation for

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

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

15 (h) Notwithstanding any other provision of law, any school  
16 district receiving a block grant under this Section may  
17 classify all or a portion of the funds that it receives in a  
18 particular fiscal year from any block grant authorized under  
19 this Code or from general State aid pursuant to Section 18-8.05  
20 of this Code (other than supplemental general State aid) as  
21 funds received in connection with any funding program for which  
22 it is entitled to receive funds from the State in that fiscal  
23 year (including, without limitation, any funding program  
24 referred to in subsection (c) of this Section), regardless of  
25 the source or timing of the receipt. The district may not  
26 classify more funds as funds received in connection with the

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

23 (Source: P.A. 97-238, eff. 8-2-11; 97-324, eff. 8-12-11;  
24 97-813, eff. 7-13-12.)

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

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

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

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

12 The Authority may elect such officers as it deems  
13 appropriate.

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

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

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

24 (105 ILCS 5/1F-20)

25 (This Section scheduled to be repealed in accordance with 105



1 ILCS 5/1F-165)

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

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

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

25 Authority members shall be paid a stipend approved by the  
26 State Superintendent of not more than \$100 per meeting and may

1 be reimbursed by the State Board for travel and other necessary  
2 expenses incurred in the performance of their official duties.  
3 Unless paid from bonds issued under Section 1F-65 of this Code,  
4 the amount reimbursed members for their expenses shall be  
5 charged to the school district as part of any emergency  
6 financial assistance and incorporated as a part of the terms  
7 and conditions for repayment of the assistance or shall be  
8 deducted from the district's general State aid or  
9 evidence-based funding as provided in Section 1B-8 of this  
10 Code.

11 The Authority may elect such officers as it deems  
12 appropriate.

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

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

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

23 (105 ILCS 5/1F-62)

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

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

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

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

1 School Finance Authority, either as submitted or in such lesser  
2 amount determined by the State Superintendent.

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

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

24 (d) Any State emergency financial assistance proposed by  
25 the School Finance Authority and approved by the State  
26 Superintendent may be paid in its entirety during the initial

1 year of the School Finance Authority's existence or spread in  
2 equal or declining amounts over a period of years not to exceed  
3 the period of the School Finance Authority's existence. The  
4 State Superintendent shall not approve any loan to the School  
5 Finance Authority unless the School Finance Authority has been  
6 unable to borrow sufficient funds to operate the district.

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

16 The School Finance Authority shall establish and the  
17 Illinois Finance Authority shall approve the terms and  
18 conditions of the loan, including the schedule of repayments.  
19 The schedule shall provide for repayments commencing July 1 of  
20 each year or upon each fiscal year's receipt of moneys from a  
21 tax levy for emergency financial assistance. Repayment shall be  
22 incorporated into the annual budget of the district and may be  
23 made from any fund or funds of the district in which there are  
24 moneys available. Default on repayment is subject to the  
25 Illinois Grant Funds Recovery Act. When moneys are repaid as  
26 provided in this Section, they shall not be made available to

1 the School Finance Authority for further use as emergency  
2 financial assistance under this Article at any time thereafter.  
3 All repayments required to be made by a School Finance  
4 Authority shall be received by the State Board and deposited in  
5 the School District Emergency Financial Assistance Fund.

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

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

18 (105 ILCS 5/1H-20)

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

20 (a) Upon establishment of a Financial Oversight Panel under  
21 Section 1H-15 of this Code, the State Superintendent shall  
22 within 15 working days thereafter appoint 5 members to serve on  
23 a Financial Oversight Panel for the district. Members appointed  
24 to the Panel shall serve at the pleasure of the State  
25 Superintendent. The State Superintendent shall designate one

1 of the members of the Panel to serve as its Chairperson. In the  
2 event of vacancy or resignation, the State Superintendent  
3 shall, within 10 days after receiving notice, appoint a  
4 successor to serve out that member's term.

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

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

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

25 (e) The first meeting of the Panel shall be held at the  
26 call of the Chairperson. The Panel shall prescribe the times

1 and places for its meetings and the manner in which regular and  
2 special meetings may be called and shall comply with the Open  
3 Meetings Act. The Panel shall also comply with the Freedom of  
4 Information Act.

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

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

8 (105 ILCS 5/1H-70)

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

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

20 (2) issue tax anticipation notes under the provisions  
21 of the Tax Anticipation Note Act against taxes levied by  
22 either the school board or the Panel pursuant to Section  
23 1H-25 of this Code;

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



1           (4) issue general State aid or evidence-based funding  
2           anticipation certificates under the provisions of Section  
3           18-18 of this Code; and

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

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

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

12           (105 ILCS 5/2-3.33) (from Ch. 122, par. 2-3.33)

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

1 the 2016-2017 school year and prior school years shall be  
2 applied to the apportionment of evidence-based funding in  
3 Section 18-8.15 of this Code beginning in the 2017-2018 school  
4 year and thereafter. However, the recomputation of a claim for  
5 evidence-based funding for a school district shall not require  
6 the recomputation of claims for all districts, and the State  
7 Board of Education shall only make recomputations of  
8 evidence-based funding for those districts where an adjustment  
9 is required.

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

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

1 from the extension limitation equalized assessed valuation  
2 that was used in calculating the original claim.

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

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

16 (105 ILCS 5/2-3.51.5)

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

23 (1) For school districts, the program shall provide funding  
24 for school safety, textbooks and software, electronic  
25 textbooks and the technological equipment necessary to gain

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

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

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

10          (4) The provisions of this Section are in the public  
11 interest, are for the public benefit, and serve secular public  
12 purposes.

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

14           (105 ILCS 5/2-3.66) (from Ch. 122, par. 2-3.66)

15          Sec. 2-3.66. Truants' alternative and optional education  
16 programs. To establish projects to offer modified  
17 instructional programs or other services designed to prevent  
18 students from dropping out of school, including programs  
19 pursuant to Section 2-3.41, and to serve as a part time or full  
20 time option in lieu of regular school attendance and to award  
21 grants to local school districts, educational service regions  
22 or community college districts from appropriated funds to  
23 assist districts in establishing such projects. The education  
24 agency may operate its own program or enter into a contract  
25 with another not-for-profit entity to implement the program.

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

1 funding under Section 18-8.15 for students enrolled in truants'  
2 alternative and optional education programs, provided that  
3 such students are receiving services that are supplemental to a  
4 program leading to a high school diploma and are otherwise  
5 eligible to be claimed for general State aid under Section  
6 18-8.05 or evidence-based funding under Section 18-8.15, as  
7 applicable.

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

9 (105 ILCS 5/2-3.66b)

10 Sec. 2-3.66b. IHOPE Program.

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

18 (b) The IHOPE Program shall award grants, subject to  
19 appropriation for this purpose, to educational service regions  
20 and a school district organized under Article 34 of this Code  
21 from appropriated funds to assist in establishing  
22 instructional programs and other services designed to  
23 re-enroll high school dropouts. From any funds appropriated for  
24 the IHOPE Program, the State Board of Education may use up to  
25 5% for administrative costs, including the performance of a

1 program evaluation and the hiring of staff to implement and  
2 administer the program.

3 The IHOPE Program shall provide incentive grant funds for  
4 regional offices of education and a school district organized  
5 under Article 34 of this Code to develop partnerships with  
6 school districts, public community colleges, and community  
7 groups to build comprehensive plans to re-enroll high school  
8 dropouts in their regions or districts.

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

25 (c) In order to be eligible for funding under the IHOPE  
26 Program, an interested regional office of education or a school



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

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

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

1 among these entities.

2 (e) In order to distribute funding based upon the need to  
3 ensure delivery of programs that will have the greatest impact,  
4 IHOPE Program funding must be distributed based upon the  
5 proportion of dropouts in the educational service region or  
6 school district, in the case of a school district organized  
7 under Article 34 of this Code, to the total number of dropouts  
8 in this State. This formula shall employ the dropout data  
9 provided by school districts to the State Board of Education.

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

24 (f) IHOPE categories of programming may include the  
25 following:

26 (1) Full-time programs that are comprehensive,

1 year-round programs.

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

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

12 (4) Dual enrollment in which students attend high  
13 school classes in combination with community college  
14 classes or students attend community college classes while  
15 simultaneously earning high school credit and eventually a  
16 high school diploma.

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

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

26 (2) Specific performance-based goals and outcomes and

1 measures of enrollment, attendance, skills, credits,  
2 graduation, and the transition to college, training, and  
3 employment.

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

6 (4) Voluntary enrollment.

7 (5) High standards for student learning, integrating  
8 work experience, and education, including during the  
9 school year and after school, and summer school programs  
10 that link internships, work, and learning.

11 (6) Comprehensive programs providing extensive support  
12 services.

13 (7) Small teams of students supported by full-time paid  
14 mentors who work to retain and help those students  
15 graduate.

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

19 (9) Learning opportunities that incorporate action  
20 into study.

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

1 (i) Rules must be developed by the State Board of Education  
2 to set forth the fund distribution process to regional offices  
3 of education and a school district organized under Article 34  
4 of this Code, the planning and the conditions upon which an  
5 IHOPE Plan would be approved by State Board, and other rules to  
6 develop the IHOPE Program.

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

8 (105 ILCS 5/2-3.84) (from Ch. 122, par. 2-3.84)

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

18 From the total amount of general State aid or  
19 evidence-based funding to be provided to districts,  
20 adjustments under this Section together with adjustments as a  
21 result of recomputation under Section 2-3.33 must not exceed  
22 \$25 million, in the aggregate for all districts under both  
23 Sections combined, of the general State aid or evidence-based  
24 funding appropriation in any fiscal year; if necessary, amounts  
25 shall be prorated among districts. If it is necessary to

1 prorate claims under this paragraph, then that portion of each  
2 prorated claim that is approved but not paid in the current  
3 fiscal year may be resubmitted as a valid claim in the  
4 following fiscal year.

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

6 (105 ILCS 5/2-3.109a)

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

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

14 (105 ILCS 5/2-3.170 new)

15 Sec. 2-3.170. Property tax relief pool grants.

16 (a) As used in this Section,

17 "Property tax multiplier" equals one minus the square of  
18 the school district's Local Capacity Percentage, as defined in  
19 Section 18-8.15 of this Code.

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

21 "Unit equivalent tax rate" means the Adjusted Operating Tax  
22 Rate, as defined in Section 18-8.15 of this Code, multiplied by  
23 a factor of 1 for unit school district, 13/9 for elementary  
24 school districts, and 13/4 for high school districts.

1       (b) Subject to appropriation, the State Board shall provide  
2 grants to eligible school districts that provide tax relief to  
3 the school district's residents, up to a limit of 1% of the  
4 school district's equalized assessed value, as provided in this  
5 Section.

6       (c) By August 1 of each year, the State Board shall publish  
7 an estimated unit equivalent tax rate above which school  
8 districts are eligible for relief under this Section. This  
9 estimated tax rate shall be based on the most recent available  
10 data provided by school districts pursuant to Section 18-8.15  
11 of this Code. The State Board shall estimate this property tax  
12 rate based on the amount appropriated to the grant program and  
13 the assumption that a set of school districts, based on  
14 criteria established by the State Board, will apply for grants  
15 under this Section. The criteria shall be based on reasonable  
16 assumptions about when school districts will apply for the  
17 grant.

18       (d) School districts seeking grants under this Section  
19 shall apply to the State Board by October 1 of each year. All  
20 applications to the State Board for grants shall include the  
21 amount of the grant requested.

22       (e) By December 1 of each year, based on the most recent  
23 available data provided by school districts pursuant to Section  
24 18-8.15 of this Code, the State Board shall calculate the unit  
25 equivalent tax rate, based on the applications received by the  
26 State Board, above which the appropriations are sufficient to

1 provide relief and publish a list of the school districts  
2 eligible for relief.

3 (f) The State Board shall publish a final list of grant  
4 recipients and provide payment of the grants by January 15 of  
5 each year.

6 (g) If payment from the State Board is received by the  
7 school district on time, the school district shall reduce its  
8 property tax levy in an amount equal to the grant received  
9 under this Section.

10 (h) The total grant to a school district under this Section  
11 shall be calculated based on the total amount of reduction in  
12 the school district's aggregate extension, up to a limit of 1%  
13 of a district's equalized assessed value for a unit school  
14 district, 0.69% for an elementary school district, and 0.31%  
15 for a high school district, multiplied by the property tax  
16 multiplier or the amount that the unit equivalent tax rate is  
17 greater than the rate determined by the State Board, whichever  
18 is less.

19 (i) If the State Board does not expend all appropriations  
20 allocated pursuant to this Section, then any remaining funds  
21 shall be allocated pursuant to Section 18-8.15 of this Code.

22 (j) The State Board shall prioritize payments under Section  
23 18-8.15 of this Code over payments under this Section, if  
24 necessary.

25 (k) Any grants received by a school district shall be  
26 included in future calculations of that school district's Base



1 Funding Minimum under Section 18-8.15 of this Code.

2 (1) In the tax year following receipt of a Property Tax  
3 Pool Relief Grant, the aggregate levy of any school district  
4 receiving a grant under this Section, for purposes of the  
5 Property Tax Extension Limitation Law, shall include the tax  
6 relief the school district provided in the previous taxable  
7 year under this Section.

8 (105 ILCS 5/3-14.21) (from Ch. 122, par. 3-14.21)

9 Sec. 3-14.21. Inspection of schools.

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

20 (b) If the regional superintendent determines that a school  
21 board has failed in a timely manner to correct urgent items  
22 identified in a previous life-safety report completed under  
23 Section 2-3.12 or as otherwise previously ordered by the  
24 regional superintendent, the regional superintendent shall  
25 order the school board to adopt and submit to the regional

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

22 (c) The Office of the State Fire Marshal or a qualified  
23 fire official, as defined in Section 2-3.12 of this Code, to  
24 whom the State Fire Marshal has delegated his or her authority  
25 shall conduct an annual fire safety inspection of each school  
26 building in this State. The State Fire Marshal or the fire

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

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

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

20 (105 ILCS 5/7-14A) (from Ch. 122, par. 7-14A)

21 Sec. 7-14A. Annexation compensation. There shall be no  
22 accounting made after a mere change in boundaries when no new  
23 district is created, except that those districts whose  
24 enrollment increases by 90% or more as a result of annexing  
25 territory detached from another district pursuant to this

1 Article are eligible for supplementary State aid payments in  
2 accordance with Section 11E-135 of this Code. Eligible annexing  
3 districts shall apply to the State Board of Education for  
4 supplementary State aid payments by submitting enrollment  
5 figures for the year immediately preceding and the year  
6 immediately following the effective date of the boundary change  
7 for both the district gaining territory and the district losing  
8 territory. Copies of any intergovernmental agreements between  
9 the district gaining territory and the district losing  
10 territory detailing any transfer of fund balances and staff  
11 must also be submitted. In all instances of changes in  
12 boundaries, the district losing territory shall not count the  
13 average daily attendance of pupils living in the territory  
14 during the year preceding the effective date of the boundary  
15 change in its claim for reimbursement under Section 18-8.05 or  
16 18-8.15 of this Code for the school year following the  
17 effective date of the change in boundaries and the district  
18 receiving the territory shall count the average daily  
19 attendance of pupils living in the territory during the year  
20 preceding the effective date of the boundary change in its  
21 claim for reimbursement under Section 18-8.05 or 18-8.15 of  
22 this Code for the school year following the effective date of  
23 the change in boundaries. The changes to this Section made by  
24 this amendatory Act of the 95th General Assembly are intended  
25 to be retroactive and applicable to any annexation taking  
26 effect on or after July 1, 2004.

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

2 (105 ILCS 5/10-17a) (from Ch. 122, par. 10-17a)

3 Sec. 10-17a. State, school district, and school report  
4 cards.

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

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

18 (A) school characteristics and student demographics,  
19 including average class size, average teaching experience,  
20 student racial/ethnic breakdown, and the percentage of  
21 students classified as low-income; the percentage of  
22 students classified as English learners; the percentage of  
23 students who have individualized education plans or 504  
24 plans that provide for special education services; the  
25 percentage of students who annually transferred in or out

1 of the school district; the per-pupil operating  
2 expenditure of the school district; and the per-pupil State  
3 average operating expenditure for the district type  
4 (elementary, high school, or unit);

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

18 (C) student outcomes, including, where applicable, the  
19 percentage of students deemed proficient on assessments of  
20 State standards, the percentage of students in the eighth  
21 grade who pass Algebra, the percentage of students enrolled  
22 in post-secondary institutions (including colleges,  
23 universities, community colleges, trade/vocational  
24 schools, and training programs leading to career  
25 certification within 2 semesters of high school  
26 graduation), the percentage of students graduating from

1 high school who are college and career ready, and the  
2 percentage of graduates enrolled in community colleges,  
3 colleges, and universities who are in one or more courses  
4 that the community college, college, or university  
5 identifies as a developmental course;

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

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

1 percentage of teachers rated as proficient or excellent in  
2 their most recent evaluation; ~~and~~

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

6 (G) a school district's Final Percent of Adequacy, as  
7 defined in paragraph (4) of subsection (f) of Section  
8 18-8.15 of this Code;

9 (H) a school district's Local Capacity Target, as  
10 defined in paragraph (2) of subsection (c) of Section  
11 18-8.15 of this Code, displayed as a percentage amount; and

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

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

24 (3) At the discretion of the State Superintendent, the  
25 school district report card shall include a subset of the  
26 information identified in paragraphs (A) through (E) of



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

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

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

1 of the web site, (iii) that a printed copy of the report card  
2 will be sent to parents upon request, and (iv) the telephone  
3 number that parents may call to request a printed copy of the  
4 report card.

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

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

13 (105 ILCS 5/10-19) (from Ch. 122, par. 10-19)

14 Sec. 10-19. Length of school term - experimental programs.  
15 Each school board shall annually prepare a calendar for the  
16 school term, specifying the opening and closing dates and  
17 providing a minimum term of at least 185 days to insure 176  
18 days of actual pupil attendance, computable under Section  
19 18-8.05 or 18-8.15, except that for the 1980-1981 school year  
20 only 175 days of actual pupil attendance shall be required  
21 because of the closing of schools pursuant to Section 24-2 on  
22 January 29, 1981 upon the appointment by the President of that  
23 day as a day of thanksgiving for the freedom of the Americans  
24 who had been held hostage in Iran. Any days allowed by law for  
25 teachers' institutes but not used as such or used as parental

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

19 A school board may make such changes in its calendar for  
20 the school term as may be required by any changes in the legal  
21 school holidays prescribed in Section 24-2. A school board may  
22 make changes in its calendar for the school term as may be  
23 necessary to reflect the utilization of teachers' institute  
24 days as parental institute days as provided in Section  
25 10-22.18d.

26 The calendar for the school term and any changes must be

1 submitted to and approved by the regional superintendent of  
2 schools before the calendar or changes may take effect.

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

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

16 (105 ILCS 5/10-22.5a) (from Ch. 122, par. 10-22.5a)

17 Sec. 10-22.5a. Attendance by dependents of United States  
18 military personnel, foreign exchange students, and certain  
19 nonresident pupils.

20 (a) To enter into written agreements with cultural exchange  
21 organizations, or with nationally recognized eleemosynary  
22 institutions that promote excellence in the arts, mathematics,  
23 or science. The written agreements may provide for tuition free  
24 attendance at the local district school by foreign exchange  
25 students, or by nonresident pupils of eleemosynary

1 institutions. The local board of education, as part of the  
2 agreement, may require that the cultural exchange program or  
3 the eleemosynary institutions provide services to the district  
4 in exchange for the waiver of nonresident tuition.

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

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

1 agreement for occupancy of a residence located within the  
2 district, or proof of ownership of a residence located within  
3 the district.

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

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

15 (105 ILCS 5/10-22.20) (from Ch. 122, par. 10-22.20)

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

19 (a) To establish special classes for the instruction (1) of  
20 persons of age 21 years or over and (2) of persons less than  
21 age 21 and not otherwise in attendance in public school, for  
22 the purpose of providing adults in the community and youths  
23 whose schooling has been interrupted with such additional basic  
24 education, vocational skill training, and other instruction as  
25 may be necessary to increase their qualifications for

1 employment or other means of self-support and their ability to  
2 meet their responsibilities as citizens, including courses of  
3 instruction regularly accepted for graduation from elementary  
4 or high schools and for Americanization and high school  
5 equivalency testing review classes.

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

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

24 (b) The Illinois Community College Board shall establish  
25 the standards for the courses of instruction reimbursed under  
26 this Section. The Illinois Community College Board shall

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

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

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

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

24 (4) the development of standards for determining  
25 grants based upon performance as set forth in subsection  
26 (d) below and a plan for the phased-in implementation of



1 those standards.

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

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

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

24 (2) The maximum reimbursement per credit hour or per  
25 unit of instruction in subparagraph (1) above shall be  
26 weighted for students enrolled in classes defined as

1 vocational skills and approved by the Illinois Community  
2 College Board by 1.25;

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

8 (4) (Blank); and

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

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

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

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

23 School districts and community college districts may  
24 assess students up to \$3.00 per credit hour, for classes other  
25 than Adult Basic Education level programs, if needed to meet  
26 program costs.

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

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

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

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

21           School districts or community colleges providing classes  
22 under this Section shall submit applications to the Illinois  
23 Community College Board for preapproval in accordance with the  
24 standards established by the Illinois Community College Board.  
25 Payments shall be made by the Illinois Community College Board  
26 based upon approved programs. Interim expenditure reports may

1 be required by the Illinois Community College Board. Final  
2 claims for the school year shall be submitted to the regional  
3 superintendents for transmittal to the Illinois Community  
4 College Board. Final adjusted payments shall be made by  
5 September 30.

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

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

26 The Illinois Community College Board shall pay to the board

1 the cost of care in the facilities for any child who is a  
2 recipient of financial aid under the Illinois Public Aid Code.

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

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

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

21 (j) In addition to claiming reimbursement under this  
22 Section, a school district may claim general State aid under  
23 Section 18-8.05 or evidence-based funding under Section  
24 18-8.15 for any student under age 21 who is enrolled in courses  
25 accepted for graduation from elementary or high school and who  
26 otherwise meets the requirements of Section 18-8.05 or 18-8.15,

1 as applicable.

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

3 (105 ILCS 5/10-29)

4 Sec. 10-29. Remote educational programs.

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

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

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

21 (B) Any limitations on the number of students or  
22 grade levels that may participate in a remote  
23 educational program.

24 (C) A description of the process that the school  
25 district will use to approve participation in the

1 remote educational program. The process must include  
2 without limitation a requirement that, for any student  
3 who qualifies to receive services pursuant to the  
4 federal Individuals with Disabilities Education  
5 Improvement Act of 2004, the student's participation  
6 in a remote educational program receive prior approval  
7 from the student's individualized education program  
8 team.

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

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

17 (F) A description of the process for renewing a  
18 remote educational program at the expiration of its  
19 term.

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

24 (2) The school district has determined that the remote  
25 educational program's curriculum is aligned to State  
26 learning standards and that the program offers instruction

1 and educational experiences consistent with those given to  
2 students at the same grade level in the district.

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

5 (A) they are certificated under Article 21 of this  
6 Code;

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

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

16 (4) During the period of time from and including the  
17 opening date to the closing date of the regular school term  
18 of the school district established pursuant to Section  
19 10-19 of this Code, participation in a remote educational  
20 program may be claimed for general State aid purposes under  
21 Section 18-8.05 of this Code or evidence-based funding  
22 purposes under Section 18-8.15 of this Code on any calendar  
23 day, notwithstanding whether the day is a day of pupil  
24 attendance or institute day on the school district's  
25 calendar or any other provision of law restricting  
26 instruction on that day. If the district holds year-round



1 classes in some buildings, the district shall classify each  
2 student's participation in a remote educational program as  
3 either on a year-round or a non-year-round schedule for  
4 purposes of claiming general State aid or evidence-based  
5 funding. Outside of the regular school term of the  
6 district, the remote educational program may be offered as  
7 part of any summer school program authorized by this Code.

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

17 (A) Specific achievement goals for the student  
18 aligned to State learning standards.

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

24 (C) A description of the progress reports that will  
25 be provided to the school district and the person or  
26 persons authorized to enroll the student under Section

1 10-20.12b of this Code.

2 (D) Expectations, processes, and schedules for  
3 interaction between a teacher and student.

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

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

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

22 (H) The identification of a parent, guardian, or  
23 other responsible adult who will provide direct  
24 supervision of the program. The plan must include an  
25 acknowledgment by the parent, guardian, or other  
26 responsible adult that he or she may engage only in

1 non-teaching duties not requiring instructional  
2 judgment or the evaluation of a student. The plan shall  
3 designate the parent, guardian, or other responsible  
4 adult as non-teaching personnel or volunteer personnel  
5 under subsection (a) of Section 10-22.34 of this Code.

6 (I) The identification of a school district  
7 administrator who will oversee the remote educational  
8 program on behalf of the school district and who may be  
9 contacted by the student's parents with respect to any  
10 issues or concerns with the program.

11 (J) The term of the student's participation in the  
12 remote educational program, which may not extend for  
13 longer than 12 months, unless the term is renewed by  
14 the district in accordance with subdivision (7) of this  
15 subsection (a).

16 (K) A description of the specific location or  
17 locations in which the program will be delivered. If  
18 the remote educational program is to be delivered to a  
19 student in any location other than the student's home,  
20 the plan must include a written determination by the  
21 school district that the location will provide a  
22 learning environment appropriate for the delivery of  
23 the program. The location or locations in which the  
24 program will be delivered shall be deemed a long  
25 distance teaching reception area under subsection (a)  
26 of Section 10-22.34 of this Code.

1           (L) Certification by the school district that the  
2           plan meets all other requirements of this Section.

3           (6) Students participating in a remote educational  
4           program must be enrolled in a school district attendance  
5           center pursuant to the school district's enrollment policy  
6           or policies. A student participating in a remote  
7           educational program must be tested as part of all  
8           assessments administered by the school district pursuant  
9           to Section 2-3.64a-5 of this Code at the attendance center  
10          in which the student is enrolled and in accordance with the  
11          attendance center's assessment policies and schedule. The  
12          student must be included within all accountability  
13          determinations for the school district and attendance  
14          center under State and federal law.

15          (7) The term of a student's participation in a remote  
16          educational program may not extend for longer than 12  
17          months, unless the term is renewed by the school district.  
18          The district may only renew a student's participation in a  
19          remote educational program following an evaluation of the  
20          student's progress in the program, a determination that the  
21          student's continuation in the program will best serve the  
22          student's individual learning needs, and an amendment to  
23          the student's written remote educational plan addressing  
24          any changes for the upcoming term of the program.

25          For purposes of this Section, a remote educational program  
26          does not include instruction delivered to students through an

1 e-learning program approved under Section 10-20.56 of this  
2 Code.

3 (b) A school district may, by resolution of its school  
4 board, establish a remote educational program.

5 (c) Clock hours of instruction by students in a remote  
6 educational program meeting the requirements of this Section  
7 may be claimed by the school district and shall be counted as  
8 school work for general State aid purposes in accordance with  
9 and subject to the limitations of Section 18-8.05 of this Code  
10 or evidence-based funding purposes in accordance with and  
11 subject to the limitations of Section 18-8.15 of this Code.

12 (d) The impact of remote educational programs on wages,  
13 hours, and terms and conditions of employment of educational  
14 employees within the school district shall be subject to local  
15 collective bargaining agreements.

16 (e) The use of a home or other location outside of a school  
17 building for a remote educational program shall not cause the  
18 home or other location to be deemed a public school facility.

19 (f) A remote educational program may be used, but is not  
20 required, for instruction delivered to a student in the home or  
21 other location outside of a school building that is not claimed  
22 for general State aid purposes under Section 18-8.05 of this  
23 Code or evidence-based funding purposes under Section 18-8.15  
24 of this Code.

25 (g) School districts that, pursuant to this Section, adopt  
26 a policy for a remote educational program must submit to the

1 State Board of Education a copy of the policy and any  
2 amendments thereto, as well as data on student participation in  
3 a format specified by the State Board of Education. The State  
4 Board of Education may perform or contract with an outside  
5 entity to perform an evaluation of remote educational programs  
6 in this State.

7 (h) The State Board of Education may adopt any rules  
8 necessary to ensure compliance by remote educational programs  
9 with the requirements of this Section and other applicable  
10 legal requirements.

11 (Source: P.A. 98-972, eff. 8-15-14; 99-193, eff. 7-30-15;  
12 99-194, eff. 7-30-15; 99-642, eff. 7-28-16.)

13 (105 ILCS 5/11E-135)

14 Sec. 11E-135. Incentives. For districts reorganizing under  
15 this Article and for a district or districts that annex all of  
16 the territory of one or more entire other school districts in  
17 accordance with Article 7 of this Code, the following payments  
18 shall be made from appropriations made for these purposes:

19 (a)(1) For a combined school district, as defined in  
20 Section 11E-20 of this Code, or for a unit district, as defined  
21 in Section 11E-25 of this Code, for its first year of  
22 existence, the general State aid and supplemental general State  
23 aid calculated under Section 18-8.05 of this Code or the  
24 evidence-based funding calculated under Section 18-8.15 of  
25 this Code, as applicable, shall be computed for the new

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

7 (2) For a school district that annexes all of the territory  
8 of one or more entire other school districts as defined in  
9 Article 7 of this Code, for the first year during which the  
10 change of boundaries attributable to the annexation becomes  
11 effective for all purposes, as determined under Section 7-9 of  
12 this Code, the general State aid and supplemental general State  
13 aid calculated under Section 18-8.05 of this Code or the  
14 evidence-based funding calculated under Section 18-8.15 of  
15 this Code, as applicable, shall be computed for the annexing  
16 district as constituted after the annexation and for the  
17 annexing and each annexed district as constituted prior to the  
18 annexation; and if the computation on the basis of the annexing  
19 and annexed districts as constituted prior to the annexation is  
20 greater, then a supplementary payment equal to the difference  
21 shall be made for the first 4 years of existence of the  
22 annexing school district as constituted upon the annexation.

23 (3) For 2 or more school districts that annex all of the  
24 territory of one or more entire other school districts, as  
25 defined in Article 7 of this Code, for the first year during  
26 which the change of boundaries attributable to the annexation

1 becomes effective for all purposes, as determined under Section  
2 7-9 of this Code, the general State aid and supplemental  
3 general State aid calculated under Section 18-8.05 of this Code  
4 or the evidence-based funding calculated under Section 18-8.15  
5 of this Code, as applicable, shall be computed for each  
6 annexing district as constituted after the annexation and for  
7 each annexing and annexed district as constituted prior to the  
8 annexation; and if the aggregate of the general State aid and  
9 supplemental general State aid or evidence-based funding, as  
10 applicable, as so computed for the annexing districts as  
11 constituted after the annexation is less than the aggregate of  
12 the general State aid and supplemental general State aid or  
13 evidence-based funding, as applicable, as so computed for the  
14 annexing and annexed districts, as constituted prior to the  
15 annexation, then a supplementary payment equal to the  
16 difference shall be made and allocated between or among the  
17 annexing districts, as constituted upon the annexation, for the  
18 first 4 years of their existence. The total difference payment  
19 shall be allocated between or among the annexing districts in  
20 the same ratio as the pupil enrollment from that portion of the  
21 annexed district or districts that is annexed to each annexing  
22 district bears to the total pupil enrollment from the entire  
23 annexed district or districts, as such pupil enrollment is  
24 determined for the school year last ending prior to the date  
25 when the change of boundaries attributable to the annexation  
26 becomes effective for all purposes. The amount of the total



1 difference payment and the amount thereof to be allocated to  
2 the annexing districts shall be computed by the State Board of  
3 Education on the basis of pupil enrollment and other data that  
4 shall be certified to the State Board of Education, on forms  
5 that it shall provide for that purpose, by the regional  
6 superintendent of schools for each educational service region  
7 in which the annexing and annexed districts are located.

8 (4) For a school district conversion, as defined in Section  
9 11E-15 of this Code, or a multi-unit conversion, as defined in  
10 subsection (b) of Section 11E-30 of this Code, if in their  
11 first year of existence the newly created elementary districts  
12 and the newly created high school district, from a school  
13 district conversion, or the newly created elementary district  
14 or districts and newly created combined high school - unit  
15 district, from a multi-unit conversion, qualify for less  
16 general State aid under Section 18-8.05 of this Code or  
17 evidence-based funding under Section 18-8.15 of this Code than  
18 would have been payable under Section 18-8.05 or 18-8.15, as  
19 applicable, for that same year to the previously existing  
20 districts, then a supplementary payment equal to that  
21 difference shall be made for the first 4 years of existence of  
22 the newly created districts. The aggregate amount of each  
23 supplementary payment shall be allocated among the newly  
24 created districts in the proportion that the deemed pupil  
25 enrollment in each district during its first year of existence  
26 bears to the actual aggregate pupil enrollment in all of the

1 districts during their first year of existence. For purposes of  
2 each allocation:

3 (A) the deemed pupil enrollment of the newly created  
4 high school district from a school district conversion  
5 shall be an amount equal to its actual pupil enrollment for  
6 its first year of existence multiplied by 1.25;

7 (B) the deemed pupil enrollment of each newly created  
8 elementary district from a school district conversion  
9 shall be an amount equal to its actual pupil enrollment for  
10 its first year of existence reduced by an amount equal to  
11 the product obtained when the amount by which the newly  
12 created high school district's deemed pupil enrollment  
13 exceeds its actual pupil enrollment for its first year of  
14 existence is multiplied by a fraction, the numerator of  
15 which is the actual pupil enrollment of the newly created  
16 elementary district for its first year of existence and the  
17 denominator of which is the actual aggregate pupil  
18 enrollment of all of the newly created elementary districts  
19 for their first year of existence;

20 (C) the deemed high school pupil enrollment of the  
21 newly created combined high school - unit district from a  
22 multi-unit conversion shall be an amount equal to its  
23 actual grades 9 through 12 pupil enrollment for its first  
24 year of existence multiplied by 1.25; and

25 (D) the deemed elementary pupil enrollment of each  
26 newly created district from a multi-unit conversion shall

1 be an amount equal to each district's actual grade K  
2 through 8 pupil enrollment for its first year of existence,  
3 reduced by an amount equal to the product obtained when the  
4 amount by which the newly created combined high school -  
5 unit district's deemed high school pupil enrollment  
6 exceeds its actual grade 9 through 12 pupil enrollment for  
7 its first year of existence is multiplied by a fraction,  
8 the numerator of which is the actual grade K through 8  
9 pupil enrollment of each newly created district for its  
10 first year of existence and the denominator of which is the  
11 actual aggregate grade K through 8 pupil enrollment of all  
12 such newly created districts for their first year of  
13 existence.

14 The aggregate amount of each supplementary payment under  
15 this subdivision (4) and the amount thereof to be allocated to  
16 the newly created districts shall be computed by the State  
17 Board of Education on the basis of pupil enrollment and other  
18 data, which shall be certified to the State Board of Education,  
19 on forms that it shall provide for that purpose, by the  
20 regional superintendent of schools for each educational  
21 service region in which the newly created districts are  
22 located.

23 (5) For a partial elementary unit district, as defined in  
24 subsection (a) or (c) of Section 11E-30 of this Code, if, in  
25 the first year of existence, the newly created partial  
26 elementary unit district qualifies for less general State aid

1 and supplemental general State aid under Section 18-8.05 of  
2 this Code or less evidence-based funding under Section 18-8.15  
3 of this Code, as applicable, than would have been payable under  
4 those Sections ~~that Section~~ for that same year to the  
5 previously existing districts that formed the partial  
6 elementary unit district, then a supplementary payment equal to  
7 that difference shall be made to the partial elementary unit  
8 district for the first 4 years of existence of that newly  
9 created district.

10 (6) For an elementary opt-in, as described in subsection  
11 (d) of Section 11E-30 of this Code, the general State aid or  
12 evidence-based funding difference shall be computed in  
13 accordance with paragraph (5) of this subsection (a) as if the  
14 elementary opt-in was included in an optional elementary unit  
15 district at the optional elementary unit district's original  
16 effective date. If the calculation in this paragraph (6) is  
17 less than that calculated in paragraph (5) of this subsection  
18 (a) at the optional elementary unit district's original  
19 effective date, then no adjustments may be made. If the  
20 calculation in this paragraph (6) is more than that calculated  
21 in paragraph (5) of this subsection (a) at the optional  
22 elementary unit district's original effective date, then the  
23 excess must be paid as follows:

24 (A) If the effective date for the elementary opt-in is  
25 one year after the effective date for the optional  
26 elementary unit district, 100% of the calculated excess

1 shall be paid to the optional elementary unit district in  
2 each of the first 4 years after the effective date of the  
3 elementary opt-in.

4 (B) If the effective date for the elementary opt-in is  
5 2 years after the effective date for the optional  
6 elementary unit district, 75% of the calculated excess  
7 shall be paid to the optional elementary unit district in  
8 each of the first 4 years after the effective date of the  
9 elementary opt-in.

10 (C) If the effective date for the elementary opt-in is  
11 3 years after the effective date for the optional  
12 elementary unit district, 50% of the calculated excess  
13 shall be paid to the optional elementary unit district in  
14 each of the first 4 years 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 calculated excess  
19 shall be paid to the optional elementary unit district in  
20 each of the first 4 years after the effective date of the  
21 elementary opt-in.

22 (E) If the effective date for the elementary opt-in is  
23 5 years after the effective date for the optional  
24 elementary unit district, the optional elementary unit  
25 district is not eligible for any additional incentives due  
26 to the elementary opt-in.

1           (6.5) For a school district that annexes territory detached  
2 from another school district whereby the enrollment of the  
3 annexing district increases by 90% or more as a result of the  
4 annexation, for the first year during which the change of  
5 boundaries attributable to the annexation becomes effective  
6 for all purposes as determined under Section 7-9 of this Code,  
7 the general State aid and supplemental general State aid or  
8 evidence-based funding, as applicable, calculated under this  
9 Section shall be computed for the district gaining territory  
10 and the district losing territory as constituted after the  
11 annexation and for the same districts as constituted prior to  
12 the annexation; and if the aggregate of the general State aid  
13 and supplemental general State aid or evidence-based funding,  
14 as applicable, as so computed for the district gaining  
15 territory and the district losing territory as constituted  
16 after the annexation is less than the aggregate of the general  
17 State aid and supplemental general State aid or evidence-based  
18 funding, as applicable, as so computed for the district gaining  
19 territory and the district losing territory as constituted  
20 prior to the annexation, then a supplementary payment shall be  
21 made to the annexing district for the first 4 years of  
22 existence after the annexation, equal to the difference  
23 multiplied by the ratio of student enrollment in the territory  
24 detached to the total student enrollment in the district losing  
25 territory for the year prior to the effective date of the  
26 annexation. The amount of the total difference and the

1 proportion paid to the annexing district shall be computed by  
2 the State Board of Education on the basis of pupil enrollment  
3 and other data that must be submitted to the State Board of  
4 Education in accordance with Section 7-14A of this Code. The  
5 changes to this Section made by Public Act 95-707 are intended  
6 to be retroactive and applicable to any annexation taking  
7 effect on or after July 1, 2004. For annexations that are  
8 eligible for payments under this paragraph (6.5) and that are  
9 effective on or after July 1, 2004, but before January 11, 2008  
10 (the effective date of Public Act 95-707), the first required  
11 yearly payment under this paragraph (6.5) shall be paid in the  
12 fiscal year of January 11, 2008 (the effective date of Public  
13 Act 95-707). Subsequent required yearly payments shall be paid  
14 in subsequent fiscal years until the payment obligation under  
15 this paragraph (6.5) is complete.

16 (7) Claims for financial assistance under this subsection  
17 (a) may not be recomputed except as expressly provided under  
18 Section 18-8.05 or 18-8.15 of this Code.

19 (8) Any supplementary payment made under this subsection  
20 (a) must be treated as separate from all other payments made  
21 pursuant to Section 18-8.05 or 18-8.15 of this Code.

22 (b) (1) After the formation of a combined school district,  
23 as defined in Section 11E-20 of this Code, or a unit district,  
24 as defined in Section 11E-25 of this Code, a computation shall  
25 be made to determine the difference between the salaries  
26 effective in each of the previously existing districts on June

1 30, prior to the creation of the new district. For the first 4  
2 years after the formation of the new district, a supplementary  
3 State aid reimbursement shall be paid to the new district equal  
4 to the difference between the sum of the salaries earned by  
5 each of the certificated members of the new district, while  
6 employed in one of the previously existing districts during the  
7 year immediately preceding the formation of the new district,  
8 and the sum of the salaries those certificated members would  
9 have been paid during the year immediately prior to the  
10 formation of the new district if placed on the salary schedule  
11 of the previously existing district with the highest salary  
12 schedule.

13 (2) After the territory of one or more school districts is  
14 annexed by one or more other school districts as defined in  
15 Article 7 of this Code, a computation shall be made to  
16 determine the difference between the salaries effective in each  
17 annexed district and in the annexing district or districts as  
18 they were each constituted on June 30 preceding the date when  
19 the change of boundaries attributable to the annexation became  
20 effective for all purposes, as determined under Section 7-9 of  
21 this Code. For the first 4 years after the annexation, a  
22 supplementary State aid reimbursement shall be paid to each  
23 annexing district as constituted after the annexation equal to  
24 the difference between the sum of the salaries earned by each  
25 of the certificated members of the annexing district as  
26 constituted after the annexation, while employed in an annexed



1 or annexing district during the year immediately preceding the  
2 annexation, and the sum of the salaries those certificated  
3 members would have been paid during the immediately preceding  
4 year if placed on the salary schedule of whichever of the  
5 annexing or annexed districts had the highest salary schedule  
6 during the immediately preceding year.

7 (3) For each new high school district formed under a school  
8 district conversion, as defined in Section 11E-15 of this Code,  
9 the State shall make a supplementary payment for 4 years equal  
10 to the difference between the sum of the salaries earned by  
11 each certified member of the new high school district, while  
12 employed in one of the previously existing districts, and the  
13 sum of the salaries those certified members would have been  
14 paid if placed on the salary schedule of the previously  
15 existing district with the highest salary schedule.

16 (4) For each newly created partial elementary unit  
17 district, the State shall make a supplementary payment for 4  
18 years equal to the difference between the sum of the salaries  
19 earned by each certified member of the newly created partial  
20 elementary unit district, while employed in one of the  
21 previously existing districts that formed the partial  
22 elementary unit district, and the sum of the salaries those  
23 certified members would have been paid if placed on the salary  
24 schedule of the previously existing district with the highest  
25 salary schedule. The salary schedules used in the calculation  
26 shall be those in effect in the previously existing districts

1 for the school year prior to the creation of the new partial  
2 elementary unit district.

3 (5) For an elementary district opt-in, as described in  
4 subsection (d) of Section 11E-30 of this Code, the salary  
5 difference incentive shall be computed in accordance with  
6 paragraph (4) of this subsection (b) as if the opted-in  
7 elementary district was included in the optional elementary  
8 unit district at the optional elementary unit district's  
9 original effective date. If the calculation in this paragraph  
10 (5) is less than that calculated in paragraph (4) of this  
11 subsection (b) at the optional elementary unit district's  
12 original effective date, then no adjustments may be made. If  
13 the calculation in this paragraph (5) is more than that  
14 calculated in paragraph (4) of this subsection (b) at the  
15 optional elementary unit district's original effective date,  
16 then the excess must be paid as follows:

17 (A) If the effective date for the elementary opt-in is  
18 one year after the effective date for the optional  
19 elementary unit district, 100% of the calculated excess  
20 shall be paid to the optional elementary unit district in  
21 each of the first 4 years after the effective date of the  
22 elementary opt-in.

23 (B) If the effective date for the elementary opt-in is  
24 2 years after the effective date for the optional  
25 elementary unit district, 75% of the calculated excess  
26 shall be paid to the optional elementary unit district in

1 each of the first 4 years after the effective date of the  
2 elementary opt-in.

3 (C) If the effective date for the elementary opt-in is  
4 3 years after the effective date for the optional  
5 elementary unit district, 50% of the calculated excess  
6 shall be paid to the optional elementary unit district in  
7 each of the first 4 years after the effective date of the  
8 elementary opt-in.

9 (D) If the effective date for the elementary opt-in is  
10 4 years after the effective date for the partial elementary  
11 unit district, 25% of the calculated excess shall be paid  
12 to the optional elementary unit district in each of the  
13 first 4 years after the effective date of the elementary  
14 opt-in.

15 (E) If the effective date for the elementary opt-in is  
16 5 years after the effective date for the optional  
17 elementary unit district, the optional elementary unit  
18 district is not eligible for any additional incentives due  
19 to the elementary opt-in.

20 (5.5) After the formation of a cooperative high school by 2  
21 or more school districts under Section 10-22.22c of this Code,  
22 a computation shall be made to determine the difference between  
23 the salaries effective in each of the previously existing high  
24 schools on June 30 prior to the formation of the cooperative  
25 high school. For the first 4 years after the formation of the  
26 cooperative high school, a supplementary State aid

1 reimbursement shall be paid to the cooperative high school  
2 equal to the difference between the sum of the salaries earned  
3 by each of the certificated members of the cooperative high  
4 school while employed in one of the previously existing high  
5 schools during the year immediately preceding the formation of  
6 the cooperative high school and the sum of the salaries those  
7 certificated members would have been paid during the year  
8 immediately prior to the formation of the cooperative high  
9 school if placed on the salary schedule of the previously  
10 existing high school with the highest salary schedule.

11 (5.10) After the annexation of territory detached from  
12 another school district whereby the enrollment of the annexing  
13 district increases by 90% or more as a result of the  
14 annexation, a computation shall be made to determine the  
15 difference between the salaries effective in the district  
16 gaining territory and the district losing territory as they  
17 each were constituted on June 30 preceding the date when the  
18 change of boundaries attributable to the annexation became  
19 effective for all purposes as determined under Section 7-9 of  
20 this Code. For the first 4 years after the annexation, a  
21 supplementary State aid reimbursement shall be paid to the  
22 annexing district equal to the difference between the sum of  
23 the salaries earned by each of the certificated members of the  
24 annexing district as constituted after the annexation while  
25 employed in the district gaining territory or the district  
26 losing territory during the year immediately preceding the

1 annexation and the sum of the salaries those certificated  
2 members would have been paid during such immediately preceding  
3 year if placed on the salary schedule of whichever of the  
4 district gaining territory or district losing territory had the  
5 highest salary schedule during the immediately preceding year.  
6 To be eligible for supplementary State aid reimbursement under  
7 this Section, the intergovernmental agreement to be submitted  
8 pursuant to Section 7-14A of this Code must show that staff  
9 members were transferred from the control of the district  
10 losing territory to the control of the district gaining  
11 territory in the annexation. The changes to this Section made  
12 by Public Act 95-707 are intended to be retroactive and  
13 applicable to any annexation taking effect on or after July 1,  
14 2004. For annexations that are eligible for payments under this  
15 paragraph (5.10) and that are effective on or after July 1,  
16 2004, but before January 11, 2008 (the effective date of Public  
17 Act 95-707), the first required yearly payment under this  
18 paragraph (5.10) shall be paid in the fiscal year of January  
19 11, 2008 (the effective date of Public Act 95-707). Subsequent  
20 required yearly payments shall be paid in subsequent fiscal  
21 years until the payment obligation under this paragraph (5.10)  
22 is complete.

23 (5.15) After the deactivation of a school facility in  
24 accordance with Section 10-22.22b of this Code, a computation  
25 shall be made to determine the difference between the salaries  
26 effective in the sending school district and each receiving

1 school district on June 30 prior to the deactivation of the  
2 school facility. For the lesser of the first 4 years after the  
3 deactivation of the school facility or the length of the  
4 deactivation agreement, including any renewals of the original  
5 deactivation agreement, a supplementary State aid  
6 reimbursement shall be paid to each receiving district equal to  
7 the difference between the sum of the salaries earned by each  
8 of the certificated members transferred to that receiving  
9 district as a result of the deactivation while employed in the  
10 sending district during the year immediately preceding the  
11 deactivation and the sum of the salaries those certificated  
12 members would have been paid during the year immediately  
13 preceding the deactivation if placed on the salary schedule of  
14 the sending or receiving district with the highest salary  
15 schedule.

16 (6) The supplementary State aid reimbursement under this  
17 subsection (b) shall be treated as separate from all other  
18 payments made pursuant to Section 18-8.05 of this Code. In the  
19 case of the formation of a new district or cooperative high  
20 school or a deactivation, reimbursement shall begin during the  
21 first year of operation of the new district or cooperative high  
22 school or the first year of the deactivation, and in the case  
23 of an annexation of the territory of one or more school  
24 districts by one or more other school districts or the  
25 annexation of territory detached from a school district whereby  
26 the enrollment of the annexing district increases by 90% or

1 more as a result of the annexation, reimbursement shall begin  
2 during the first year when the change in boundaries  
3 attributable to the annexation becomes effective for all  
4 purposes as determined pursuant to Section 7-9 of this Code,  
5 except that for an annexation of territory detached from a  
6 school district that is effective on or after July 1, 2004, but  
7 before January 11, 2008 (the effective date of Public Act  
8 95-707), whereby the enrollment of the annexing district  
9 increases by 90% or more as a result of the annexation,  
10 reimbursement shall begin during the fiscal year of January 11,  
11 2008 (the effective date of Public Act 95-707). Each year that  
12 the new, annexing, or receiving district or cooperative high  
13 school, as the case may be, is entitled to receive  
14 reimbursement, the number of eligible certified members who are  
15 employed on October 1 in the district or cooperative high  
16 school shall be certified to the State Board of Education on  
17 prescribed forms by October 15 and payment shall be made on or  
18 before November 15 of that year.

19 (c) (1) For the first year after the formation of a combined  
20 school district, as defined in Section 11E-20 of this Code or a  
21 unit district, as defined in Section 11E-25 of this Code, a  
22 computation shall be made totaling each previously existing  
23 district's audited fund balances in the educational fund,  
24 working cash fund, operations and maintenance fund, and  
25 transportation fund for the year ending June 30 prior to the  
26 referendum for the creation of the new district. The new

1 district shall be paid supplementary State aid equal to the sum  
2 of the differences between the deficit of the previously  
3 existing district with the smallest deficit and the deficits of  
4 each of the other previously existing districts.

5 (2) For the first year after the annexation of all of the  
6 territory of one or more entire school districts by another  
7 school district, as defined in Article 7 of this Code,  
8 computations shall be made, for the year ending June 30 prior  
9 to the date that the change of boundaries attributable to the  
10 annexation is allowed by the affirmative decision issued by the  
11 regional board of school trustees under Section 7-6 of this  
12 Code, notwithstanding any effort to seek administrative review  
13 of the decision, totaling the annexing district's and totaling  
14 each annexed district's audited fund balances in their  
15 respective educational, working cash, operations and  
16 maintenance, and transportation funds. The annexing district  
17 as constituted after the annexation shall be paid supplementary  
18 State aid equal to the sum of the differences between the  
19 deficit of whichever of the annexing or annexed districts as  
20 constituted prior to the annexation had the smallest deficit  
21 and the deficits of each of the other districts as constituted  
22 prior to the annexation.

23 (3) For the first year after the annexation of all of the  
24 territory of one or more entire school districts by 2 or more  
25 other school districts, as defined by Article 7 of this Code,  
26 computations shall be made, for the year ending June 30 prior



1 to the date that the change of boundaries attributable to the  
2 annexation is allowed by the affirmative decision of the  
3 regional board of school trustees under Section 7-6 of this  
4 Code, notwithstanding any action for administrative review of  
5 the decision, totaling each annexing and annexed district's  
6 audited fund balances in their respective educational, working  
7 cash, operations and maintenance, and transportation funds.  
8 The annexing districts as constituted after the annexation  
9 shall be paid supplementary State aid, allocated as provided in  
10 this paragraph (3), in an aggregate amount equal to the sum of  
11 the differences between the deficit of whichever of the  
12 annexing or annexed districts as constituted prior to the  
13 annexation had the smallest deficit and the deficits of each of  
14 the other districts as constituted prior to the annexation. The  
15 aggregate amount of the supplementary State aid payable under  
16 this paragraph (3) shall be allocated between or among the  
17 annexing districts as follows:

18 (A) the regional superintendent of schools for each  
19 educational service region in which an annexed district is  
20 located prior to the annexation shall certify to the State  
21 Board of Education, on forms that it shall provide for that  
22 purpose, the value of all taxable property in each annexed  
23 district, as last equalized or assessed by the Department  
24 of Revenue prior to the annexation, and the equalized  
25 assessed value of each part of the annexed district that  
26 was annexed to or included as a part of an annexing

1 district;

2 (B) using equalized assessed values as certified by the  
3 regional superintendent of schools under clause (A) of this  
4 paragraph (3), the combined audited fund balance deficit of  
5 each annexed district as determined under this Section  
6 shall be apportioned between or among the annexing  
7 districts in the same ratio as the equalized assessed value  
8 of that part of the annexed district that was annexed to or  
9 included as a part of an annexing district bears to the  
10 total equalized assessed value of the annexed district; and

11 (C) the aggregate supplementary State aid payment  
12 under this paragraph (3) shall be allocated between or  
13 among, and shall be paid to, the annexing districts in the  
14 same ratio as the sum of the combined audited fund balance  
15 deficit of each annexing district as constituted prior to  
16 the annexation, plus all combined audited fund balance  
17 deficit amounts apportioned to that annexing district  
18 under clause (B) of this subsection, bears to the aggregate  
19 of the combined audited fund balance deficits of all of the  
20 annexing and annexed districts as constituted prior to the  
21 annexation.

22 (4) For the new elementary districts and new high school  
23 district formed through a school district conversion, as  
24 defined in Section 11E-15 of this Code or the new elementary  
25 district or districts and new combined high school - unit  
26 district formed through a multi-unit conversion, as defined in

1 subsection (b) of Section 11E-30 of this Code, a computation  
2 shall be made totaling each previously existing district's  
3 audited fund balances in the educational fund, working cash  
4 fund, operations and maintenance fund, and transportation fund  
5 for the year ending June 30 prior to the referendum  
6 establishing the new districts. In the first year of the new  
7 districts, the State shall make a one-time supplementary  
8 payment equal to the sum of the differences between the deficit  
9 of the previously existing district with the smallest deficit  
10 and the deficits of each of the other previously existing  
11 districts. A district with a combined balance among the 4 funds  
12 that is positive shall be considered to have a deficit of zero.  
13 The supplementary payment shall be allocated among the newly  
14 formed high school and elementary districts in the manner  
15 provided by the petition for the formation of the districts, in  
16 the form in which the petition is approved by the regional  
17 superintendent of schools or State Superintendent of Education  
18 under Section 11E-50 of this Code.

19 (5) For each newly created partial elementary unit  
20 district, as defined in subsection (a) or (c) of Section 11E-30  
21 of this Code, a computation shall be made totaling the audited  
22 fund balances of each previously existing district that formed  
23 the new partial elementary unit district in the educational  
24 fund, working cash fund, operations and maintenance fund, and  
25 transportation fund for the year ending June 30 prior to the  
26 referendum for the formation of the partial elementary unit

1 district. In the first year of the new partial elementary unit  
2 district, the State shall make a one-time supplementary payment  
3 to the new district equal to the sum of the differences between  
4 the deficit of the previously existing district with the  
5 smallest deficit and the deficits of each of the other  
6 previously existing districts. A district with a combined  
7 balance among the 4 funds that is positive shall be considered  
8 to have a deficit of zero.

9 (6) For an elementary opt-in as defined in subsection (d)  
10 of Section 11E-30 of this Code, the deficit fund balance  
11 incentive shall be computed in accordance with paragraph (5) of  
12 this subsection (c) as if the opted-in elementary was included  
13 in the optional elementary unit district at the optional  
14 elementary unit district's original effective date. If the  
15 calculation in this paragraph (6) is less than that calculated  
16 in paragraph (5) of this subsection (c) at the optional  
17 elementary unit district's original effective date, then no  
18 adjustments may be made. If the calculation in this paragraph  
19 (6) is more than that calculated in paragraph (5) of this  
20 subsection (c) at the optional elementary unit district's  
21 original effective date, then the excess must be paid as  
22 follows:

23 (A) If the effective date for the elementary opt-in is  
24 one year after the effective date for the optional  
25 elementary unit district, 100% of the calculated excess  
26 shall be paid to the optional elementary unit district in

1 the first year after the effective date of the elementary  
2 opt-in.

3 (B) If the effective date for the elementary opt-in is  
4 2 years after the effective date for the optional  
5 elementary unit district, 75% of the calculated excess  
6 shall be paid to the optional elementary unit district in  
7 the first year after the effective date of the elementary  
8 opt-in.

9 (C) If the effective date for the elementary opt-in is  
10 3 years after the effective date for the optional  
11 elementary unit district, 50% of the calculated excess  
12 shall be paid to the optional elementary unit district in  
13 the first year after the effective date of the elementary  
14 opt-in.

15 (D) If the effective date for the elementary opt-in is  
16 4 years after the effective date for the optional  
17 elementary unit district, 25% of the calculated excess  
18 shall be paid to the optional elementary unit district in  
19 the first year after the effective date of the elementary  
20 opt-in.

21 (E) If the effective date for the elementary opt-in is  
22 5 years after the effective date for the optional  
23 elementary unit district, the optional elementary unit  
24 district is not eligible for any additional incentives due  
25 to the elementary opt-in.

26 (6.5) For the first year after the annexation of territory

1 detached from another school district whereby the enrollment of  
2 the annexing district increases by 90% or more as a result of  
3 the annexation, a computation shall be made totaling the  
4 audited fund balances of the district gaining territory and the  
5 audited fund balances of the district losing territory in the  
6 educational fund, working cash fund, operations and  
7 maintenance fund, and transportation fund for the year ending  
8 June 30 prior to the date that the change of boundaries  
9 attributable to the annexation is allowed by the affirmative  
10 decision of the regional board of school trustees under Section  
11 7-6 of this Code, notwithstanding any action for administrative  
12 review of the decision. The annexing district as constituted  
13 after the annexation shall be paid supplementary State aid  
14 equal to the difference between the deficit of whichever  
15 district included in this calculation as constituted prior to  
16 the annexation had the smallest deficit and the deficit of each  
17 other district included in this calculation as constituted  
18 prior to the annexation, multiplied by the ratio of equalized  
19 assessed value of the territory detached to the total equalized  
20 assessed value of the district losing territory. The regional  
21 superintendent of schools for the educational service region in  
22 which a district losing territory is located prior to the  
23 annexation shall certify to the State Board of Education the  
24 value of all taxable property in the district losing territory  
25 and the value of all taxable property in the territory being  
26 detached, as last equalized or assessed by the Department of

1 Revenue prior to the annexation. To be eligible for  
2 supplementary State aid reimbursement under this Section, the  
3 intergovernmental agreement to be submitted pursuant to  
4 Section 7-14A of this Code must show that fund balances were  
5 transferred from the district losing territory to the district  
6 gaining territory in the annexation. The changes to this  
7 Section made by Public Act 95-707 are intended to be  
8 retroactive and applicable to any annexation taking effect on  
9 or after July 1, 2004. For annexations that are eligible for  
10 payments under this paragraph (6.5) and that are effective on  
11 or after July 1, 2004, but before January 11, 2008 (the  
12 effective date of Public Act 95-707), the required payment  
13 under this paragraph (6.5) shall be paid in the fiscal year of  
14 January 11, 2008 (the effective date of Public Act 95-707).

15 (7) For purposes of any calculation required under  
16 paragraph (1), (2), (3), (4), (5), (6), or (6.5) of this  
17 subsection (c), a district with a combined fund balance that is  
18 positive shall be considered to have a deficit of zero. For  
19 purposes of determining each district's audited fund balances  
20 in its educational fund, working cash fund, operations and  
21 maintenance fund, and transportation fund for the specified  
22 year ending June 30, as provided in paragraphs (1), (2), (3),  
23 (4), (5), (6), and (6.5) of this subsection (c), the balance of  
24 each fund shall be deemed decreased by an amount equal to the  
25 amount of the annual property tax theretofore levied in the  
26 fund by the district for collection and payment to the district

1 during the calendar year in which the June 30 fell, but only to  
2 the extent that the tax so levied in the fund actually was  
3 received by the district on or before or comprised a part of  
4 the fund on such June 30. For purposes of determining each  
5 district's audited fund balances, a calculation shall be made  
6 for each fund to determine the average for the 3 years prior to  
7 the specified year ending June 30, as provided in paragraphs  
8 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c),  
9 of the district's expenditures in the categories "purchased  
10 services", "supplies and materials", and "capital outlay", as  
11 those categories are defined in rules of the State Board of  
12 Education. If this 3-year average is less than the district's  
13 expenditures in these categories for the specified year ending  
14 June 30, as provided in paragraphs (1), (2), (3), (4), (5),  
15 (6), and (6.5) of this subsection (c), then the 3-year average  
16 shall be used in calculating the amounts payable under this  
17 Section in place of the amounts shown in these categories for  
18 the specified year ending June 30, as provided in paragraphs  
19 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c).  
20 Any deficit because of State aid not yet received may not be  
21 considered in determining the June 30 deficits. The same basis  
22 of accounting shall be used by all previously existing  
23 districts and by all annexing or annexed districts, as  
24 constituted prior to the annexation, in making any computation  
25 required under paragraphs (1), (2), (3), (4), (5), (6), and  
26 (6.5) of this subsection (c).



1           (8) The supplementary State aid payments under this  
2 subsection (c) shall be treated as separate from all other  
3 payments made pursuant to Section 18-8.05 of this Code.

4           (d)(1) Following the formation of a combined school  
5 district, as defined in Section 11E-20 of this Code, a new unit  
6 district, as defined in Section 11E-25 of this Code, a new  
7 elementary district or districts and a new high school district  
8 formed through a school district conversion, as defined in  
9 Section 11E-15 of this Code, a new partial elementary unit  
10 district, as defined in Section 11E-30 of this Code, or a new  
11 elementary district or districts formed through a multi-unit  
12 conversion, as defined in subsection (b) of Section 11E-30 of  
13 this Code, or the annexation of all of the territory of one or  
14 more entire school districts by one or more other school  
15 districts, as defined in Article 7 of this Code, a  
16 supplementary State aid reimbursement shall be paid for the  
17 number of school years determined under the following table to  
18 each new or annexing district equal to the sum of \$4,000 for  
19 each certified employee who is employed by the district on a  
20 full-time basis for the regular term of the school year:

21	Reorganized District's Rank	Reorganized District's Rank
22	by type of district (unit,	in Average Daily Attendance
23	high school, elementary)	By Quintile
24	in Equalized Assessed Value	
25	Per Pupil by Quintile	

1				3rd, 4th,
2		1st	2nd	or 5th
3		Quintile	Quintile	Quintile
4	1st Quintile	1 year	1 year	1 year
5	2nd Quintile	1 year	2 years	2 years
6	3rd Quintile	2 years	3 years	3 years
7	4th Quintile	2 years	3 years	3 years
8	5th Quintile	2 years	3 years	3 years

9 The State Board of Education shall make a one-time calculation  
10 of a reorganized district's quintile ranks. The average daily  
11 attendance used in this calculation shall be the best 3 months'  
12 average daily attendance for the district's first year. The  
13 equalized assessed value per pupil shall be the district's real  
14 property equalized assessed value used in calculating the  
15 district's first-year general State aid claim, under Section  
16 18-8.05 of this Code, or first-year evidence-based funding  
17 claim, under Section 18-8.15 of this Code, as applicable,  
18 divided by the best 3 months' average daily attendance.

19 No annexing or resulting school district shall be entitled  
20 to supplementary State aid under this subsection (d) unless the  
21 district acquires at least 30% of the average daily attendance  
22 of the district from which the territory is being detached or  
23 divided.

24 If a district results from multiple reorganizations that  
25 would otherwise qualify the district for multiple payments

1 under this subsection (d) in any year, then the district shall  
2 receive a single payment only for that year based solely on the  
3 most recent reorganization.

4 (2) For an elementary opt-in, as defined in subsection (d)  
5 of Section 11E-30 of this Code, the full-time certified staff  
6 incentive shall be computed in accordance with paragraph (1) of  
7 this subsection (d), equal to the sum of \$4,000 for each  
8 certified employee of the elementary district that opts-in who  
9 is employed by the optional elementary unit district on a  
10 full-time basis for the regular term of the school year. The  
11 calculation from this paragraph (2) must be paid as follows:

12 (A) If the effective date for the elementary opt-in is  
13 one year after the effective date for the optional  
14 elementary unit district, 100% of the amount calculated in  
15 this paragraph (2) shall be paid to the optional elementary  
16 unit district for the number of years calculated in  
17 paragraph (1) of this subsection (d) at the optional  
18 elementary unit district's original effective date,  
19 starting in the second year after the effective date of the  
20 elementary opt-in.

21 (B) If the effective date for the elementary opt-in is  
22 2 years after the effective date for the optional  
23 elementary unit district, 75% of the amount calculated in  
24 this paragraph (2) shall be paid to the optional elementary  
25 unit district for the number of years calculated in  
26 paragraph (1) of this subsection (d) at the optional

1 elementary unit district's original effective date,  
2 starting in the second year after the effective date of the  
3 elementary opt-in.

4 (C) If the effective date for the elementary opt-in is  
5 3 years after the effective date for the optional  
6 elementary unit district, 50% of the amount calculated in  
7 this paragraph (2) shall be paid to the optional elementary  
8 unit district for the number of years calculated in  
9 paragraph (1) of this subsection (d) at the optional  
10 elementary unit district's original effective date,  
11 starting in the second year after the effective date of the  
12 elementary opt-in.

13 (D) If the effective date for the elementary opt-in is  
14 4 years after the effective date for the optional  
15 elementary unit district, 25% of the amount calculated in  
16 this paragraph (2) shall be paid to the optional elementary  
17 unit district for the number of years calculated in  
18 paragraph (1) of this subsection (d) at the optional  
19 elementary unit district's original effective date,  
20 starting in the second year after the effective date of the  
21 elementary opt-in.

22 (E) If the effective date for the elementary opt-in is  
23 5 years after the effective date for the optional  
24 elementary unit district, the optional elementary unit  
25 district is not eligible for any additional incentives due  
26 to the elementary opt-in.

1           (2.5) Following the formation of a cooperative high school  
2 by 2 or more school districts under Section 10-22.22c of this  
3 Code, a supplementary State aid reimbursement shall be paid for  
4 3 school years to the cooperative high school equal to the sum  
5 of \$4,000 for each certified employee who is employed by the  
6 cooperative high school on a full-time basis for the regular  
7 term of any such school year. If a cooperative high school  
8 results from multiple agreements that would otherwise qualify  
9 the cooperative high school for multiple payments under this  
10 Section in any year, the cooperative high school shall receive  
11 a single payment for that year based solely on the most recent  
12 agreement.

13           (2.10) Following the annexation of territory detached from  
14 another school district whereby the enrollment of the annexing  
15 district increases 90% or more as a result of the annexation, a  
16 supplementary State aid reimbursement shall be paid to the  
17 annexing district equal to the sum of \$4,000 for each certified  
18 employee who is employed by the annexing district on a  
19 full-time basis and shall be calculated in accordance with  
20 subsection (a) of this Section. To be eligible for  
21 supplementary State aid reimbursement under this Section, the  
22 intergovernmental agreement to be submitted pursuant to  
23 Section 7-14A of this Code must show that certified staff  
24 members were transferred from the control of the district  
25 losing territory to the control of the district gaining  
26 territory in the annexation. The changes to this Section made

1 by Public Act 95-707 are intended to be retroactive and  
2 applicable to any annexation taking effect on or after July 1,  
3 2004. For annexations that are eligible for payments under this  
4 paragraph (2.10) and that are effective on or after July 1,  
5 2004, but before January 11, 2008 (the effective date of Public  
6 Act 95-707), the first required yearly payment under this  
7 paragraph (2.10) shall be paid in the second fiscal year after  
8 January 11, 2008 (the effective date of Public Act 95-707). Any  
9 subsequent required yearly payments shall be paid in subsequent  
10 fiscal years until the payment obligation under this paragraph  
11 (2.10) is complete.

12 (2.15) Following the deactivation of a school facility in  
13 accordance with Section 10-22.22b of this Code, a supplementary  
14 State aid reimbursement shall be paid for the lesser of 3  
15 school years or the length of the deactivation agreement,  
16 including any renewals of the original deactivation agreement,  
17 to each receiving school district equal to the sum of \$4,000  
18 for each certified employee who is employed by that receiving  
19 district on a full-time basis for the regular term of any such  
20 school year who was originally transferred to the control of  
21 that receiving district as a result of the deactivation.  
22 Receiving districts are eligible for payments under this  
23 paragraph (2.15) based on the certified employees transferred  
24 to that receiving district as a result of the deactivation and  
25 are not required to receive at least 30% of the deactivating  
26 district's average daily attendance as required under

1 paragraph (1) of this subsection (d) to be eligible for  
2 payments.

3 (3) The supplementary State aid reimbursement payable  
4 under this subsection (d) shall be separate from and in  
5 addition to all other payments made to the district pursuant to  
6 any other Section of this Article.

7 (4) During May of each school year for which a  
8 supplementary State aid reimbursement is to be paid to a new,  
9 annexing, or receiving school district or cooperative high  
10 school pursuant to this subsection (d), the school board or  
11 governing board shall certify to the State Board of Education,  
12 on forms furnished to the school board or governing board by  
13 the State Board of Education for purposes of this subsection  
14 (d), the number of certified employees for which the district  
15 or cooperative high school is entitled to reimbursement under  
16 this Section, together with the names, certificate numbers, and  
17 positions held by the certified employees.

18 (5) Upon certification by the State Board of Education to  
19 the State Comptroller of the amount of the supplementary State  
20 aid reimbursement to which a school district or cooperative  
21 high school is entitled under this subsection (d), the State  
22 Comptroller shall draw his or her warrant upon the State  
23 Treasurer for the payment thereof to the school district or  
24 cooperative high school and shall promptly transmit the payment  
25 to the school district or cooperative high school through the  
26 appropriate school treasurer.

1 (Source: P.A. 95-331, eff. 8-21-07; 95-707, eff. 1-11-08;  
2 95-903, eff. 8-25-08; 96-328, eff. 8-11-09.)

3 (105 ILCS 5/13A-8)  
4 Sec. 13A-8. Funding.

5 (a) The State of Illinois shall provide funding for the  
6 alternative school programs within each educational service  
7 region and within the Chicago public school system by line item  
8 appropriation made to the State Board of Education for that  
9 purpose. This money, when appropriated, shall be provided to  
10 the regional superintendent and to the Chicago Board of  
11 Education, who shall establish a budget, including salaries,  
12 for their alternative school programs. Each program shall  
13 receive funding in the amount of \$30,000 plus an amount based  
14 on the ratio of the region's or Chicago's best 3 months'  
15 average daily attendance in grades pre-kindergarten through 12  
16 to the statewide totals of these amounts. For purposes of this  
17 calculation, the best 3 months' average daily attendance for  
18 each region or Chicago shall be calculated by adding to the  
19 best 3 months' average daily attendance the number of  
20 low-income students identified in the most recently available  
21 federal census multiplied by one-half times the percentage of  
22 the region's or Chicago's low-income students to the State's  
23 total low-income students. The State Board of Education shall  
24 retain up to 1.1% of the appropriation to be used to provide  
25 technical assistance, professional development, and



1 evaluations for the programs.

2 (a-5) Notwithstanding any other provisions of this  
3 Section, for the 1998-1999 fiscal year, the total amount  
4 distributed under subsection (a) for an alternative school  
5 program shall be not less than the total amount that was  
6 distributed under that subsection for that alternative school  
7 program for the 1997-1998 fiscal year. If an alternative school  
8 program is to receive a total distribution under subsection (a)  
9 for the 1998-1999 fiscal year that is less than the total  
10 distribution that the program received under that subsection  
11 for the 1997-1998 fiscal year, that alternative school program  
12 shall also receive, from a separate appropriation made for  
13 purposes of this subsection (a-5), a supplementary payment  
14 equal to the amount by which its total distribution under  
15 subsection (a) for the 1997-1998 fiscal year exceeds the amount  
16 of the total distribution that the alternative school program  
17 receives under that subsection for the 1998-1999 fiscal year.  
18 If the amount appropriated for supplementary payments to  
19 alternative school programs under this subsection (a-5) is  
20 insufficient for that purpose, those supplementary payments  
21 shall be prorated among the alternative school programs  
22 entitled to receive those supplementary payments according to  
23 the aggregate amount of the appropriation made for purposes of  
24 this subsection (a-5).

25 (b) An alternative school program shall be entitled to  
26 receive general State aid as calculated in subsection (K) of

1 Section 18-8.05 or evidence-based funding as calculated in  
2 subsection (g) of Section 18-8.15 upon filing a claim as  
3 provided therein. Any time that a student who is enrolled in an  
4 alternative school program spends in work-based learning,  
5 community service, or a similar alternative educational  
6 setting shall be included in determining the student's minimum  
7 number of clock hours of daily school work that constitute a  
8 day of attendance for purposes of calculating general State aid  
9 or evidence-based funding.

10 (c) An alternative school program may receive additional  
11 funding from its school districts in such amount as may be  
12 agreed upon by the parties and necessary to support the  
13 program. In addition, an alternative school program is  
14 authorized to accept and expend gifts, legacies, and grants,  
15 including but not limited to federal grants, from any source  
16 for purposes directly related to the conduct and operation of  
17 the program.

18 (Source: P.A. 89-383, eff. 8-18-95; 89-629, eff. 8-9-96;  
19 89-636, eff. 8-9-96; 90-14, eff. 7-1-97; 90-283, eff. 7-31-97;  
20 90-802, eff. 12-15-98.)

21 (105 ILCS 5/13B-20.20)

22 Sec. 13B-20.20. Enrollment in other programs. High school  
23 equivalency testing preparation programs are not eligible for  
24 funding under this Article. A student may enroll in a program  
25 approved under Section 18-8.05 or 18-8.15 of this Code, as

1 appropriate, or attend both the alternative learning  
2 opportunities program and the regular school program to enhance  
3 student performance and facilitate on-time graduation.

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

5 (105 ILCS 5/13B-45)

6 Sec. 13B-45. Days and hours of attendance. An alternative  
7 learning opportunities program shall provide students with at  
8 least the minimum number of days of pupil attendance required  
9 under Section 10-19 of this Code and the minimum number of  
10 daily hours of school work required under Section 18-8.05 or  
11 18-8.15 of this Code, provided that the State Board may approve  
12 exceptions to these requirements if the program meets all of  
13 the following conditions:

14 (1) The district plan submitted under Section  
15 13B-25.15 of this Code establishes that a program providing  
16 the required minimum number of days of attendance or daily  
17 hours of school work would not serve the needs of the  
18 program's students.

19 (2) Each day of attendance shall provide no fewer than  
20 3 clock hours of school work, as defined under paragraph  
21 (1) of subsection (F) of Section 18-8.05 of this Code.

22 (3) Each day of attendance that provides fewer than 5  
23 clock hours of school work shall also provide supplementary  
24 services, including without limitation work-based  
25 learning, student assistance programs, counseling, case

1 management, health and fitness programs, or life-skills or  
2 conflict resolution training, in order to provide a total  
3 daily program to the student of 5 clock hours. A program  
4 may claim general State aid or evidence-based funding for  
5 up to 2 hours of the time each day that a student is  
6 receiving supplementary services.

7 (4) Each program shall provide no fewer than 174 days  
8 of actual pupil attendance during the school term; however,  
9 approved evening programs that meet the requirements of  
10 Section 13B-45 of this Code may offer less than 174 days of  
11 actual pupil attendance during the school term.

12 (Source: P.A. 92-42, eff. 1-1-02.)

13 (105 ILCS 5/13B-50)

14 Sec. 13B-50. Eligibility to receive general State aid or  
15 evidence-based funding. In order to receive general State aid  
16 or evidence-based funding, alternative learning opportunities  
17 programs must meet the requirements for claiming general State  
18 aid as specified in Section 18-8.05 of this Code or  
19 evidence-based funding as specified in Section 18-8.15 of this  
20 Code, as applicable, with the exception of the length of the  
21 instructional day, which may be less than 5 hours of school  
22 work if the program meets the criteria set forth under Sections  
23 13B-50.5 and 13B-50.10 of this Code and if the program is  
24 approved by the State Board.

25 (Source: P.A. 92-42, eff. 1-1-02.)

1 (105 ILCS 5/13B-50.10)

2 Sec. 13B-50.10. Additional criteria for general State aid  
3 or evidence-based funding. In order to claim general State aid  
4 or evidence-based funding, an alternative learning  
5 opportunities program must meet the following criteria:

6 (1) Teacher professional development plans should include  
7 education in the instruction of at-risk students.

8 (2) Facilities must meet the health, life, and safety  
9 requirements in this Code.

10 (3) The program must comply with all other State and  
11 federal laws applicable to education providers.

12 (Source: P.A. 92-42, eff. 1-1-02.)

13 (105 ILCS 5/13B-50.15)

14 Sec. 13B-50.15. Level of funding. Approved alternative  
15 learning opportunities programs are entitled to claim general  
16 State aid or evidence-based funding, subject to Sections  
17 13B-50, 13B-50.5, and 13B-50.10 of this Code. Approved programs  
18 operated by regional offices of education are entitled to  
19 receive general State aid at the foundation level of support. A  
20 school district or consortium must ensure that an approved  
21 program receives supplemental general State aid,  
22 transportation reimbursements, and special education  
23 resources, if appropriate, for students enrolled in the  
24 program.

1 (Source: P.A. 92-42, eff. 1-1-02.)

2 (105 ILCS 5/14-7.02b)

3 Sec. 14-7.02b. Funding for children requiring special  
4 education services. Payments to school districts for children  
5 requiring special education services documented in their  
6 individualized education program regardless of the program  
7 from which these services are received, excluding children  
8 claimed under Sections 14-7.02 and 14-7.03 of this Code, shall  
9 be made in accordance with this Section. Funds received under  
10 this Section may be used only for the provision of special  
11 educational facilities and services as defined in Section  
12 14-1.08 of this Code.

13 The appropriation for fiscal year 2005 through fiscal year  
14 2017 ~~and thereafter~~ shall be based upon the IDEA child count of  
15 all students in the State, excluding students claimed under  
16 Sections 14-7.02 and 14-7.03 of this Code, on December 1 of the  
17 fiscal year 2 years preceding, multiplied by 17.5% of the  
18 general State aid foundation level of support established for  
19 that fiscal year under Section 18-8.05 of this Code.

20 Beginning with fiscal year 2005 and through fiscal year  
21 2007, individual school districts shall not receive payments  
22 under this Section totaling less than they received under the  
23 funding authorized under Section 14-7.02a of this Code during  
24 fiscal year 2004, pursuant to the provisions of Section  
25 14-7.02a as they were in effect before the effective date of

1 this amendatory Act of the 93rd General Assembly. This base  
2 level funding shall be computed first.

3 Beginning with fiscal year 2008 through fiscal year 2017  
4 ~~and each fiscal year thereafter~~, individual school districts  
5 must not receive payments under this Section totaling less than  
6 they received in fiscal year 2007. This funding shall be  
7 computed last and shall be a separate calculation from any  
8 other calculation set forth in this Section. This amount is  
9 exempt from the requirements of Section 1D-1 of this Code.

10 Through fiscal year 2017, an ~~An~~ amount equal to 85% of the  
11 funds remaining in the appropriation shall be allocated to  
12 school districts based upon the district's average daily  
13 attendance reported for purposes of Section 18-8.05 of this  
14 Code for the preceding school year. Fifteen percent of the  
15 funds remaining in the appropriation shall be allocated to  
16 school districts based upon the district's low income eligible  
17 pupil count used in the calculation of general State aid under  
18 Section 18-8.05 of this Code for the same fiscal year. One  
19 hundred percent of the funds computed and allocated to  
20 districts under this Section shall be distributed and paid to  
21 school districts.

22 For individual students with disabilities whose program  
23 costs exceed 4 times the district's per capita tuition rate as  
24 calculated under Section 10-20.12a of this Code, the costs in  
25 excess of 4 times the district's per capita tuition rate shall  
26 be paid by the State Board of Education from unexpended IDEA

1 discretionary funds originally designated for room and board  
2 reimbursement pursuant to Section 14-8.01 of this Code. The  
3 amount of tuition for these children shall be determined by the  
4 actual cost of maintaining classes for these children, using  
5 the per capita cost formula set forth in Section 14-7.01 of  
6 this Code, with the program and cost being pre-approved by the  
7 State Superintendent of Education. Reimbursement for  
8 individual students with disabilities whose program costs  
9 exceed 4 times the district's per capita tuition rate shall be  
10 claimed beginning with costs encumbered for the 2004-2005  
11 school year and thereafter.

12 The State Board of Education shall prepare vouchers equal  
13 to one-fourth the amount allocated to districts, for  
14 transmittal to the State Comptroller on the 30th day of  
15 September, December, and March, respectively, and the final  
16 voucher, no later than June 20. The Comptroller shall make  
17 payments pursuant to this Section to school districts as soon  
18 as possible after receipt of vouchers. If the money  
19 appropriated from the General Assembly for such purposes for  
20 any year is insufficient, it shall be apportioned on the basis  
21 of the payments due to school districts.

22 Nothing in this Section shall be construed to decrease or  
23 increase the percentage of all special education funds that are  
24 allocated annually under Article 1D of this Code or to alter  
25 the requirement that a school district provide special  
26 education services.



1 Nothing in this amendatory Act of the 93rd General Assembly  
2 shall eliminate any reimbursement obligation owed as of the  
3 effective date of this amendatory Act of the 93rd General  
4 Assembly to a school district with in excess of 500,000  
5 inhabitants.

6 Except for reimbursement for individual students with  
7 disabilities whose program costs exceed 4 times the district's  
8 per capita tuition rate, no funding shall be provided to school  
9 districts under this Section after fiscal year 2017.

10 In fiscal year 2018 and each fiscal year thereafter, all  
11 funding received by a school district from the State pursuant  
12 to Section 18-8.15 of this Code that is attributable to  
13 students requiring special education services must be used for  
14 special education services authorized under this Code.

15 (Source: P.A. 93-1022, eff. 8-24-08; 95-705, eff. 1-8-08.)

16 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

17 Sec. 14-13.01. Reimbursement payable by State; amounts for  
18 personnel and transportation.

19 (a) Through fiscal year 2017, for ~~For~~ staff working on  
20 behalf of children who have not been identified as eligible for  
21 special education and for eligible children with physical  
22 disabilities, including all eligible children whose placement  
23 has been determined under Section 14-8.02 in hospital or home  
24 instruction, 1/2 of the teacher's salary but not more than  
25 \$1,000 annually per child or \$9,000 per teacher, whichever is

1 less.

2 (a-5) A child qualifies for home or hospital instruction if  
3 it is anticipated that, due to a medical condition, the child  
4 will be unable to attend school, and instead must be instructed  
5 at home or in the hospital, for a period of 2 or more  
6 consecutive weeks or on an ongoing intermittent basis. For  
7 purposes of this Section, "ongoing intermittent basis" means  
8 that the child's medical condition is of such a nature or  
9 severity that it is anticipated that the child will be absent  
10 from school due to the medical condition for periods of at  
11 least 2 days at a time multiple times during the school year  
12 totaling at least 10 days or more of absences. There shall be  
13 no requirement that a child be absent from school a minimum  
14 number of days before the child qualifies for home or hospital  
15 instruction. In order to establish eligibility for home or  
16 hospital services, a student's parent or guardian must submit  
17 to the child's school district of residence a written statement  
18 from a physician licensed to practice medicine in all of its  
19 branches stating the existence of such medical condition, the  
20 impact on the child's ability to participate in education, and  
21 the anticipated duration or nature of the child's absence from  
22 school. Home or hospital instruction may commence upon receipt  
23 of a written physician's statement in accordance with this  
24 Section, but instruction shall commence not later than 5 school  
25 days after the school district receives the physician's  
26 statement. Special education and related services required by

1 the child's IEP or services and accommodations required by the  
2 child's federal Section 504 plan must be implemented as part of  
3 the child's home or hospital instruction, unless the IEP team  
4 or federal Section 504 plan team determines that modifications  
5 are necessary during the home or hospital instruction due to  
6 the child's condition.

7 (a-10) Through fiscal year 2017, eligible ~~Eligible~~  
8 children to be included in any reimbursement under this  
9 paragraph must regularly receive a minimum of one hour of  
10 instruction each school day, or in lieu thereof of a minimum of  
11 5 hours of instruction in each school week in order to qualify  
12 for full reimbursement under this Section. If the attending  
13 physician for such a child has certified that the child should  
14 not receive as many as 5 hours of instruction in a school week,  
15 however, reimbursement under this paragraph on account of that  
16 child shall be computed proportionate to the actual hours of  
17 instruction per week for that child divided by 5.

18 (a-15) The State Board of Education shall establish rules  
19 governing the required qualifications of staff providing home  
20 or hospital instruction.

21 (b) For children described in Section 14-1.02, 80% of the  
22 cost of transportation approved as a related service in the  
23 Individualized Education Program for each student in order to  
24 take advantage of special educational facilities.  
25 Transportation costs shall be determined in the same fashion as  
26 provided in Section 29-5 of this Code. For purposes of this

1 subsection (b), the dates for processing claims specified in  
2 Section 29-5 shall apply.

3 (c) Through fiscal year 2017, for ~~For~~ each qualified  
4 worker, the annual sum of \$9,000.

5 (d) Through fiscal year 2017, for ~~For~~ one full time  
6 qualified director of the special education program of each  
7 school district which maintains a fully approved program of  
8 special education the annual sum of \$9,000. Districts  
9 participating in a joint agreement special education program  
10 shall not receive such reimbursement if reimbursement is made  
11 for a director of the joint agreement program.

12 (e) (Blank).

13 (f) (Blank).

14 (g) Through fiscal year 2017, for ~~For~~ readers, working with  
15 blind or partially seeing children 1/2 of their salary but not  
16 more than \$400 annually per child. Readers may be employed to  
17 assist such children and shall not be required to be certified  
18 but prior to employment shall meet standards set up by the  
19 State Board of Education.

20 (h) Through fiscal year 2017, for ~~For~~ non-certified  
21 employees, as defined by rules promulgated by the State Board  
22 of Education, who deliver services to students with IEPs, 1/2  
23 of the salary paid or \$3,500 per employee, whichever is less.

24 (i) The State Board of Education shall set standards and  
25 prescribe rules for determining the allocation of  
26 reimbursement under this section on less than a full time basis

1 and for less than a school year.

2 When any school district eligible for reimbursement under  
3 this Section operates a school or program approved by the State  
4 Superintendent of Education for a number of days in excess of  
5 the adopted school calendar but not to exceed 235 school days,  
6 such reimbursement shall be increased by 1/180 of the amount or  
7 rate paid hereunder for each day such school is operated in  
8 excess of 180 days per calendar year.

9 Notwithstanding any other provision of law, any school  
10 district receiving a payment under this Section or under  
11 Section 14-7.02, 14-7.02b, or 29-5 of this Code may classify  
12 all or a portion of the funds that it receives in a particular  
13 fiscal year or from evidence-based funding ~~general State aid~~  
14 pursuant to Section 18-8.15 ~~18-8.05~~ of this Code as funds  
15 received in connection with any funding program for which it is  
16 entitled to receive funds from the State in that fiscal year  
17 (including, without limitation, any funding program referenced  
18 in this Section), regardless of the source or timing of the  
19 receipt. The district may not classify more funds as funds  
20 received in connection with the funding program than the  
21 district is entitled to receive in that fiscal year for that  
22 program. Any classification by a district must be made by a  
23 resolution of its board of education. The resolution must  
24 identify the amount of any payments or evidence-based funding  
25 ~~general State aid~~ to be classified under this paragraph and  
26 must specify the funding program to which the funds are to be

1 treated as received in connection therewith. This resolution is  
2 controlling as to the classification of funds referenced  
3 therein. A certified copy of the resolution must be sent to the  
4 State Superintendent of Education. The resolution shall still  
5 take effect even though a copy of the resolution has not been  
6 sent to the State Superintendent of Education in a timely  
7 manner. No classification under this paragraph by a district  
8 shall affect the total amount or timing of money the district  
9 is entitled to receive under this Code. No classification under  
10 this paragraph by a district shall in any way relieve the  
11 district from or affect any requirements that otherwise would  
12 apply with respect to that funding program, including any  
13 accounting of funds by source, reporting expenditures by  
14 original source and purpose, reporting requirements, or  
15 requirements of providing services.

16 No funding shall be provided to school districts under this  
17 Section after fiscal year 2017. In fiscal year 2018 and each  
18 fiscal year thereafter, all funding received by a school  
19 district from the State pursuant to Section 18-8.15 of this  
20 Code that is attributable to personnel reimbursements for  
21 special education pupils must be used for special education  
22 services authorized under this Code.

23 (Source: P.A. 96-257, eff. 8-11-09; 97-123, eff. 7-14-11.)

24 (105 ILCS 5/14C-1) (from Ch. 122, par. 14C-1)

25 Sec. 14C-1. The General Assembly finds that there are large

1 numbers of children in this State who come from environments  
2 where the primary language is other than English. Experience  
3 has shown that public school classes in which instruction is  
4 given only in English are often inadequate for the education of  
5 children whose native tongue is another language. The General  
6 Assembly believes that a program of transitional bilingual  
7 education can meet the needs of these children and facilitate  
8 their integration into the regular public school curriculum.  
9 Therefore, pursuant to the policy of this State to ensure equal  
10 educational opportunity to every child, and in recognition of  
11 the educational needs of English learners, it is the purpose of  
12 this Act to provide for the establishment of transitional  
13 bilingual education programs in the public schools, to provide  
14 supplemental financial assistance through fiscal year 2017 to  
15 help local school districts meet the extra costs of such  
16 programs, and to allow this State through the State Board of  
17 Education to directly or indirectly provide technical  
18 assistance and professional development to support  
19 transitional bilingual education or a transitional program of  
20 instruction ~~programs~~ statewide through contractual services by  
21 a not-for-profit entity for technical assistance, professional  
22 development, and other support to school districts and  
23 educators for services for English learner pupils. In no case  
24 may aggregate funding for contractual services by a  
25 not-for-profit entity for support to school districts and  
26 educators for services for English learner pupils be less than

1 the aggregate amount expended for such purposes in Fiscal Year  
2 2017. Not-for-profit entities providing support to school  
3 districts and educators for services for English learner pupils  
4 must have experience providing those services in a school  
5 district having a population exceeding 500,000; one or more  
6 school districts in any of the counties of Lake, McHenry,  
7 DuPage, Kane, and Will; and one or more school districts  
8 elsewhere in this State. Funding for not-for-profit entities  
9 providing support to school districts and educators for  
10 services for English learner pupils may be increased subject to  
11 an agreement with the State Board of Education. Funding for  
12 not-for-profit entities providing support to school districts  
13 and educators for services for English learner pupils shall  
14 come from funds allocated pursuant to Section 18-8.15 of this  
15 Code.

16 (Source: P.A. 99-30, eff. 7-10-15.)

17 (105 ILCS 5/14C-12) (from Ch. 122, par. 14C-12)

18 Sec. 14C-12. Account of expenditures; Cost report;  
19 Reimbursement. Each school district with at least one English  
20 learner shall keep an accurate, detailed and separate account  
21 of all monies paid out by it for the programs in transitional  
22 bilingual education required or permitted by this Article,  
23 including transportation costs, and shall annually report  
24 thereon for the school year ending June 30 indicating the  
25 average per pupil expenditure. Through fiscal year 2017, each



1 ~~Each~~ school district shall be reimbursed for the amount by  
2 which such costs exceed the average per pupil expenditure by  
3 such school district for the education of children of  
4 comparable age who are not in any special education program. No  
5 funding shall be provided to school districts under this  
6 Section after fiscal year 2017. In fiscal year 2018 and each  
7 fiscal year thereafter, all funding received by a school  
8 district from the State pursuant to Section 18-8.15 of this  
9 Code that is attributable to instructions, supports, and  
10 interventions for English learner pupils must be used for  
11 programs and services authorized under this Article. At least  
12 60% of transitional bilingual education funding received from  
13 the State must be used for the instructional costs of programs  
14 and services authorized under this Article ~~transitional~~  
15 ~~bilingual education.~~

16 Applications for preapproval ~~for reimbursement~~ for costs  
17 of transitional bilingual education programs must be submitted  
18 to the State Superintendent of Education at least 60 days  
19 before a transitional bilingual education program is started,  
20 unless a justifiable exception is granted by the State  
21 Superintendent of Education. Applications shall set forth a  
22 plan for transitional bilingual education established and  
23 maintained in accordance with this Article.

24 Through fiscal year 2017, reimbursement ~~Reimbursement~~  
25 claims for transitional bilingual education programs shall be  
26 made as follows:

1           Each school district shall claim reimbursement on a current  
2 basis for the first 3 quarters of the fiscal year and file a  
3 final adjusted claim for the school year ended June 30  
4 preceding computed in accordance with rules prescribed by the  
5 State Superintendent's Office. The State Superintendent of  
6 Education before approving any such claims shall determine  
7 their accuracy and whether they are based upon services and  
8 facilities provided under approved programs. Upon approval he  
9 shall transmit to the Comptroller the vouchers showing the  
10 amounts due for school district reimbursement claims. Upon  
11 receipt of the final adjusted claims the State Superintendent  
12 of Education shall make a final determination of the accuracy  
13 of such claims. If the money appropriated by the General  
14 Assembly for such purpose for any year is insufficient, it  
15 shall be apportioned on the basis of the claims approved.

16           Failure on the part of the school district to prepare and  
17 certify the final adjusted claims due under this Section may  
18 constitute a forfeiture by the school district of its right to  
19 be reimbursed by the State under this Section.

20           (Source: P.A. 96-1170, eff. 1-1-11.)

21           (105 ILCS 5/17-1) (from Ch. 122, par. 17-1)

22           Sec. 17-1. Annual Budget. The board of education of each  
23 school district under 500,000 inhabitants shall, within or  
24 before the first quarter of each fiscal year, adopt and file  
25 with the State Board of Education an annual balanced budget

1 which it deems necessary to defray all necessary expenses and  
2 liabilities of the district, and in such annual budget shall  
3 specify the objects and purposes of each item and amount needed  
4 for each object or purpose.

5 The budget shall be entered upon a School District Budget  
6 form prepared and provided by the State Board of Education and  
7 therein shall contain a statement of the cash on hand at the  
8 beginning of the fiscal year, an estimate of the cash expected  
9 to be received during such fiscal year from all sources, an  
10 estimate of the expenditures contemplated for such fiscal year,  
11 and a statement of the estimated cash expected to be on hand at  
12 the end of such year. The estimate of taxes to be received may  
13 be based upon the amount of actual cash receipts that may  
14 reasonably be expected by the district during such fiscal year,  
15 estimated from the experience of the district in prior years  
16 and with due regard for other circumstances that may  
17 substantially affect such receipts. Nothing in this Section  
18 shall be construed as requiring any district to change or  
19 preventing any district from changing from a cash basis of  
20 financing to a surplus or deficit basis of financing; or as  
21 requiring any district to change or preventing any district  
22 from changing its system of accounting. The budget shall  
23 conform to the requirements adopted by the State Board of  
24 Education pursuant to Section 2-3.28 of this Code.

25 To the extent that a school district's budget is not  
26 balanced, the district shall also adopt and file with the State

1 Board of Education a deficit reduction plan to balance the  
2 district's budget within 3 years. The deficit reduction plan  
3 must be filed at the same time as the budget, but the State  
4 Superintendent of Education may extend this deadline if the  
5 situation warrants.

6 If, as the result of an audit performed in compliance with  
7 Section 3-7 of this Code, the resulting Annual Financial Report  
8 required to be submitted pursuant to Section 3-15.1 of this  
9 Code reflects a deficit as defined for purposes of the  
10 preceding paragraph, then the district shall, within 30 days  
11 after acceptance of such audit report, submit a deficit  
12 reduction plan.

13 The board of education of each district shall fix a fiscal  
14 year therefor. If the beginning of the fiscal year of a  
15 district is subsequent to the time that the tax levy due to be  
16 made in such fiscal year shall be made, then such annual budget  
17 shall be adopted prior to the time such tax levy shall be made.  
18 The failure by a board of education of any district to adopt an  
19 annual budget, or to comply in any respect with the provisions  
20 of this Section, shall not affect the validity of any tax levy  
21 of the district otherwise in conformity with the law. With  
22 respect to taxes levied either before, on, or after the  
23 effective date of this amendatory Act of the 91st General  
24 Assembly, (i) a tax levy is made for the fiscal year in which  
25 the levy is due to be made regardless of which fiscal year the  
26 proceeds of the levy are expended or are intended to be

1 expended, and (ii) except as otherwise provided by law, a board  
2 of education's adoption of an annual budget in conformity with  
3 this Section is not a prerequisite to the adoption of a valid  
4 tax levy and is not a limit on the amount of the levy.

5 Such budget shall be prepared in tentative form by some  
6 person or persons designated by the board, and in such  
7 tentative form shall be made conveniently available to public  
8 inspection for at least 30 days prior to final action thereon.  
9 At least 1 public hearing shall be held as to such budget prior  
10 to final action thereon. Notice of availability for public  
11 inspection and of such public hearing shall be given by  
12 publication in a newspaper published in such district, at least  
13 30 days prior to the time of such hearing. If there is no  
14 newspaper published in such district, notice of such public  
15 hearing shall be given by posting notices thereof in 5 of the  
16 most public places in such district. It shall be the duty of  
17 the secretary of such board to make such tentative budget  
18 available to public inspection, and to arrange for such public  
19 hearing. The board may from time to time make transfers between  
20 the various items in any fund not exceeding in the aggregate  
21 10% of the total of such fund as set forth in the budget. The  
22 board may from time to time amend such budget by the same  
23 procedure as is herein provided for its original adoption.

24 Beginning July 1, 1976, the board of education, or regional  
25 superintendent, or governing board responsible for the  
26 administration of a joint agreement shall, by September 1 of

1 each fiscal year thereafter, adopt an annual budget for the  
2 joint agreement in the same manner and subject to the same  
3 requirements as are provided in this Section.

4 The State Board of Education shall exercise powers and  
5 duties relating to budgets as provided in Section 2-3.27 of  
6 this Code and shall require school districts to submit their  
7 annual budgets, deficit reduction plans, and other financial  
8 information, including revenue and expenditure reports and  
9 borrowing and interfund transfer plans, in such form and within  
10 the timelines designated by the State Board of Education.

11 By fiscal year 1982 all school districts shall use the  
12 Program Budget Accounting System.

13 In the case of a school district receiving emergency State  
14 financial assistance under Article 1B, the school board shall  
15 also be subject to the requirements established under Article  
16 1B with respect to the annual budget.

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

18 (105 ILCS 5/17-1.2)

19 Sec. 17-1.2. Post annual budget on web site. If a school  
20 district has an Internet web site, the school district shall  
21 post its current annual budget, itemized by receipts and  
22 expenditures, on the district's Internet web site. The budget  
23 shall include information conforming to the rules adopted by  
24 the State Board of Education pursuant to Section 2-3.28 of this  
25 Code. The school district shall notify the parents or guardians

1 of its students that the budget has been posted on the  
2 district's web site and what the web site's address is.

3 (Source: P.A. 92-438, eff. 1-1-02.)

4 (105 ILCS 5/17-1.5)

5 Sec. 17-1.5. Limitation of administrative costs.

6 (a) It is the purpose of this Section to establish  
7 limitations on the growth of administrative expenditures in  
8 order to maximize the proportion of school district resources  
9 available for the instructional program, building maintenance,  
10 and safety services for the students of each district.

11 (b) Definitions. For the purposes of this Section:

12 "Administrative expenditures" mean the annual expenditures  
13 of school districts properly attributable to expenditure  
14 functions defined by the rules of the State Board of Education  
15 as: 2320 (Executive Administration Services); 2330 (Special  
16 Area Administration Services); 2490 (Other Support Services -  
17 School Administration); 2510 (Direction of Business Support  
18 Services); 2570 (Internal Services); and 2610 (Direction of  
19 Central Support Services); provided, however, that  
20 "administrative expenditures" shall not include early  
21 retirement or other pension system obligations required by  
22 State law.

23 "School district" means all school districts having a  
24 population of less than 500,000.

25 (c) For the 1998-99 school year and each school year

1 thereafter, each school district shall undertake budgetary and  
2 expenditure control actions so that the increase in  
3 administrative expenditures for that school year over the prior  
4 school year does not exceed 5%. School districts with  
5 administrative expenditures per pupil in the 25th percentile  
6 and below for all districts of the same type, as defined by the  
7 State Board of Education, may waive the limitation imposed  
8 under this Section for any year following a public hearing and  
9 with the affirmative vote of at least two-thirds of the members  
10 of the school board of the district. Any district waiving the  
11 limitation shall notify the State Board within 45 days of such  
12 action.

13 (d) School districts shall file with the State Board of  
14 Education by November 15, 1998 and by each November 15th  
15 thereafter a one-page report that lists (i) the actual  
16 administrative expenditures for the prior year from the  
17 district's audited Annual Financial Report, and (ii) the  
18 projected administrative expenditures for the current year  
19 from the budget adopted by the school board pursuant to Section  
20 17-1 of this Code.

21 If a school district that is ineligible to waive the  
22 limitation imposed by subsection (c) of this Section by board  
23 action exceeds the limitation solely because of circumstances  
24 beyond the control of the district and the district has  
25 exhausted all available and reasonable remedies to comply with  
26 the limitation, the district may request a waiver pursuant to



1 Section 2-3.25g. The waiver application shall specify the  
2 amount, nature, and reason for the relief requested, as well as  
3 all remedies the district has exhausted to comply with the  
4 limitation. Any emergency relief so requested shall apply only  
5 to the specific school year for which the request is made. The  
6 State Board of Education shall analyze all such waivers  
7 submitted and shall recommend that the General Assembly  
8 disapprove any such waiver requested that is not due solely to  
9 circumstances beyond the control of the district and for which  
10 the district has not exhausted all available and reasonable  
11 remedies to comply with the limitation. The State  
12 Superintendent shall have no authority to impose any sanctions  
13 pursuant to this Section for any expenditures for which a  
14 waiver has been requested until such waiver has been reviewed  
15 by the General Assembly.

16 If the report and information required under this  
17 subsection (d) are not provided by the school district in a  
18 timely manner, or are subsequently determined by the State  
19 Superintendent of Education to be incomplete or inaccurate, the  
20 State Superintendent shall notify the district in writing of  
21 reporting deficiencies. The school district shall, within 60  
22 days of the notice, address the reporting deficiencies  
23 identified.

24 (e) If the State Superintendent determines that a school  
25 district has failed to comply with the administrative  
26 expenditure limitation imposed in subsection (c) of this

1 Section, the State Superintendent shall notify the district of  
2 the violation and direct the district to undertake corrective  
3 action to bring the district's budget into compliance with the  
4 administrative expenditure limitation. The district shall,  
5 within 60 days of the notice, provide adequate assurance to the  
6 State Superintendent that appropriate corrective actions have  
7 been or will be taken. If the district fails to provide  
8 adequate assurance or fails to undertake the necessary  
9 corrective actions, the State Superintendent may impose  
10 progressive sanctions against the district that may culminate  
11 in withholding all subsequent payments of general State aid due  
12 the district under Section 18-8.05 of this Code or  
13 evidence-based funding due the district under Section 18-8.15  
14 of this Code until the assurance is provided or the corrective  
15 actions taken.

16 (f) The State Superintendent shall publish a list each year  
17 of the school districts that violate the limitation imposed by  
18 subsection (c) of this Section and a list of the districts that  
19 waive the limitation by board action as provided in subsection  
20 (c) of this Section.

21 (Source: P.A. 90-548, eff. 1-1-98; 90-653, eff. 7-29-98.)

22 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

23 Sec. 17-2.11. School board power to levy a tax or to borrow  
24 money and issue bonds for fire prevention, safety, energy  
25 conservation, accessibility, school security, and specified

1 repair purposes.

2 (a) Whenever, as a result of any lawful order of any  
3 agency, other than a school board, having authority to enforce  
4 any school building code applicable to any facility that houses  
5 students, or any law or regulation for the protection and  
6 safety of the environment, pursuant to the Environmental  
7 Protection Act, any school district having a population of less  
8 than 500,000 inhabitants is required to alter or reconstruct  
9 any school building or permanent, fixed equipment; the district  
10 may, by proper resolution, levy a tax for the purpose of making  
11 such alteration or reconstruction, based on a survey report by  
12 an architect or engineer licensed in this State, upon all of  
13 the taxable property of the district at the value as assessed  
14 by the Department of Revenue and at a rate not to exceed 0.05%  
15 per year for a period sufficient to finance such alteration or  
16 reconstruction, upon the following conditions:

17 (1) When there are not sufficient funds available in  
18 the operations and maintenance fund of the school district,  
19 the school facility occupation tax fund of the district, or  
20 the fire prevention and safety fund of the district, as  
21 determined by the district on the basis of rules adopted by  
22 the State Board of Education, to make such alteration or  
23 reconstruction or to purchase and install such permanent,  
24 fixed equipment so ordered or determined as necessary.  
25 Appropriate school district records must be made available  
26 to the State Superintendent of Education, upon request, to

1 confirm this insufficiency.

2 (2) When a certified estimate of an architect or  
3 engineer licensed in this State stating the estimated  
4 amount necessary to make the alteration or reconstruction  
5 or to purchase and install the equipment so ordered has  
6 been secured by the school district, and the estimate has  
7 been approved by the regional superintendent of schools  
8 having jurisdiction over the district and the State  
9 Superintendent of Education. Approval must not be granted  
10 for any work that has already started without the prior  
11 express authorization of the State Superintendent of  
12 Education. If the estimate is not approved or is denied  
13 approval by the regional superintendent of schools within 3  
14 months after the date on which it is submitted to him or  
15 her, the school board of the district may submit the  
16 estimate directly to the State Superintendent of Education  
17 for approval or denial.

18 In the case of an emergency situation, where the estimated  
19 cost to effectuate emergency repairs is less than the amount  
20 specified in Section 10-20.21 of this Code, the school district  
21 may proceed with such repairs prior to approval by the State  
22 Superintendent of Education, but shall comply with the  
23 provisions of subdivision (2) of this subsection (a) as soon  
24 thereafter as may be as well as Section 10-20.21 of this Code.  
25 If the estimated cost to effectuate emergency repairs is  
26 greater than the amount specified in Section 10-20.21 of this

1 Code, then the school district shall proceed in conformity with  
2 Section 10-20.21 of this Code and with rules established by the  
3 State Board of Education to address such situations. The rules  
4 adopted by the State Board of Education to deal with these  
5 situations shall stipulate that emergency situations must be  
6 expedited and given priority consideration. For purposes of  
7 this paragraph, an emergency is a situation that presents an  
8 imminent and continuing threat to the health and safety of  
9 students or other occupants of a facility, requires complete or  
10 partial evacuation of a building or part of a building, or  
11 consumes one or more of the 5 emergency days built into the  
12 adopted calendar of the school or schools or would otherwise be  
13 expected to cause such school or schools to fall short of the  
14 minimum school calendar requirements.

15 (b) Whenever any such district determines that it is  
16 necessary for energy conservation purposes that any school  
17 building or permanent, fixed equipment should be altered or  
18 reconstructed and that such alterations or reconstruction will  
19 be made with funds not necessary for the completion of approved  
20 and recommended projects contained in any safety survey report  
21 or amendments thereto authorized by Section 2-3.12 of this Act;  
22 the district may levy a tax or issue bonds as provided in  
23 subsection (a) of this Section.

24 (c) Whenever any such district determines that it is  
25 necessary for accessibility purposes and to comply with the  
26 school building code that any school building or equipment

1 should be altered or reconstructed and that such alterations or  
2 reconstruction will be made with funds not necessary for the  
3 completion of approved and recommended projects contained in  
4 any safety survey report or amendments thereto authorized under  
5 Section 2-3.12 of this Act, the district may levy a tax or  
6 issue bonds as provided in subsection (a) of this Section.

7 (d) Whenever any such district determines that it is  
8 necessary for school security purposes and the related  
9 protection and safety of pupils and school personnel that any  
10 school building or property should be altered or reconstructed  
11 or that security systems and equipment (including but not  
12 limited to intercom, early detection and warning, access  
13 control and television monitoring systems) should be purchased  
14 and installed, and that such alterations, reconstruction or  
15 purchase and installation of equipment will be made with funds  
16 not necessary for the completion of approved and recommended  
17 projects contained in any safety survey report or amendment  
18 thereto authorized by Section 2-3.12 of this Act and will deter  
19 and prevent unauthorized entry or activities upon school  
20 property by unknown or dangerous persons, assure early  
21 detection and advance warning of any such actual or attempted  
22 unauthorized entry or activities and help assure the continued  
23 safety of pupils and school staff if any such unauthorized  
24 entry or activity is attempted or occurs; the district may levy  
25 a tax or issue bonds as provided in subsection (a) of this  
26 Section.

1 (e) If a school district does not need funds for other fire  
2 prevention and safety projects, including the completion of  
3 approved and recommended projects contained in any safety  
4 survey report or amendments thereto authorized by Section  
5 2-3.12 of this Act, and it is determined after a public hearing  
6 (which is preceded by at least one published notice (i)  
7 occurring at least 7 days prior to the hearing in a newspaper  
8 of general circulation within the school district and (ii)  
9 setting forth the time, date, place, and general subject matter  
10 of the hearing) that there is a substantial, immediate, and  
11 otherwise unavoidable threat to the health, safety, or welfare  
12 of pupils due to disrepair of school sidewalks, playgrounds,  
13 parking lots, or school bus turnarounds and repairs must be  
14 made; then the district may levy a tax or issue bonds as  
15 provided in subsection (a) of this Section.

16 (f) For purposes of this Section a school district may  
17 replace a school building or build additions to replace  
18 portions of a building when it is determined that the  
19 effectuation of the recommendations for the existing building  
20 will cost more than the replacement costs. Such determination  
21 shall be based on a comparison of estimated costs made by an  
22 architect or engineer licensed in the State of Illinois. The  
23 new building or addition shall be equivalent in area (square  
24 feet) and comparable in purpose and grades served and may be on  
25 the same site or another site. Such replacement may only be  
26 done upon order of the regional superintendent of schools and

1 the approval of the State Superintendent of Education.

2 (g) The filing of a certified copy of the resolution  
3 levying the tax when accompanied by the certificates of the  
4 regional superintendent of schools and State Superintendent of  
5 Education shall be the authority of the county clerk to extend  
6 such tax.

7 (h) The county clerk of the county in which any school  
8 district levying a tax under the authority of this Section is  
9 located, in reducing raised levies, shall not consider any such  
10 tax as a part of the general levy for school purposes and shall  
11 not include the same in the limitation of any other tax rate  
12 which may be extended.

13 Such tax shall be levied and collected in like manner as  
14 all other taxes of school districts, subject to the provisions  
15 contained in this Section.

16 (i) The tax rate limit specified in this Section may be  
17 increased to .10% upon the approval of a proposition to effect  
18 such increase by a majority of the electors voting on that  
19 proposition at a regular scheduled election. Such proposition  
20 may be initiated by resolution of the school board and shall be  
21 certified by the secretary to the proper election authorities  
22 for submission in accordance with the general election law.

23 (j) When taxes are levied by any school district for fire  
24 prevention, safety, energy conservation, and school security  
25 purposes as specified in this Section, and the purposes for  
26 which the taxes have been levied are accomplished and paid in



1 full, and there remain funds on hand in the Fire Prevention and  
2 Safety Fund from the proceeds of the taxes levied, including  
3 interest earnings thereon, the school board by resolution shall  
4 use such excess and other board restricted funds, excluding  
5 bond proceeds and earnings from such proceeds, as follows:

6 (1) for other authorized fire prevention, safety,  
7 energy conservation, required safety inspections, school  
8 security purposes, sampling for lead in drinking water in  
9 schools, and for repair and mitigation due to lead levels  
10 in the drinking water supply; or

11 (2) for transfer to the Operations and Maintenance Fund  
12 for the purpose of abating an equal amount of operations  
13 and maintenance purposes taxes.

14 Notwithstanding subdivision (2) of this subsection (j) and  
15 subsection (k) of this Section, through June 30, 2020 ~~2019~~, the  
16 school board may, by proper resolution following a public  
17 hearing set by the school board or the president of the school  
18 board (that is preceded (i) by at least one published notice  
19 over the name of the clerk or secretary of the board, occurring  
20 at least 7 days and not more than 30 days prior to the hearing,  
21 in a newspaper of general circulation within the school  
22 district and (ii) by posted notice over the name of the clerk  
23 or secretary of the board, at least 48 hours before the  
24 hearing, at the principal office of the school board or at the  
25 building where the hearing is to be held if a principal office  
26 does not exist, with both notices setting forth the time, date,

1 place, and subject matter of the hearing), transfer surplus  
2 life safety taxes and interest earnings thereon to the  
3 Operations and Maintenance Fund for building repair work.

4 (k) If any transfer is made to the Operation and  
5 Maintenance Fund, the secretary of the school board shall  
6 within 30 days notify the county clerk of the amount of that  
7 transfer and direct the clerk to abate the taxes to be extended  
8 for the purposes of operations and maintenance authorized under  
9 Section 17-2 of this Act by an amount equal to such transfer.

10 (l) If the proceeds from the tax levy authorized by this  
11 Section are insufficient to complete the work approved under  
12 this Section, the school board is authorized to sell bonds  
13 without referendum under the provisions of this Section in an  
14 amount that, when added to the proceeds of the tax levy  
15 authorized by this Section, will allow completion of the  
16 approved work.

17 (m) Any bonds issued pursuant to this Section shall bear  
18 interest at a rate not to exceed the maximum rate authorized by  
19 law at the time of the making of the contract, shall mature  
20 within 20 years from date, and shall be signed by the president  
21 of the school board and the treasurer of the school district.

22 (n) In order to authorize and issue such bonds, the school  
23 board shall adopt a resolution fixing the amount of bonds, the  
24 date thereof, the maturities thereof, rates of interest  
25 thereof, place of payment and denomination, which shall be in  
26 denominations of not less than \$100 and not more than \$5,000,

1 and provide for the levy and collection of a direct annual tax  
2 upon all the taxable property in the school district sufficient  
3 to pay the principal and interest on such bonds to maturity.  
4 Upon the filing in the office of the county clerk of the county  
5 in which the school district is located of a certified copy of  
6 the resolution, it is the duty of the county clerk to extend  
7 the tax therefor in addition to and in excess of all other  
8 taxes heretofore or hereafter authorized to be levied by such  
9 school district.

10 (o) After the time such bonds are issued as provided for by  
11 this Section, if additional alterations or reconstructions are  
12 required to be made because of surveys conducted by an  
13 architect or engineer licensed in the State of Illinois, the  
14 district may levy a tax at a rate not to exceed .05% per year  
15 upon all the taxable property of the district or issue  
16 additional bonds, whichever action shall be the most feasible.

17 (p) This Section is cumulative and constitutes complete  
18 authority for the issuance of bonds as provided in this Section  
19 notwithstanding any other statute or law to the contrary.

20 (q) With respect to instruments for the payment of money  
21 issued under this Section either before, on, or after the  
22 effective date of Public Act 86-004 (June 6, 1989), it is, and  
23 always has been, the intention of the General Assembly (i) that  
24 the Omnibus Bond Acts are, and always have been, supplementary  
25 grants of power to issue instruments in accordance with the  
26 Omnibus Bond Acts, regardless of any provision of this Act that

1 may appear to be or to have been more restrictive than those  
2 Acts, (ii) that the provisions of this Section are not a  
3 limitation on the supplementary authority granted by the  
4 Omnibus Bond Acts, and (iii) that instruments issued under this  
5 Section within the supplementary authority granted by the  
6 Omnibus Bond Acts are not invalid because of any provision of  
7 this Act that may appear to be or to have been more restrictive  
8 than those Acts.

9 (r) When the purposes for which the bonds are issued have  
10 been accomplished and paid for in full and there remain funds  
11 on hand from the proceeds of the bond sale and interest  
12 earnings therefrom, the board shall, by resolution, use such  
13 excess funds in accordance with the provisions of Section  
14 10-22.14 of this Act.

15 (s) Whenever any tax is levied or bonds issued for fire  
16 prevention, safety, energy conservation, and school security  
17 purposes, such proceeds shall be deposited and accounted for  
18 separately within the Fire Prevention and Safety Fund.

19 (Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14;  
20 99-143, eff. 7-27-15; 99-713, eff. 8-5-16; 99-922, eff.  
21 1-17-17.)

22 (105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)

23 Sec. 17-2A. Interfund transfers.

24 (a) The school board of any district having a population of  
25 less than 500,000 inhabitants may, by proper resolution

1 following a public hearing set by the school board or the  
2 president of the school board (that is preceded (i) by at least  
3 one published notice over the name of the clerk or secretary of  
4 the board, occurring at least 7 days and not more than 30 days  
5 prior to the hearing, in a newspaper of general circulation  
6 within the school district and (ii) by posted notice over the  
7 name of the clerk or secretary of the board, at least 48 hours  
8 before the hearing, at the principal office of the school board  
9 or at the building where the hearing is to be held if a  
10 principal office does not exist, with both notices setting  
11 forth the time, date, place, and subject matter of the  
12 hearing), transfer money from (1) the Educational Fund to the  
13 Operations and Maintenance Fund or the Transportation Fund, (2)  
14 the Operations and Maintenance Fund to the Educational Fund or  
15 the Transportation Fund, (3) the Transportation Fund to the  
16 Educational Fund or the Operations and Maintenance Fund, or (4)  
17 the Tort Immunity Fund to the Operations and Maintenance Fund  
18 of said district, provided that, except during the period from  
19 July 1, 2003 through June 30, 2020 ~~2019~~, such transfer is made  
20 solely for the purpose of meeting one-time, non-recurring  
21 expenses. Except during the period from July 1, 2003 through  
22 June 30, 2020 ~~2019~~ and except as otherwise provided in  
23 subsection (b) of this Section, any other permanent interfund  
24 transfers authorized by any provision or judicial  
25 interpretation of this Code for which the transferee fund is  
26 not precisely and specifically set forth in the provision of

1 this Code authorizing such transfer shall be made to the fund  
2 of the school district most in need of the funds being  
3 transferred, as determined by resolution of the school board.

4 (b) (Blank).

5 (c) Notwithstanding subsection (a) of this Section or any  
6 other provision of this Code to the contrary, the school board  
7 of any school district (i) that is subject to the Property Tax  
8 Extension Limitation Law, (ii) that is an elementary district  
9 servicing students in grades K through 8, (iii) whose territory  
10 is in one county, (iv) that is eligible for Section 7002  
11 Federal Impact Aid, and (v) that has no more than \$81,000 in  
12 funds remaining from refinancing bonds that were refinanced a  
13 minimum of 5 years prior to January 20, 2017 (the effective  
14 date of Public Act 99-926) ~~this amendatory Act of the 99th~~  
15 ~~General Assembly~~ may make a one-time transfer of the funds  
16 remaining from the refinancing bonds to the Operations and  
17 Maintenance Fund of the district by proper resolution following  
18 a public hearing set by the school board or the president of  
19 the school board, with notice as provided in subsection (a) of  
20 this Section, so long as the district meets the qualifications  
21 set forth in this subsection (c) on January 20, 2017 (the  
22 effective date of Public Act 99-926) ~~this amendatory Act of the~~  
23 ~~99th General Assembly~~.

24 (Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14; 99-713,  
25 eff. 8-5-16; 99-922, eff. 1-17-17; 99-926, eff. 1-20-17;  
26 revised 1-23-17.)

1 (105 ILCS 5/17-3.6 new)

2 Sec. 17-3.6. Educational purposes tax rate for school  
3 districts subject to Property Tax Extension Limitation Law.  
4 Notwithstanding the provisions, requirements, or limitations  
5 of this Code or any other law, any tax levied for educational  
6 purposes by a school district subject to the Property Tax  
7 Extension Limitation Law for the 2016 levy year or any  
8 subsequent levy year may be extended at a rate exceeding the  
9 rate established for educational purposes by referendum or this  
10 Code, provided that the rate does not cause the school district  
11 to exceed the limiting rate applicable to the school district  
12 under the Property Tax Extension Limitation Law for that levy  
13 year.

14 (105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

15 Sec. 18-4.3. Summer school grants. Through fiscal year  
16 2017, grants ~~Grants~~ shall be determined for pupil attendance in  
17 summer schools conducted under Sections 10-22.33A and 34-18 and  
18 approved under Section 2-3.25 in the following manner.

19 The amount of grant for each accredited summer school  
20 attendance pupil shall be obtained by dividing the total amount  
21 of apportionments determined under Section 18-8.05 by the  
22 actual number of pupils in average daily attendance used for  
23 such apportionments. The number of credited summer school  
24 attendance pupils shall be determined (a) by counting clock

1 hours of class instruction by pupils enrolled in grades 1  
2 through 12 in approved courses conducted at least 60 clock  
3 hours in summer sessions; (b) by dividing such total of clock  
4 hours of class instruction by 4 to produce days of credited  
5 pupil attendance; (c) by dividing such days of credited pupil  
6 attendance by the actual number of days in the regular term as  
7 used in computation in the general apportionment in Section  
8 18-8.05; and (d) by multiplying by 1.25.

9 The amount of the grant for a summer school program  
10 approved by the State Superintendent of Education for children  
11 with disabilities, as defined in Sections 14-1.02 through  
12 14-1.07, shall be determined in the manner contained above  
13 except that average daily membership shall be utilized in lieu  
14 of average daily attendance.

15 In the case of an apportionment based on summer school  
16 attendance or membership pupils, the claim therefor shall be  
17 presented as a separate claim for the particular school year in  
18 which such summer school session ends. On or before November 1  
19 of each year the superintendent of each eligible school  
20 district shall certify to the State Superintendent of Education  
21 the claim of the district for the summer session just ended.  
22 Failure on the part of the school board to so certify shall  
23 constitute a forfeiture of its right to such payment. The State  
24 Superintendent of Education shall transmit to the Comptroller  
25 no later than December 15th of each year vouchers for payment  
26 of amounts due school districts for summer school. The State



1 Superintendent of Education shall direct the Comptroller to  
2 draw his warrants for payments thereof by the 30th day of  
3 December. If the money appropriated by the General Assembly for  
4 such purpose for any year is insufficient, it shall be  
5 apportioned on the basis of claims approved.

6 However, notwithstanding the foregoing provisions, for  
7 each fiscal year the money appropriated by the General Assembly  
8 for the purposes of this Section shall only be used for grants  
9 for approved summer school programs for those children with  
10 disabilities served pursuant to Section 14-7.02 or 14-7.02b of  
11 this Code.

12 No funding shall be provided to school districts under this  
13 Section after fiscal year 2017. In fiscal year 2018 and each  
14 fiscal year thereafter, all funding received by a school  
15 district from the State pursuant to Section 18-8.15 of this  
16 Code that is attributable to summer school for special  
17 education pupils must be used for special education services  
18 authorized under this Code.

19 (Source: P.A. 93-1022, eff. 8-24-04.)

20 (105 ILCS 5/18-8.05)

21 Sec. 18-8.05. Basis for apportionment of general State  
22 financial aid and supplemental general State aid to the common  
23 schools for the 1998-1999 through the 2016-2017 ~~and subsequent~~  
24 school years.

1 (A) General Provisions.

2 (1) The provisions of this Section relating to the  
3 calculation and apportionment of general State financial aid  
4 and supplemental general State aid apply to the 1998-1999  
5 through the 2016-2017 ~~and subsequent~~ school years. The system  
6 of general State financial aid provided for in this Section is  
7 designed to assure that, through a combination of State  
8 financial aid and required local resources, the financial  
9 support provided each pupil in Average Daily Attendance equals  
10 or exceeds a prescribed per pupil Foundation Level. This  
11 formula approach imputes a level of per pupil Available Local  
12 Resources and provides for the basis to calculate a per pupil  
13 level of general State financial aid that, when added to  
14 Available Local Resources, equals or exceeds the Foundation  
15 Level. The amount of per pupil general State financial aid for  
16 school districts, in general, varies in inverse relation to  
17 Available Local Resources. Per pupil amounts are based upon  
18 each school district's Average Daily Attendance as that term is  
19 defined in this Section.

20 (2) In addition to general State financial aid, school  
21 districts with specified levels or concentrations of pupils  
22 from low income households are eligible to receive supplemental  
23 general State financial aid grants as provided pursuant to  
24 subsection (H). The supplemental State aid grants provided for  
25 school districts under subsection (H) shall be appropriated for  
26 distribution to school districts as part of the same line item

1 in which the general State financial aid of school districts is  
2 appropriated under this Section.

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

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

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

25 (c) If a school district operates a full year school  
26 under Section 10-19.1, the general State aid to the school

1 district shall be determined by the State Board of  
2 Education in accordance with this Section as near as may be  
3 applicable.

4 (d) (Blank).

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

9 School districts are not required to exert a minimum  
10 Operating Tax Rate in order to qualify for assistance under  
11 this Section.

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

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

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

22 (c) "Corporate Personal Property Replacement Taxes":  
23 Funds paid to local school districts pursuant to "An Act in  
24 relation to the abolition of ad valorem personal property  
25 tax and the replacement of revenues lost thereby, and  
26 amending and repealing certain Acts and parts of Acts in

1 connection therewith", certified August 14, 1979, as  
2 amended (Public Act 81-1st S.S.-1).

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

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

9 (B) Foundation Level.

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

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

1 Foundation Level of support is \$4,810. For the 2004-2005 school  
2 year, the Foundation Level of support is \$4,964. For the  
3 2005-2006 school year, the Foundation Level of support is  
4 \$5,164. For the 2006-2007 school year, the Foundation Level of  
5 support is \$5,334. For the 2007-2008 school year, the  
6 Foundation Level of support is \$5,734. For the 2008-2009 school  
7 year, the Foundation Level of support is \$5,959.

8 (3) For the 2009-2010 school year and each school year  
9 thereafter, the Foundation Level of support is \$6,119 or such  
10 greater amount as may be established by law by the General  
11 Assembly.

12 (C) Average Daily Attendance.

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

24 (2) The Average Daily Attendance figures utilized in  
25 subsection (E) shall be the requisite attendance data for the

1 school year immediately preceding the school year for which  
2 general State aid is being calculated or the average of the  
3 attendance data for the 3 preceding school years, whichever is  
4 greater. The Average Daily Attendance figures utilized in  
5 subsection (H) shall be the requisite attendance data for the  
6 school year immediately preceding the school year for which  
7 general State aid is being calculated.

8 (D) Available Local Resources.

9 (1) For purposes of calculating general State aid pursuant  
10 to subsection (E), a representation of Available Local  
11 Resources per pupil, as that term is defined and determined in  
12 this subsection, shall be utilized. Available Local Resources  
13 per pupil shall include a calculated dollar amount representing  
14 local school district revenues from local property taxes and  
15 from Corporate Personal Property Replacement Taxes, expressed  
16 on the basis of pupils in Average Daily Attendance. Calculation  
17 of Available Local Resources shall exclude any tax amnesty  
18 funds received as a result of Public Act 93-26.

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

25 (3) For school districts maintaining grades kindergarten

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

14 For partial elementary unit districts created pursuant to  
15 Article 11E of this Code, local property tax revenues per pupil  
16 shall be calculated as the product of the equalized assessed  
17 valuation for property within the partial elementary unit  
18 district for elementary purposes, as defined in Article 11E of  
19 this Code, multiplied by 2.06% and divided by the district's  
20 Average Daily Attendance figure, plus the product of the  
21 equalized assessed valuation for property within the partial  
22 elementary unit district for high school purposes, as defined  
23 in Article 11E of this Code, multiplied by 0.94% and divided by  
24 the district's Average Daily Attendance figure.

25 (4) The Corporate Personal Property Replacement Taxes paid  
26 to each school district during the calendar year one year



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

9 (E) Computation of General State Aid.

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

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

19 (3) For any school district for which Available Local  
20 Resources per pupil is equal to or greater than the product of  
21 0.93 times the Foundation Level and less than the product of  
22 1.75 times the Foundation Level, the general State aid per  
23 pupil shall be a decimal proportion of the Foundation Level  
24 derived using a linear algorithm. Under this linear algorithm,  
25 the calculated general State aid per pupil shall decline in

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

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

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

25 (F) Compilation of Average Daily Attendance.

1           (1) Each school district shall, by July 1 of each year,  
2 submit to the State Board of Education, on forms prescribed by  
3 the State Board of Education, attendance figures for the school  
4 year that began in the preceding calendar year. The attendance  
5 information so transmitted shall identify the average daily  
6 attendance figures for each month of the school year. Beginning  
7 with the general State aid claim form for the 2002-2003 school  
8 year, districts shall calculate Average Daily Attendance as  
9 provided in subdivisions (a), (b), and (c) of this paragraph  
10 (1).

11           (a) In districts that do not hold year-round classes,  
12 days of attendance in August shall be added to the month of  
13 September and any days of attendance in June shall be added  
14 to the month of May.

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

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

1           daily attendance for the year-round buildings shall be  
2           multiplied by the days in session for the non-year-round  
3           buildings for each month and added to the monthly  
4           attendance of the non-year-round buildings.

5           Except as otherwise provided in this Section, days of  
6           attendance by pupils shall be counted only for sessions of not  
7           less than 5 clock hours of school work per day under direct  
8           supervision of: (i) teachers, or (ii) non-teaching personnel or  
9           volunteer personnel when engaging in non-teaching duties and  
10          supervising in those instances specified in subsection (a) of  
11          Section 10-22.34 and paragraph 10 of Section 34-18, with pupils  
12          of legal school age and in kindergarten and grades 1 through  
13          12. Days of attendance by pupils through verified participation  
14          in an e-learning program approved by the State Board of  
15          Education under Section 10-20.56 of the Code shall be  
16          considered as full days of attendance for purposes of this  
17          Section.

18          Days of attendance by tuition pupils shall be accredited  
19          only to the districts that pay the tuition to a recognized  
20          school.

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

24                 (a) Pupils regularly enrolled in a public school for  
25                 only a part of the school day may be counted on the basis  
26                 of 1/6 day for every class hour of instruction of 40

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

7 (b) (Blank).

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

13 (d) A session of 3 or more clock hours may be counted  
14 as a day of attendance (1) when the remainder of the school  
15 day or at least 2 hours in the evening of that day is  
16 utilized for an in-service training program for teachers,  
17 up to a maximum of 5 days per school year, provided a  
18 district conducts an in-service training program for  
19 teachers in accordance with Section 10-22.39 of this Code;  
20 or, in lieu of 4 such days, 2 full days may be used, in  
21 which event each such day may be counted as a day required  
22 for a legal school calendar pursuant to Section 10-19 of  
23 this Code; (1.5) when, of the 5 days allowed under item  
24 (1), a maximum of 4 days are used for parent-teacher  
25 conferences, or, in lieu of 4 such days, 2 full days are  
26 used, in which case each such day may be counted as a

1 calendar day required under Section 10-19 of this Code,  
2 provided that the full-day, parent-teacher conference  
3 consists of (i) a minimum of 5 clock hours of  
4 parent-teacher conferences, (ii) both a minimum of 2 clock  
5 hours of parent-teacher conferences held in the evening  
6 following a full day of student attendance, as specified in  
7 subsection (F)(1)(c), and a minimum of 3 clock hours of  
8 parent-teacher conferences held on the day immediately  
9 following evening parent-teacher conferences, or (iii)  
10 multiple parent-teacher conferences held in the evenings  
11 following full days of student attendance, as specified in  
12 subsection (F)(1)(c), in which the time used for the  
13 parent-teacher conferences is equivalent to a minimum of 5  
14 clock hours; and (2) when days in addition to those  
15 provided in items (1) and (1.5) are scheduled by a school  
16 pursuant to its school improvement plan adopted under  
17 Article 34 or its revised or amended school improvement  
18 plan adopted under Article 2, provided that (i) such  
19 sessions of 3 or more clock hours are scheduled to occur at  
20 regular intervals, (ii) the remainder of the school days in  
21 which such sessions occur are utilized for in-service  
22 training programs or other staff development activities  
23 for teachers, and (iii) a sufficient number of minutes of  
24 school work under the direct supervision of teachers are  
25 added to the school days between such regularly scheduled  
26 sessions to accumulate not less than the number of minutes

1 by which such sessions of 3 or more clock hours fall short  
2 of 5 clock hours. Any full days used for the purposes of  
3 this paragraph shall not be considered for computing  
4 average daily attendance. Days scheduled for in-service  
5 training programs, staff development activities, or  
6 parent-teacher conferences may be scheduled separately for  
7 different grade levels and different attendance centers of  
8 the district.

9 (e) A session of not less than one clock hour of  
10 teaching hospitalized or homebound pupils on-site or by  
11 telephone to the classroom may be counted as 1/2 day of  
12 attendance, however these pupils must receive 4 or more  
13 clock hours of instruction to be counted for a full day of  
14 attendance.

15 (f) A session of at least 4 clock hours may be counted  
16 as a day of attendance for first grade pupils, and pupils  
17 in full day kindergartens, and a session of 2 or more hours  
18 may be counted as 1/2 day of attendance by pupils in  
19 kindergartens which provide only 1/2 day of attendance.

20 (g) For children with disabilities who are below the  
21 age of 6 years and who cannot attend 2 or more clock hours  
22 because of their disability or immaturity, a session of not  
23 less than one clock hour may be counted as 1/2 day of  
24 attendance; however for such children whose educational  
25 needs so require a session of 4 or more clock hours may be  
26 counted as a full day of attendance.

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

18 (i) On the days when the assessment that includes a  
19 college and career ready determination is administered  
20 under subsection (c) of Section 2-3.64a-5 of this Code, the  
21 day of attendance for a pupil whose school day must be  
22 shortened to accommodate required testing procedures may  
23 be less than 5 clock hours and shall be counted towards the  
24 176 days of actual pupil attendance required under Section  
25 10-19 of this Code, provided that a sufficient number of  
26 minutes of school work in excess of 5 clock hours are first



1 completed on other school days to compensate for the loss  
2 of school work on the examination days.

3 (j) Pupils enrolled in a remote educational program  
4 established under Section 10-29 of this Code may be counted  
5 on the basis of one-fifth day of attendance for every clock  
6 hour of instruction attended in the remote educational  
7 program, provided that, in any month, the school district  
8 may not claim for a student enrolled in a remote  
9 educational program more days of attendance than the  
10 maximum number of days of attendance the district can claim

11 (i) for students enrolled in a building holding year-round  
12 classes if the student is classified as participating in  
13 the remote educational program on a year-round schedule or

14 (ii) for students enrolled in a building not holding  
15 year-round classes if the student is not classified as  
16 participating in the remote educational program on a  
17 year-round schedule.

18 (G) Equalized Assessed Valuation Data.

19 (1) For purposes of the calculation of Available Local  
20 Resources required pursuant to subsection (D), the State Board  
21 of Education shall secure from the Department of Revenue the  
22 value as equalized or assessed by the Department of Revenue of  
23 all taxable property of every school district, together with

24 (i) the applicable tax rate used in extending taxes for the  
25 funds of the district as of September 30 of the previous year

1 and (ii) the limiting rate for all school districts subject to  
2 property tax extension limitations as imposed under the  
3 Property Tax Extension Limitation Law.

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

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

16 This equalized assessed valuation, as adjusted further by  
17 the requirements of this subsection, shall be utilized in the  
18 calculation of Available Local Resources.

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

21 (a) For the purposes of calculating State aid under  
22 this Section, with respect to any part of a school district  
23 within a redevelopment project area in respect to which a  
24 municipality has adopted tax increment allocation  
25 financing pursuant to the Tax Increment Allocation  
26 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11

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

18 (b) The real property equalized assessed valuation for  
19 a school district shall be adjusted by subtracting from the  
20 real property value as equalized or assessed by the  
21 Department of Revenue for the district an amount computed  
22 by dividing the amount of any abatement of taxes under  
23 Section 18-170 of the Property Tax Code by 3.00% for a  
24 district maintaining grades kindergarten through 12, by  
25 2.30% for a district maintaining grades kindergarten  
26 through 8, or by 1.05% for a district maintaining grades 9

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

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

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

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

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

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

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

25 "Preceding Tax Year's Tax Extension": The product of  
26 the equalized assessed valuation utilized by the County

1 Clerk in the Preceding Tax Year multiplied by the Operating  
2 Tax Rate as defined in subsection (A).

3 "Extension Limitation Ratio": A numerical ratio,  
4 certified by the County Clerk, in which the numerator is  
5 the Base Tax Year's Tax Extension and the denominator is  
6 the Preceding Tax Year's Tax Extension.

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

9 If a school district is subject to property tax extension  
10 limitations as imposed under the Property Tax Extension  
11 Limitation Law, the State Board of Education shall calculate  
12 the Extension Limitation Equalized Assessed Valuation of that  
13 district. For the 1999-2000 school year, the Extension  
14 Limitation Equalized Assessed Valuation of a school district as  
15 calculated by the State Board of Education shall be equal to  
16 the product of the district's 1996 Equalized Assessed Valuation  
17 and the district's Extension Limitation Ratio. Except as  
18 otherwise provided in this paragraph for a school district that  
19 has approved or does approve an increase in its limiting rate,  
20 for the 2000-2001 school year and each school year thereafter,  
21 the Extension Limitation Equalized Assessed Valuation of a  
22 school district as calculated by the State Board of Education  
23 shall be equal to the product of the Equalized Assessed  
24 Valuation last used in the calculation of general State aid and  
25 the district's Extension Limitation Ratio. If the Extension  
26 Limitation Equalized Assessed Valuation of a school district as

1 calculated under this subsection (G)(3) is less than the  
2 district's equalized assessed valuation as calculated pursuant  
3 to subsections (G)(1) and (G)(2), then for purposes of  
4 calculating the district's general State aid for the Budget  
5 Year pursuant to subsection (E), that Extension Limitation  
6 Equalized Assessed Valuation shall be utilized to calculate the  
7 district's Available Local Resources under subsection (D). For  
8 the 2009-2010 school year and each school year thereafter, if a  
9 school district has approved or does approve an increase in its  
10 limiting rate, pursuant to Section 18-190 of the Property Tax  
11 Code, affecting the Base Tax Year, the Extension Limitation  
12 Equalized Assessed Valuation of the school district, as  
13 calculated by the State Board of Education, shall be equal to  
14 the product of the Equalized Assessed Valuation last used in  
15 the calculation of general State aid times an amount equal to  
16 one plus the percentage increase, if any, in the Consumer Price  
17 Index for all Urban Consumers for all items published by the  
18 United States Department of Labor for the 12-month calendar  
19 year preceding the Base Tax Year, plus the Equalized Assessed  
20 Valuation of new property, annexed property, and recovered tax  
21 increment value and minus the Equalized Assessed Valuation of  
22 disconnected property. New property and recovered tax  
23 increment value shall have the meanings set forth in the  
24 Property Tax Extension Limitation Law.

25 Partial elementary unit districts created in accordance  
26 with Article 11E of this Code shall not be eligible for the

1 adjustment in this subsection (G)(3) until the fifth year  
2 following the effective date of the reorganization.

3 (3.5) For the 2010-2011 school year and each school year  
4 thereafter, if a school district's boundaries span multiple  
5 counties, then the Department of Revenue shall send to the  
6 State Board of Education, for the purpose of calculating  
7 general State aid, the limiting rate and individual rates by  
8 purpose for the county that contains the majority of the school  
9 district's Equalized Assessed Valuation.

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



1 that Extension Limitation Equalized Assessed Valuation shall  
2 be utilized to calculate the district's Available Local  
3 Resources.

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

16 (H) Supplemental General State Aid.

17 (1) In addition to the general State aid a school district  
18 is allotted pursuant to subsection (E), qualifying school  
19 districts shall receive a grant, paid in conjunction with a  
20 district's payments of general State aid, for supplemental  
21 general State aid based upon the concentration level of  
22 children from low-income households within the school  
23 district. Supplemental State aid grants provided for school  
24 districts under this subsection shall be appropriated for  
25 distribution to school districts as part of the same line item

1 in which the general State financial aid of school districts is  
2 appropriated under this Section.

3 (1.5) This paragraph (1.5) applies only to those school  
4 years preceding the 2003-2004 school year. For purposes of this  
5 subsection (H), the term "Low-Income Concentration Level"  
6 shall be the low-income eligible pupil count from the most  
7 recently available federal census divided by the Average Daily  
8 Attendance of the school district. If, however, (i) the  
9 percentage decrease from the 2 most recent federal censuses in  
10 the low-income eligible pupil count of a high school district  
11 with fewer than 400 students exceeds by 75% or more the  
12 percentage change in the total low-income eligible pupil count  
13 of contiguous elementary school districts, whose boundaries  
14 are coterminous with the high school district, or (ii) a high  
15 school district within 2 counties and serving 5 elementary  
16 school districts, whose boundaries are coterminous with the  
17 high school district, has a percentage decrease from the 2 most  
18 recent federal censuses in the low-income eligible pupil count  
19 and there is a percentage increase in the total low-income  
20 eligible pupil count of a majority of the elementary school  
21 districts in excess of 50% from the 2 most recent federal  
22 censuses, then the high school district's low-income eligible  
23 pupil count from the earlier federal census shall be the number  
24 used as the low-income eligible pupil count for the high school  
25 district, for purposes of this subsection (H). The changes made  
26 to this paragraph (1) by Public Act 92-28 shall apply to

1 supplemental general State aid grants for school years  
2 preceding the 2003-2004 school year that are paid in fiscal  
3 year 1999 or thereafter and to any State aid payments made in  
4 fiscal year 1994 through fiscal year 1998 pursuant to  
5 subsection 1(n) of Section 18-8 of this Code (which was  
6 repealed on July 1, 1998), and any high school district that is  
7 affected by Public Act 92-28 is entitled to a recomputation of  
8 its supplemental general State aid grant or State aid paid in  
9 any of those fiscal years. This recomputation shall not be  
10 affected by any other funding.

11 (1.10) This paragraph (1.10) applies to the 2003-2004  
12 school year and each school year thereafter through the  
13 2016-2017 school year. For purposes of this subsection (H), the  
14 term "Low-Income Concentration Level" shall, for each fiscal  
15 year, be the low-income eligible pupil count as of July 1 of  
16 the immediately preceding fiscal year (as determined by the  
17 Department of Human Services based on the number of pupils who  
18 are eligible for at least one of the following low income  
19 programs: Medicaid, the Children's Health Insurance Program,  
20 TANF, or Food Stamps, excluding pupils who are eligible for  
21 services provided by the Department of Children and Family  
22 Services, averaged over the 2 immediately preceding fiscal  
23 years for fiscal year 2004 and over the 3 immediately preceding  
24 fiscal years for each fiscal year thereafter) divided by the  
25 Average Daily Attendance of the school district.

26 (2) Supplemental general State aid pursuant to this

1 subsection (H) shall be provided as follows for the 1998-1999,  
2 1999-2000, and 2000-2001 school years only:

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

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

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

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

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

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

1           (2.5) Supplemental general State aid pursuant to this  
2 subsection (H) shall be provided as follows for the 2002-2003  
3 school year:

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

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

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

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

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

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

1 eligible pupil count.

2 (2.10) Except as otherwise provided, supplemental general  
3 State aid pursuant to this subsection (H) shall be provided as  
4 follows for the 2003-2004 school year and each school year  
5 thereafter:

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

10 (b) For any school district with a Low Income  
11 Concentration Level greater than 15%, the grant for each  
12 school year shall be \$294.25 added to the product of \$2,700  
13 and the square of the Low Income Concentration Level, all  
14 multiplied by the low income eligible pupil count.

15 For the 2003-2004 school year and each school year  
16 thereafter through the 2008-2009 school year only, the grant  
17 shall be no less than the grant for the 2002-2003 school year.  
18 For the 2009-2010 school year only, the grant shall be no less  
19 than the grant for the 2002-2003 school year multiplied by  
20 0.66. For the 2010-2011 school year only, the grant shall be no  
21 less than the grant for the 2002-2003 school year multiplied by  
22 0.33. Notwithstanding the provisions of this paragraph to the  
23 contrary, if for any school year supplemental general State aid  
24 grants are prorated as provided in paragraph (1) of this  
25 subsection (H), then the grants under this paragraph shall be  
26 prorated.

1           For the 2003-2004 school year only, the grant shall be no  
2 greater than the grant received during the 2002-2003 school  
3 year added to the product of 0.25 multiplied by the difference  
4 between the grant amount calculated under subsection (a) or (b)  
5 of this paragraph (2.10), whichever is applicable, and the  
6 grant received during the 2002-2003 school year. For the  
7 2004-2005 school year only, the grant shall be no greater than  
8 the grant received during the 2002-2003 school year added to  
9 the product of 0.50 multiplied by the difference between the  
10 grant amount calculated under subsection (a) or (b) of this  
11 paragraph (2.10), whichever is applicable, and the grant  
12 received during the 2002-2003 school year. For the 2005-2006  
13 school year only, the grant shall be no greater than the grant  
14 received during the 2002-2003 school year added to the product  
15 of 0.75 multiplied by the difference between the grant amount  
16 calculated under subsection (a) or (b) of this paragraph  
17 (2.10), whichever is applicable, and the grant received during  
18 the 2002-2003 school year.

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

1 plan shall be submitted in accordance with rules and  
2 regulations promulgated by the State Board of Education.

3 (4) School districts with an Average Daily Attendance of  
4 50,000 or more that qualify for supplemental general State aid  
5 pursuant to this subsection shall be required to distribute  
6 from funds available pursuant to this Section, no less than  
7 \$261,000,000 in accordance with the following requirements:

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

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

23 (c) Each attendance center shall be provided by the  
24 school district a distribution of noncategorical funds and  
25 other categorical funds to which an attendance center is  
26 entitled under law in order that the general State aid and



1 supplemental general State aid provided by application of  
2 this subsection supplements rather than supplants the  
3 noncategorical funds and other categorical funds provided  
4 by the school district to the attendance centers.

5 (d) Any funds made available under this subsection that  
6 by reason of the provisions of this subsection are not  
7 required to be allocated and provided to attendance centers  
8 may be used and appropriated by the board of the district  
9 for any lawful school purpose.

10 (e) Funds received by an attendance center pursuant to  
11 this subsection shall be used by the attendance center at  
12 the discretion of the principal and local school council  
13 for programs to improve educational opportunities at  
14 qualifying schools through the following programs and  
15 services: early childhood education, reduced class size or  
16 improved adult to student classroom ratio, enrichment  
17 programs, remedial assistance, attendance improvement, and  
18 other educationally beneficial expenditures which  
19 supplement the regular and basic programs as determined by  
20 the State Board of Education. Funds provided shall not be  
21 expended for any political or lobbying purposes as defined  
22 by board rule.

23 (f) Each district subject to the provisions of this  
24 subdivision (H) (4) shall submit an acceptable plan to meet  
25 the educational needs of disadvantaged children, in  
26 compliance with the requirements of this paragraph, to the

1 State Board of Education prior to July 15 of each year.  
2 This plan shall be consistent with the decisions of local  
3 school councils concerning the school expenditure plans  
4 developed in accordance with part 4 of Section 34-2.3. The  
5 State Board shall approve or reject the plan within 60 days  
6 after its submission. If the plan is rejected, the district  
7 shall give written notice of intent to modify the plan  
8 within 15 days of the notification of rejection and then  
9 submit a modified plan within 30 days after the date of the  
10 written notice of intent to modify. Districts may amend  
11 approved plans pursuant to rules promulgated by the State  
12 Board of Education.

13 Upon notification by the State Board of Education that  
14 the district has not submitted a plan prior to July 15 or a  
15 modified plan within the time period specified herein, the  
16 State aid funds affected by that plan or modified plan  
17 shall be withheld by the State Board of Education until a  
18 plan or modified plan is submitted.

19 If the district fails to distribute State aid to  
20 attendance centers in accordance with an approved plan, the  
21 plan for the following year shall allocate funds, in  
22 addition to the funds otherwise required by this  
23 subsection, to those attendance centers which were  
24 underfunded during the previous year in amounts equal to  
25 such underfunding.

26 For purposes of determining compliance with this

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

20 The State Board of Education shall promulgate rules and  
21 regulations to implement the provisions of this  
22 subsection. No funds shall be released under this  
23 subdivision (H) (4) to any district that has not submitted a  
24 plan that has been approved by the State Board of  
25 Education.

1 (I) (Blank).

2 (J) (Blank).

3 (K) Grants to Laboratory and Alternative Schools.

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

10 As used in this Section, "laboratory school" means a public  
11 school which is created and operated by a public university and  
12 approved by the State Board of Education. The governing board  
13 of a public university which receives funds from the State  
14 Board under this subsection (K) or subsection (g) of Section  
15 18-8.15 of this Code may not increase the number of students  
16 enrolled in its laboratory school from a single district, if  
17 that district is already sending 50 or more students, except  
18 under a mutual agreement between the school board of a  
19 student's district of residence and the university which  
20 operates the laboratory school. A laboratory school may not  
21 have more than 1,000 students, excluding students with  
22 disabilities in a special education program.

23 As used in this Section, "alternative school" means a  
24 public school which is created and operated by a Regional

1 Superintendent of Schools and approved by the State Board of  
2 Education. Such alternative schools may offer courses of  
3 instruction for which credit is given in regular school  
4 programs, courses to prepare students for the high school  
5 equivalency testing program or vocational and occupational  
6 training. A regional superintendent of schools may contract  
7 with a school district or a public community college district  
8 to operate an alternative school. An alternative school serving  
9 more than one educational service region may be established by  
10 the regional superintendents of schools of the affected  
11 educational service regions. An alternative school serving  
12 more than one educational service region may be operated under  
13 such terms as the regional superintendents of schools of those  
14 educational service regions may agree.

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

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

24 (1) For a school district operating under the financial  
25 supervision of an Authority created under Article 34A, the

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

12 (2) (Blank).

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

15 (M) (Blank). ~~Education Funding Advisory Board.~~

16 ~~The Education Funding Advisory Board, hereinafter in this~~  
17 ~~subsection (M) referred to as the "Board", is hereby created.~~  
18 ~~The Board shall consist of 5 members who are appointed by the~~  
19 ~~Governor, by and with the advice and consent of the Senate. The~~  
20 ~~members appointed shall include representatives of education,~~  
21 ~~business, and the general public. One of the members so~~  
22 ~~appointed shall be designated by the Governor at the time the~~  
23 ~~appointment is made as the chairperson of the Board. The~~  
24 ~~initial members of the Board may be appointed any time after~~  
25 ~~the effective date of this amendatory Act of 1997. The regular~~

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

26 ~~The Education Funding Advisory Board shall be deemed~~

1 ~~established, and the initial members appointed by the Governor~~  
2 ~~to serve as members of the Board shall take office, on the date~~  
3 ~~that the Governor makes his or her appointment of the fifth~~  
4 ~~initial member of the Board, whether those initial members are~~  
5 ~~then serving pursuant to appointment and confirmation or~~  
6 ~~pursuant to temporary appointments that are made by the~~  
7 ~~Governor as in the case of vacancies.~~

8 ~~The State Board of Education shall provide such staff~~  
9 ~~assistance to the Education Funding Advisory Board as is~~  
10 ~~reasonably required for the proper performance by the Board of~~  
11 ~~its responsibilities.~~

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



1 (N) (Blank).

2 (O) References.

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

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

11 (P) Public Act 93-838 and Public Act 93-808 make inconsistent  
12 changes to this Section. Under Section 6 of the Statute on  
13 Statutes there is an irreconcilable conflict between Public Act  
14 93-808 and Public Act 93-838. Public Act 93-838, being the last  
15 acted upon, is controlling. The text of Public Act 93-838 is  
16 the law regardless of the text of Public Act 93-808.

17 (Q) State Fiscal Year 2015 Payments.

18 For payments made for State fiscal year 2015, the State  
19 Board of Education shall, for each school district, calculate  
20 that district's pro-rata share of a minimum sum of \$13,600,000  
21 or additional amounts as needed from the total net General  
22 State Aid funding as calculated under this Section that shall  
23 be deemed attributable to the provision of special educational

1 facilities and services, as defined in Section 14-1.08 of this  
2 Code, in a manner that ensures compliance with maintenance of  
3 State financial support requirements under the federal  
4 Individuals with Disabilities Education Act. Each school  
5 district must use such funds only for the provision of special  
6 educational facilities and services, as defined in Section  
7 14-1.08 of this Code, and must comply with any expenditure  
8 verification procedures adopted by the State Board of  
9 Education.

10 (R) State Fiscal Year 2016 Payments.

11 For payments made for State fiscal year 2016, the State  
12 Board of Education shall, for each school district, calculate  
13 that district's pro rata share of a minimum sum of \$1 or  
14 additional amounts as needed from the total net General State  
15 Aid funding as calculated under this Section that shall be  
16 deemed attributable to the provision of special educational  
17 facilities and services, as defined in Section 14-1.08 of this  
18 Code, in a manner that ensures compliance with maintenance of  
19 State financial support requirements under the federal  
20 Individuals with Disabilities Education Act. Each school  
21 district must use such funds only for the provision of special  
22 educational facilities and services, as defined in Section  
23 14-1.08 of this Code, and must comply with any expenditure  
24 verification procedures adopted by the State Board of  
25 Education.

1 (Source: P.A. 98-972, eff. 8-15-14; 99-2, eff. 3-26-15; 99-194,  
2 eff. 7-30-15; 99-523, eff. 6-30-16.)

3 (105 ILCS 5/18-8.10)

4 Sec. 18-8.10. Fast growth grants.

5 (a) If there has been an increase in a school district's  
6 student population over the most recent 2 school years of (i)  
7 over 1.5% in a district with over 10,000 pupils in average  
8 daily attendance (as defined in Section 18-8.05 or 18-8.15 of  
9 this Code) or (ii) over 7.5% in any other district, then the  
10 district is eligible for a grant under this Section, subject to  
11 appropriation.

12 (b) The State Board of Education shall determine a per  
13 pupil grant amount for each school district. The total grant  
14 amount for a district for any given school year shall equal the  
15 per pupil grant amount multiplied by the difference between the  
16 number of pupils in average daily attendance for the 2 most  
17 recent school years.

18 (c) Funds for grants under this Section must be  
19 appropriated to the State Board of Education in a separate line  
20 item for this purpose. If the amount appropriated in any fiscal  
21 year is insufficient to pay all grants for a school year, then  
22 the amount appropriated shall be prorated among eligible  
23 districts. As soon as possible after funds have been  
24 appropriated to the State Board of Education, the State Board  
25 of Education shall distribute the grants to eligible districts.

1 (d) If a school district intentionally reports incorrect  
2 average daily attendance numbers to receive a grant under this  
3 Section, then the district shall be denied State aid in the  
4 same manner as State aid is denied for intentional incorrect  
5 reporting of average daily attendance numbers under Section  
6 18-8.05 or 18-8.15 of this Code.

7 (Source: P.A. 93-1042, eff. 10-8-04.)

8 (105 ILCS 5/18-8.15 new)

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

11 (a) General provisions.

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

1           (A) provide all students with a high quality education  
2           that offers the academic, enrichment, social and emotional  
3           support, technical, and career-focused programs that will  
4           allow them to become competitive workers, responsible  
5           parents, productive citizens of this State, and active  
6           members of our national democracy;

7           (B) ensure all students receive the education they need  
8           to graduate from high school with the skills required to  
9           pursue post-secondary education and training for a  
10           rewarding career;

11           (C) reduce, with a goal of eliminating, the achievement  
12           gap between at-risk and non-at-risk students by raising the  
13           performance of at-risk students and not by reducing  
14           standards; and

15           (D) ensure this State satisfies its obligation to  
16           assume the primary responsibility to fund public education  
17           and simultaneously relieve the disproportionate burden  
18           placed on local property taxes to fund schools.

19           (2) The evidence-based funding formula under this Section  
20           shall be applied to all Organizational Units in this State. As  
21           further defined and described in this Section, there are 4  
22           major components of the evidence-based funding model:

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

1 wage difference.

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

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

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

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

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

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

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

24 "Adjusted Local Capacity Target" is defined in paragraph  
25 (3) of subsection (c) of this Section.

26 "Adjusted Operating Tax Rate" means a tax rate for all

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

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

22 "Alternative School" means a public school that is created  
23 and operated by a regional superintendent of schools and  
24 approved by the State Board.

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

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

6       "Assistant principal" means a school administrator duly  
7 endorsed to be employed as an assistant principal in this  
8 State.

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

17       "Average Student Enrollment" or "ASE" means, for an  
18 Organizational Unit in a given school year, the greater of the  
19 average number of students (grades K through 12) reported to  
20 the State Board as enrolled in the Organizational Unit on  
21 October 1 and March 1, plus the special education  
22 pre-kindergarten students with services of at least more than 2  
23 hours a day as reported to the State Board on December 1, in  
24 the immediately preceding school year or the average number of  
25 students (grades K through 12) reported to the State Board as  
26 enrolled in the Organizational Unit on October 1 and March 1,



1 plus the special education pre-kindergarten students with  
2 services of at least more than 2 hours a day as reported to the  
3 State Board on December 1, for each of the immediately  
4 preceding 3 school years. For the purposes of this definition,  
5 "enrolled in the Organizational Unit" means the number of  
6 students reported to the State Board who are enrolled in  
7 schools within the Organizational Unit that the student attends  
8 or would attend if not placed or transferred to another school  
9 or program to receive needed services. For the purposes of  
10 calculating "ASE", all students, grades K through 12, excluding  
11 those attending kindergarten for a half day, shall be counted  
12 as 1.0. All students attending kindergarten for a half day  
13 shall be counted as 0.5, unless in 2017 by June 15 or by March 1  
14 in subsequent years, the school district reports to the State  
15 Board of Education the intent to implement full-day  
16 kindergarten district-wide for all students, then all students  
17 attending kindergarten shall be counted as 1.0. Special  
18 education pre-kindergarten students shall be counted as 0.5  
19 each. If the State Board does not collect or has not collected  
20 both an October 1 and March 1 enrollment count by grade or a  
21 December 1 collection of special education pre-kindergarten  
22 students as of the effective date of this amendatory Act of the  
23 100th General Assembly, it shall establish such collection for  
24 all future years. For any year where a count by grade level was  
25 collected only once, that count shall be used as the single  
26 count available for computing a 3-year average ASE. School

1 districts shall submit the data for the ASE calculation to the  
2 State Board within 45 days of the dates required in this  
3 Section for submission of enrollment data in order for it to be  
4 included in the ASE calculation.

5 "Base Funding Guarantee" is defined in paragraph (7) of  
6 subsection (g) of this Section.

7 "Base Funding Minimum" is defined in subsection (e) of this  
8 Section.

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

11 "Base Tax Year's Extension" means the product of the  
12 equalized assessed valuation utilized by the county clerk in  
13 the Base Tax Year multiplied by the limiting rate as calculated  
14 by the county clerk and defined in PTELL.

15 "Bilingual Education Allocation" means the amount of an  
16 Organizational Unit's final Adequacy Target attributable to  
17 bilingual education divided by the Organizational Unit's final  
18 Adequacy Target, the product of which shall be multiplied by  
19 the amount of new funding received pursuant to this Section. An  
20 Organizational Unit's final Adequacy Target attributable to  
21 bilingual education shall include all additional investments  
22 in EL student's adequacy elements.

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

25 "Central office" means individual administrators and  
26 support service personnel charged with managing the

1 instructional programs, business and operations, and security  
2 of the Organizational Unit.

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

15 "Computer technology and equipment" means computers  
16 servers, notebooks, network equipment, copiers, printers,  
17 instructional software, security software, curriculum  
18 management courseware, and other similar materials and  
19 equipment.

20 "Core subject" means mathematics; science; reading,  
21 English, writing, and language arts; history and social  
22 studies; world languages; and subjects taught as Advanced  
23 Placement in high schools.

24 "Core teacher" means a regular classroom teacher in  
25 elementary schools and teachers of a core subject in middle and  
26 high schools.

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

4       "CPPRT" means corporate personal property replacement tax  
5 funds paid to an Organizational Unit during the calendar year  
6 one year before the calendar year in which a school year  
7 begins, pursuant to "An Act in relation to the abolition of ad  
8 valorem personal property tax and the replacement of revenues  
9 lost thereby, and amending and repealing certain Acts and parts  
10 of Acts in connection therewith", certified August 14, 1979, as  
11 amended (Public Act 81-1st S.S.-1).

12       "EAV" means equalized assessed valuation as defined in  
13 paragraph (2) of subsection (d) of this Section and calculated  
14 in accordance with paragraph (3) of subsection (d) of this  
15 Section.

16       "ECI" means the Bureau of Labor Statistics' national  
17 employment cost index for civilian workers in educational  
18 services in elementary and secondary schools on a cumulative  
19 basis for the 12-month calendar year preceding the fiscal year  
20 of the Evidence-Based Funding calculation.

21       "EIS Data" means the employment information system data  
22 maintained by the State Board on educators within  
23 Organizational Units.

24       "Employee benefits" means health, dental, and vision  
25 insurance offered to employees of an Organizational Unit, the  
26 costs associated with statutorily required payment of the

1 normal cost of the Organizational Unit's teacher pensions,  
2 Social Security employer contributions, and Illinois Municipal  
3 Retirement Fund employer contributions.

4 "English learner" or "EL" means a child included in the  
5 definition of "English learners" under Section 14C-2 of this  
6 Code participating in a program of transitional bilingual  
7 education or a transitional program of instruction meeting the  
8 requirements and program application procedures of Article 14C  
9 of this Code. For the purposes of collecting the number of EL  
10 students enrolled, the same collection and calculation  
11 methodology as defined above for "ASE" shall apply to English  
12 learners.

13 "Essential Elements" means those elements, resources, and  
14 educational programs that have been identified through  
15 academic research as necessary to improve student success,  
16 improve academic performance, close achievement gaps, and  
17 provide for other per student costs related to the delivery and  
18 leadership of the Organizational Unit, as well as the  
19 maintenance and operations of the unit, and which are specified  
20 in paragraph (2) of subsection (b) of this Section.

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

23 "Extended day" means academic and enrichment programs  
24 provided to students outside the regular school day before and  
25 after school or during non-instructional times during the  
26 school day.

1       "Extension Limitation Ratio" means a numerical ratio in  
2 which the numerator is the Base Tax Year's Extension and the  
3 denominator is the Preceding Tax Year's Extension.

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

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

8       "Full-time equivalent" or "FTE" means the full-time  
9 equivalency compensation for staffing the relevant position at  
10 an Organizational Unit.

11       "Funding Gap" is defined in paragraph (1) of subsection  
12 (g).

13       "Guidance counselor" means a licensed guidance counselor  
14 who provides guidance and counseling support for students  
15 within an Organizational Unit.

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

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

21       "Instructional facilitator" means a qualified teacher or  
22 licensed teacher leader who facilitates and coaches continuous  
23 improvement in classroom instruction; provides instructional  
24 support to teachers in the elements of research-based  
25 instruction or demonstrates the alignment of instruction with  
26 curriculum standards and assessment tools; develops or

1 coordinates instructional programs or strategies; develops and  
2 implements training; chooses standards-based instructional  
3 materials; provides teachers with an understanding of current  
4 research; serves as a mentor, site coach, curriculum  
5 specialist, or lead teacher; or otherwise works with fellow  
6 teachers, in collaboration, to use data to improve  
7 instructional practice or develop model lessons.

8 "Instructional materials" means relevant instructional  
9 materials for student instruction, including, but not limited  
10 to, textbooks, consumable workbooks, laboratory equipment,  
11 library books, and other similar materials.

12 "Laboratory School" means a public school that is created  
13 and operated by a public university and approved by the State  
14 Board.

15 "Librarian" means a teacher with an endorsement as a  
16 library information specialist or another individual whose  
17 primary responsibility is overseeing library resources within  
18 an Organizational Unit.

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

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

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

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

1       "Low-Income Count" means, for an Organizational Unit in a  
2 fiscal year, the higher of the average number of students for  
3 the prior school year or the immediately preceding 3 school  
4 years who, as of July 1 of the immediately preceding fiscal  
5 year (as determined by the Department of Human Services), are  
6 eligible for at least one of the following low income programs:  
7 Medicaid, the Children's Health Insurance Program, TANF, or  
8 Food Stamps, excluding pupils who are eligible for services  
9 provided by the Department of Children and Family Services.  
10 Until such time that grade level low-income populations become  
11 available, grade level low-income populations shall be  
12 determined by applying the low-income percentage to total  
13 student enrollments by grade level. The low-income percentage  
14 is determined by dividing the Low-Income Count by the Average  
15 Student Enrollment.

16       "Maintenance and operations" means custodial services,  
17 facility and ground maintenance, facility operations, facility  
18 security, routine facility repairs, and other similar services  
19 and functions.

20       "Minimum Funding Level" is defined in paragraph (6) of  
21 subsection (g) of this Section.

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

26       "Net State Contribution Target" means, for a given school



1 year, the amount of State funds that would be necessary to  
2 fully meet the Adequacy Target of an Operational Unit minus the  
3 Preliminary Resources available to each unit.

4 "Nurse" means an individual licensed as a certified school  
5 nurse, in accordance with the rules established for nursing  
6 services by the State Board, who is an employee of and is  
7 available to provide health care-related services for students  
8 of an Organizational Unit.

9 "Operating Tax Rate" means the rate utilized in the  
10 previous year to extend property taxes for all purposes,  
11 except, Bond and Interest, Summer School, Rent, Capital  
12 Improvement, and Vocational Education Building purposes. For  
13 Hybrid Districts, the Operating Tax Rate shall be the combined  
14 elementary and high school rates utilized in the previous year  
15 to extend property taxes for all purposes, except, Bond and  
16 Interest, Summer School, Rent, Capital Improvement, and  
17 Vocational Education Building purposes.

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

1       "Organizational Unit CWI" is determined by calculating the  
2 CWI in the region and original county in which an  
3 Organizational Unit's primary administrative office is located  
4 as set forth in this paragraph, provided that if the  
5 Organizational Unit CWI as calculated in accordance with this  
6 paragraph is less than 0.9, the Organizational Unit CWI shall  
7 be increased to 0.9. Each county's current CWI value shall be  
8 adjusted based on the CWI value of that county's neighboring  
9 Illinois counties, to create a "weighted adjusted index value".  
10 This shall be calculated by summing the CWI values of all of a  
11 county's adjacent Illinois counties and dividing by the number  
12 of adjacent Illinois counties, then taking the weighted value  
13 of the original county's CWI value and the adjacent Illinois  
14 county average. To calculate this weighted value, if the number  
15 of adjacent Illinois counties is greater than 2, the original  
16 county's CWI value will be weighted at 0.25 and the adjacent  
17 Illinois county average will be weighted at 0.75. If the number  
18 of adjacent Illinois counties is 2, the original county's CWI  
19 value will be weighted at 0.33 and the adjacent Illinois county  
20 average will be weighted at 0.66. The greater of the county's  
21 current CWI value and its weighted adjusted index value shall  
22 be used as the Organizational Unit CWI.

23       "Preceding Tax Year" means the property tax levy year  
24 immediately preceding the Base Tax Year.

25       "Preceding Tax Year's Extension" means the product of the  
26 equalized assessed valuation utilized by the county clerk in

1 the Preceding Tax Year multiplied by the Operating Tax Rate.

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

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

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

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

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

22 "PTELL" means the Property Tax Extension Limitation Law.

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

25 "Pupil support staff" means a nurse, psychologist, social  
26 worker, family liaison personnel, or other staff member who

1 provides support to at-risk or struggling students.

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

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

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

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

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

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

25 "Specially Funded Unit" means an Alternative School, safe  
26 school, Department of Juvenile Justice school, special

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

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

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

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

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

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

23 "Student activities" means non-credit producing  
24 after-school programs, including, but not limited to, clubs,  
25 bands, sports, and other activities authorized by the school  
26 board of the Organizational Unit.

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

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

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

15       "Target Ratio" is defined in paragraph (4) of subsection  
16 (g).

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

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

22       (b) Adequacy Target calculation.

23       (1) Each Organizational Unit's Adequacy Target is the sum  
24 of the Organizational Unit's cost of providing Essential  
25 Elements, as calculated in accordance with this subsection (b),  
26 with the salary amounts in the Essential Elements multiplied by

1 a Regionalization Factor calculated pursuant to paragraph (3)  
2 of this subsection (b).

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

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

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

22 (2) For grades 4 through 12, the Organizational  
23 Unit shall receive funding required to support one FTE  
24 core teacher position for every 20 Low-Income Count  
25 students in those grades and one FTE core teacher  
26 position for every 25 non-Low-Income Count students in

1           those grades.

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

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

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

15           (ii) if such Organizational Unit operates a high  
16           school, then 33.33% of the number of the Organizational  
17           Unit's core teachers.

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

24           (D) Core intervention teacher (tutor) investments.  
25           Each Organizational Unit shall receive the funding needed  
26           to cover one FTE teacher position for each prototypical



1 elementary, middle, and high school.

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

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

22 (G) Nurse investments. Each Organizational Unit shall  
23 receive the funding needed to cover one FTE nurse for each  
24 750 combined ASE of pre-kindergarten children with  
25 disabilities and all kindergarten through grade 12  
26 students across all grade levels it serves.

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

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

15          (J) Principal investments. Each Organizational Unit  
16          shall receive the funding needed to cover one FTE principal  
17          position for each prototypical elementary school, plus one  
18          FTE principal position for each prototypical middle  
19          school, plus one FTE principal position for each  
20          prototypical high school.

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

1 prototypical high school.

2 (L) School site staff investments. Each Organizational  
3 Unit shall receive the funding needed for one FTE position  
4 for each 225 ASE of pre-kindergarten children with  
5 disabilities and all kindergarten through grade 5  
6 students, plus one FTE position for each 225 ASE middle  
7 school students, plus one FTE position for each 200 ASE  
8 high school students.

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

11 (N) Professional development investments. Each  
12 Organizational Unit shall receive \$125 per student of the  
13 combined ASE of pre-kindergarten children with  
14 disabilities and all kindergarten through grade 12  
15 students for trainers and other professional  
16 development-related expenses for supplies and materials.

17 (O) Instructional material investments. Each  
18 Organizational Unit shall receive \$190 per student of the  
19 combined ASE of pre-kindergarten children with  
20 disabilities and all kindergarten through grade 12  
21 students to cover instructional material costs.

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

1           (Q) Computer technology and equipment investments.  
2           Each Organizational Unit shall receive \$285.50 per student  
3           of the combined ASE of pre-kindergarten children with  
4           disabilities and all kindergarten through grade 12  
5           students to cover computer technology and equipment costs.  
6           For the 2018-2019 school year and subsequent school years,  
7           Tier 1 and Tier 2 Organizational Units selected by the  
8           State Board through a request for proposals process shall,  
9           upon the State Board's approval of an Organizational Unit's  
10           one-to-one computing technology plan, receive an  
11           additional \$285.50 per student of the combined ASE of  
12           pre-kindergarten children with disabilities and all  
13           kindergarten through grade 12 students to cover computer  
14           technology and equipment costs. The State Board may  
15           establish additional requirements for Organizational Unit  
16           expenditures of funds received pursuant to this  
17           subparagraph (Q). It is the intent of this amendatory Act  
18           of the 100th General Assembly that all Tier 1 and Tier 2  
19           districts that apply for the technology grant receive the  
20           addition to their Adequacy Target, subject to compliance  
21           with the requirements of the State Board.

22           (R) Student activities investments. Each  
23           Organizational Unit shall receive the following funding  
24           amounts to cover student activities: \$100 per kindergarten  
25           through grade 5 ASE student in elementary school, plus \$200  
26           per ASE student in middle school, plus \$675 per ASE student

1 in high school.

2 (S) Maintenance and operations investments. Each  
3 Organizational Unit shall receive \$1,038 per student of the  
4 combined ASE of pre-kindergarten children with  
5 disabilities and all kindergarten through grade 12 for  
6 day-to-day maintenance and operations expenditures,  
7 including salary, supplies, and materials, as well as  
8 purchased services, but excluding employee benefits. The  
9 proportion of salary for the application of a  
10 Regionalization Factor and the calculation of benefits is  
11 equal to \$352.92.

12 (T) Central office investments. Each Organizational  
13 Unit shall receive \$742 per student of the combined ASE of  
14 pre-kindergarten children with disabilities and all  
15 kindergarten through grade 12 students to cover central  
16 office operations, including administrators and classified  
17 personnel charged with managing the instructional  
18 programs, business and operations of the school district,  
19 and security personnel. The proportion of salary for the  
20 application of a Regionalization Factor and the  
21 calculation of benefits is equal to \$368.48.

22 (U) Employee benefit investments. Each Organizational  
23 Unit shall receive 30% of the total of all  
24 salary-calculated elements of the Adequacy Target,  
25 excluding substitute teachers and student activities  
26 investments, to cover benefit costs. For central office and

1 maintenance and operations investments, the benefit  
2 calculation shall be based upon the salary proportion of  
3 each investment. If at any time the responsibility for  
4 funding the employer normal cost of teacher pensions is  
5 assigned to school districts, then that amount certified by  
6 the Teachers' Retirement System of the State of Illinois to  
7 be paid by the Organizational Unit for the preceding school  
8 year shall be added to the benefit investment. For any  
9 fiscal year in which a school district organized under  
10 Article 34 of this Code is responsible for paying the  
11 employer normal cost of teacher pensions, then that amount  
12 of its employer normal cost plus the amount for retiree  
13 health insurance as certified by the Public School  
14 Teachers' Pension and Retirement Fund of Chicago to be paid  
15 by the school district for the preceding school year that  
16 is statutorily required to cover employer normal costs and  
17 the amount for retiree health insurance shall be added to  
18 the 30% specified in this subparagraph (U). The Public  
19 School Teachers' Pension and Retirement Fund of Chicago  
20 shall submit such information as the State Superintendent  
21 may require for the calculations set forth in this  
22 subparagraph (U).

23 (V) Additional investments in low-income students. In  
24 addition to and not in lieu of all other funding under this  
25 paragraph (2), each Organizational Unit shall receive  
26 funding based on the average teacher salary for grades K

1 through 12 to cover the costs of: (i) one FTE intervention  
2 teacher (tutor) position for every 125 Low-Income Count  
3 students; (ii) one FTE pupil support staff position for  
4 every 125 Low-Income Count students; (iii) one FTE extended  
5 day teacher position for every 120 Low-Income Count  
6 students; and (iv) one FTE summer school teacher position  
7 for every 120 Low-Income Count students.

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

13 (i) one FTE intervention teacher (tutor) position  
14 for every 125 EL students;

15 (ii) one FTE pupil support staff position for every  
16 125 EL students;

17 (iii) one FTE extended day teacher position for  
18 every 120 EL students;

19 (iv) one FTE summer school teacher position for  
20 every 120 EL students; and

21 (v) one FTE core teacher position for every 100 EL  
22 students.

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

1           (i) one FTE teacher position for every 141 combined  
2           ASE of pre-kindergarten children with disabilities and  
3           all kindergarten through grade 12 students;

4           (ii) one FTE instructional assistant for every 141  
5           combined ASE of pre-kindergarten children with  
6           disabilities and all kindergarten through grade 12  
7           students; and

8           (iii) one FTE psychologist position for every  
9           1,000 combined ASE of pre-kindergarten children with  
10           disabilities and all kindergarten through grade 12  
11           students.

12           (3) For calculating the salaries included within the  
13           Essential Elements, the State Superintendent shall annually  
14           calculate average salaries to the nearest dollar using the  
15           employment information system data maintained by the State  
16           Board, limited to public schools only and excluding special  
17           education and vocational cooperatives, schools operated by the  
18           Department of Juvenile Justice, and charter schools, for the  
19           following positions:

20           (A) Teacher for grades K through 8.

21           (B) Teacher for grades 9 through 12.

22           (C) Teacher for grades K through 12.

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

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

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

26           (G) Social worker.



1           (H) Psychologist.

2           (I) Librarian.

3           (J) Nurse.

4           (K) Principal.

5           (L) Assistant principal.

6           For the purposes of this paragraph (3), "teacher" includes core  
7           teachers, specialist and elective teachers, instructional  
8           facilitators, tutors, special education teachers, pupil  
9           support staff teachers, English learner teachers, extended-day  
10           teachers, and summer school teachers. Where specific grade data  
11           is not required for the Essential Elements, the average salary  
12           for corresponding positions shall apply. For substitute  
13           teachers, the average teacher salary for grades K through 12  
14           shall apply.

15           For calculating the salaries included within the Essential  
16           Elements for positions not included within EIS Data, the  
17           following salaries shall be used in the first year of  
18           implementation of Evidence-Based Funding:

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

20           (ii) on-instructional assistant, instructional  
21           assistant, library aide, library media tech, or  
22           supervisory aide: \$25,000.

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

26           The salary amounts for the Essential Elements determined

1 pursuant to subparagraphs (A) through (L), (S) and (T), and (V)  
2 through (X) of paragraph (2) of subsection (b) of this Section  
3 shall be multiplied by a Regionalization Factor.

4 (c) Local capacity calculation.

5 (1) Each Organizational Unit's Local Capacity represents  
6 an amount of funding it is assumed to contribute toward its  
7 Adequacy Target for purposes of the Evidence-Based Funding  
8 formula calculation. "Local Capacity" means either (i) the  
9 Organizational Unit's Local Capacity Target as calculated in  
10 accordance with paragraph (2) of this subsection (c) if its  
11 Real Receipts are equal to or less than its Local Capacity  
12 Target or (ii) the Organizational Unit's Adjusted Local  
13 Capacity, as calculated in accordance with paragraph (3) of  
14 this subsection (c) if Real Receipts are more than its Local  
15 Capacity Target.

16 (2) "Local Capacity Target" means, for an Organizational  
17 Unit, that dollar amount that is obtained by multiplying its  
18 Adequacy Target by its Local Capacity Ratio.

19 (A) An Organizational Unit's Local Capacity Percentage  
20 is the conversion of the Organizational Unit's Local  
21 Capacity Ratio, as such ratio is determined in accordance  
22 with subparagraph (B) of this paragraph (2), into a normal  
23 curve equivalent score to determine each Organizational  
24 Unit's relative position to all other Organizational Units  
25 in this State. The calculation of Local Capacity Percentage  
26 is described in subparagraph (C) of this paragraph (2).

1           (B) An Organizational Unit's Local Capacity Ratio in a  
2           given year is the percentage obtained by dividing its  
3           Adjusted EAV or PTELL EAV, whichever is less, by its  
4           Adequacy Target, with the resulting ratio further adjusted  
5           as follows:

6                   (i) for Organizational Units serving grades  
7                   kindergarten through 12 and Hybrid Districts, no  
8                   further adjustments shall be made;

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

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

15                   (iv) for an Organizational Unit with a different  
16                   grade configuration than those specified in items (i)  
17                   through (iii) of this subparagraph (B), the State  
18                   Superintendent shall determine a comparable adjustment  
19                   based on the grades served.

20           (C) Local Capacity Percentage converts each  
21           Organizational Unit's Local Capacity Ratio to a normal  
22           curve equivalent score to determine each Organizational  
23           Unit's relative position to all other Organizational Units  
24           in this State. The Local Capacity Percentage normal curve  
25           equivalent score for each Organizational Unit shall be  
26           calculated using the standard normal distribution of the

1 score in relation to the weighted mean and weighted  
2 standard deviation and Local Capacity Ratios of all  
3 Organizational Units. If the value assigned to any  
4 Organizational Unit is in excess of 90%, the value shall be  
5 adjusted to 90%. For Laboratory Schools, the Local Capacity  
6 Percentage shall be set at 10% in recognition of the  
7 absence of EAV and resources from the public university  
8 that are allocated to the Laboratory School. The weighted  
9 mean for the Local Capacity Percentage shall be determined  
10 by multiplying each Organizational Unit's Local Capacity  
11 Ratio times the ASE for the unit creating a weighted value,  
12 summing the weighted values of all Organizational Units,  
13 and dividing by the total ASE of all Organizational Units.  
14 The weighted standard deviation shall be determined by  
15 taking the square root of the weighted variance of all  
16 Organizational Units' Local Capacity Ratio, where the  
17 variance is calculated by squaring the difference between  
18 each unit's Local Capacity Ratio and the weighted mean,  
19 then multiplying the variance for each unit times the ASE  
20 for the unit to create a weighted variance for each unit,  
21 then summing all units' weighted variance and dividing by  
22 the total ASE of all units.

23 (D) For a school district organized under Article 34 of  
24 this Code, the school district's Adjusted Local Capacity  
25 Target shall be reduced by the sum of the board of  
26 education's remaining contribution pursuant to paragraph

1       (iv) of subsection (b) of Section 17-129 of the Illinois  
2       Pension Code, absent the fiscal year 2018 employer normal  
3       cost portion of the required contribution and the amount  
4       allowed pursuant to paragraph (3) of Section 17-142.1 of  
5       the Illinois Pension Code, in a given year.

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

15       As used in this paragraph (3), "Real Percent of Adequacy"  
16       means the sum of an Organizational Unit's Real Receipts, CPPRT,  
17       and Base Funding Minimum, with the resulting figure divided by  
18       the Organizational Unit's Adequacy Target.

19       (d) Calculation of Real Receipts, EAV, and Adjusted EAV for  
20       purposes of the Local Capacity calculation.

21       (1) An Organizational Unit's Real Receipts are the product  
22       of its Applicable Tax Rate and its Adjusted EAV. An  
23       Organizational Unit's Applicable Tax Rate is its Adjusted  
24       Operating Tax Rate for property within the Organizational Unit.

25       (2) The State Superintendent shall calculate the Equalized  
26       Assessed Valuation, or EAV, of all taxable property of each

1 Organizational Unit as of September 30 of the previous year in  
2 accordance with paragraph (3) of this subsection (d). The State  
3 Superintendent shall then determine the Adjusted EAV of each  
4 Organizational Unit in accordance with paragraph (4) of this  
5 subsection (d), which Adjusted EAV figure shall be used for the  
6 purposes of calculating Local Capacity.

7 (3) To calculate Real Receipts and EAV, the Department of  
8 Revenue shall supply to the State Superintendent the value as  
9 equalized or assessed by the Department of Revenue of all  
10 taxable property of every Organizational Unit, together with  
11 (i) the applicable tax rate used in extending taxes for the  
12 funds of the Organizational Unit as of September 30 of the  
13 previous year and (ii) the limiting rate for all Organizational  
14 Units subject to property tax extension limitations as imposed  
15 under PTELL.

16 (A) The Department of Revenue shall add to the  
17 equalized assessed value of all taxable property of each  
18 Organizational Unit situated entirely or partially within  
19 a county that is or was subject to the provisions of  
20 Section 15-176 or 15-177 of the Property Tax Code (i) an  
21 amount equal to the total amount by which the homestead  
22 exemption allowed under Section 15-176 or 15-177 of the  
23 Property Tax Code for real property situated in that  
24 Organizational Unit exceeds the total amount that would  
25 have been allowed in that Organizational Unit if the  
26 maximum reduction under Section 15-176 was (I) \$4,500 in

1 Cook County or \$3,500 in all other counties in tax year  
2 2003 or (II) \$5,000 in all counties in tax year 2004 and  
3 thereafter and (ii) an amount equal to the aggregate amount  
4 for the taxable year of all additional exemptions under  
5 Section 15-175 of the Property Tax Code for owners with a  
6 household income of \$30,000 or less. The county clerk of  
7 any county that is or was subject to the provisions of  
8 Section 15-176 or 15-177 of the Property Tax Code shall  
9 annually calculate and certify to the Department of Revenue  
10 for each Organizational Unit all homestead exemption  
11 amounts under Section 15-176 or 15-177 of the Property Tax  
12 Code and all amounts of additional exemptions under Section  
13 15-175 of the Property Tax Code for owners with a household  
14 income of \$30,000 or less. It is the intent of this  
15 subparagraph (A) that if the general homestead exemption  
16 for a parcel of property is determined under Section 15-176  
17 or 15-177 of the Property Tax Code rather than Section  
18 15-175, then the calculation of EAV shall not be affected  
19 by the difference, if any, between the amount of the  
20 general homestead exemption allowed for that parcel of  
21 property under Section 15-176 or 15-177 of the Property Tax  
22 Code and the amount that would have been allowed had the  
23 general homestead exemption for that parcel of property  
24 been determined under Section 15-175 of the Property Tax  
25 Code. It is further the intent of this subparagraph (A)  
26 that if additional exemptions are allowed under Section

1       15-175 of the Property Tax Code for owners with a household  
2       income of less than \$30,000, then the calculation of EAV  
3       shall not be affected by the difference, if any, because of  
4       those additional exemptions.

5       (B) With respect to any part of an Organizational Unit  
6       within a redevelopment project area in respect to which a  
7       municipality has adopted tax increment allocation  
8       financing pursuant to the Tax Increment Allocation  
9       Redevelopment Act, Division 74.4 of the Illinois Municipal  
10       Code, or the Industrial Jobs Recovery Law, Division 74.6 of  
11       the Illinois Municipal Code, no part of the current EAV of  
12       real property located in any such project area which is  
13       attributable to an increase above the total initial EAV of  
14       such property shall be used as part of the EAV of the  
15       Organizational Unit, until such time as all redevelopment  
16       project costs have been paid, as provided in Section  
17       11-74.4-8 of the Tax Increment Allocation Redevelopment  
18       Act or in Section 11-74.6-35 of the Industrial Jobs  
19       Recovery Law. For the purpose of the EAV of the  
20       Organizational Unit, the total initial EAV or the current  
21       EAV, whichever is lower, shall be used until such time as  
22       all redevelopment project costs have been paid.

23       (C) For Organizational Units that are Hybrid  
24       Districts, the State Superintendent shall use the lesser of  
25       the equalized assessed valuation for property within the  
26       partial elementary unit district for elementary purposes,



1       as defined in Article 11E of this Code, or the equalized  
2       assessed valuation for property within the partial  
3       elementary unit district for high school purposes, as  
4       defined in Article 11E of this Code.

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

19      "PTELL EAV" means a figure calculated by the State Board  
20      for Organizational Units subject to PTELL as described in this  
21      paragraph (4) for the purposes of calculating an Organizational  
22      Unit's Local Capacity Ratio. Except as otherwise provided in  
23      this paragraph (4), for an Organizational Unit that has  
24      approved or does approve an increase in its limiting rate, the  
25      PTELL EAV of an Organizational Unit shall be equal to the  
26      product of the equalized assessed valuation last used in the

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

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

21 (e) Base Funding Minimum calculation.

22 (1) For the 2017-2018 school year, the Base Funding Minimum  
23 of an Organizational Unit, other than a Specially Funded Unit,  
24 shall be the amount of State funds distributed to the  
25 Organizational Unit during the 2016-2017 school year prior to  
26 any adjustments and specified appropriation amounts described

1 in this paragraph (1) from the following Sections, as  
2 calculated by the State Superintendent: Section 18-8.05 of this  
3 Code (general State aid); Section 5 of Article 224 of Public  
4 Act 99-524 (equity grants); Section 14-7.02b of this Code  
5 (funding for children requiring special education services);  
6 Section 14-13.01 of this Code (special education facilities and  
7 staffing), except for reimbursement of the cost of  
8 transportation pursuant to Section 14-13.01; Section 14C-12 of  
9 this Code (English learners); and Section 18-4.3 of this Code  
10 (summer school), based on an appropriation level of  
11 \$13,121,600. For a school district organized under Article 34  
12 of this Code, the Base Funding Minimum also includes (i) the  
13 funds allocated to the school district pursuant to Section 1D-1  
14 of this Code attributable to funding programs authorized by the  
15 Sections of this Code listed in the preceding sentence; (ii)  
16 the difference between (I) the funds allocated to the school  
17 district pursuant to Section 1D-1 of this Code attributable to  
18 the funding programs authorized by Section 14-7.02 (non-public  
19 special education reimbursement), subsection (b) of Section  
20 14-13.01 (special education transportation), Section 29-5  
21 (transportation), Section 2-3.80 (agricultural education),  
22 Section 2-3.66 (truants' alternative education), Section  
23 2-3.62 (educational service centers), and Section 14-7.03  
24 (special education - orphanage) of this Code and Section 15 of  
25 the Childhood Hunger Relief Act (free breakfast program) and  
26 (II) the school district's actual expenditures for its

1 non-public special education, special education  
2 transportation, transportation programs, agricultural  
3 education, truants' alternative education, services that would  
4 otherwise be performed by a regional office of education,  
5 special education orphanage expenditures, and free breakfast,  
6 as most recently calculated and reported pursuant to subsection  
7 (f) of Section 1D-1 of this Code; and (iii) in the year that a  
8 school district must initially pay for employer normal cost, or  
9 in the 2017-2018 school year if the district is required to pay  
10 for employer normal cost, an amount equal to the employer  
11 normal cost portion of the required contribution, as certified  
12 by the Public School Teachers' Pension and Retirement Fund of  
13 Chicago, plus the amount allowed pursuant to paragraph (3) of  
14 Section 17-142.1 of the Illinois Pension Code, to defray health  
15 insurance costs for the Public School Teachers' Pension and  
16 Retirement Fund of Chicago in fiscal year 2018 or, in the event  
17 a school district is responsible for the entirety of its normal  
18 pension cost, a normal cost amount as certified by the  
19 Teachers' Retirement System of the State of Illinois in the  
20 prior fiscal year. For Specially Funded Units, the Base Funding  
21 Minimum shall be the total amount of State funds allotted to  
22 the Specially Funded Unit during the 2016-2017 school year. The  
23 Base Funding Minimum for Glenwood Academy shall be \$625,500.

24 (2) For the 2018-2019 and subsequent school years, the Base  
25 Funding Minimum of Organizational Units and Specially Funded  
26 Units shall be the sum of (i) the amount of Evidence-Based

1 Funding for the prior school year and (ii) the Base Funding  
2 Minimum for the prior school year.

3 (f) Percent of Adequacy and Final Resources calculation.

4 (1) The Evidence-Based Funding formula establishes a  
5 Percent of Adequacy for each Organizational Unit in order to  
6 place such units into tiers for the purposes of the funding  
7 distribution system described in subsection (g) of this  
8 Section. Initially, an Organizational Unit's Preliminary  
9 Resources and Preliminary Percent of Adequacy are calculated  
10 pursuant to paragraph (2) of this subsection (f). Then, an  
11 Organizational Unit's Final Resources and Final Percent of  
12 Adequacy are calculated to account for the Organizational  
13 Unit's poverty concentration levels pursuant to paragraphs (3)  
14 and (4) of this subsection (f).

15 (2) An Organizational Unit's Preliminary Resources are  
16 equal to the sum of its Local Capacity Target, CPPRT, and Base  
17 Funding Minimum. An Organizational Unit's Preliminary Percent  
18 of Adequacy is the lesser of (i) its Preliminary Resources  
19 divided by its Adequacy Target or (ii) 100%.

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

1 capita tuition charge times the charter school enrollment.

2 (4) An Organizational Unit's Final Percent of Adequacy is  
3 its Final Resources divided by its Adequacy Target. A  
4 Organizational Unit's Adjusted Base Funding Minimum is equal to  
5 its Base Funding Minimum less its Supplemental Grant Funding,  
6 with the resulting figure added to the product of its  
7 Supplemental Grant Funding and Preliminary Percent of  
8 Adequacy.

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

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

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

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

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

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

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

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

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

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

23 (4) The Allocation Rates for Tiers 1 through 4 is  
24 determined as follows:

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

26 (B) The Tier 2 Allocation Rate is the result of the



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

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

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

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

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

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

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

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

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

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

10       (9) The Minimum Funding Level is intended to establish a  
11 target for State funding that will keep pace with inflation and  
12 continue to advance equity through the Evidence-Based Funding  
13 formula. The Minimum Funding Level is equal to the sum of 1% of  
14 the State Adequacy Level, plus \$93,000,000. If New State Funds  
15 are less than the Minimum Funding Level, than funding for tiers  
16 shall be reduced in the following manner:

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

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

25           (C) Next, Tier 2 funding shall be reduced by an amount  
26 equal to the difference between the Minimum Funding level

1       and new State Funds and the reduction Tier 4 and Tier 3.  
2       Finally, Tier 1 funding shall be reduced by an amount equal  
3       to the difference between the Minimum Funding level and New  
4       State Funds and the reduction in Tier 2, 3, and 4 funding.  
5       In addition, the Allocation Rate for Tier 1 shall be  
6       reduced to a percentage equal to 50%, multiplied by the  
7       result of New State Funds divided by the Minimum Funding  
8       Level.

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

1 Minimum established in the first year of implementation of this  
2 Section. If additional reductions are required, all school  
3 districts shall receive a reduction by a per pupil amount equal  
4 to the aggregate additional appropriation reduction divided by  
5 the total ASE of all Organizational Units.

6 (11) The State Superintendent shall make minor adjustments  
7 to the distribution formulae set forth in this subsection (g)  
8 to account for the rounding of percentages to the nearest tenth  
9 of a percentage and dollar amounts to the nearest whole dollar.

10 (h) State Superintendent administration of funding and  
11 district submission requirements.

12 (1) The State Superintendent shall, in accordance with  
13 appropriations made by the General Assembly, meet the funding  
14 obligations created under this Section.

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

26 (3) Annually, the State Superintendent shall calculate and

1 report to each Organizational Unit the unit's aggregate  
2 financial adequacy amount, which shall be the sum of the  
3 Adequacy Target for each Organizational Unit. The State  
4 Superintendent shall calculate and report separately for each  
5 Organizational Unit the unit's total State funds allocated for  
6 its students with disabilities. The State Superintendent shall  
7 calculate and report separately for each Organizational Unit  
8 the amount of funding and applicable FTE calculated for each  
9 Essential Element of the unit's Adequacy Target.

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

15 (5) 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 (6) 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 (7) 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 (8) 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       (9) 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       (10) No later than January 1, 2018, the State  
20 Superintendent shall develop a 5-year strategic plan for all  
21 Organizational Units to help in planning for adequacy funding  
22 under this Section. The State Superintendent shall submit the  
23 plan to the Governor and the General Assembly, as provided in  
24 Section 3.1 of the General Assembly Organization Act. The plan  
25 shall 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 paragraph (9) of subsection (h) of this  
2 Section.

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

6 (C) Maintenance and operations. Within 5 years after  
7 the implementation of this Section, the Panel shall make  
8 recommendations for the further study of maintenance and  
9 operations costs, including capital maintenance costs, and  
10 recommend any additional reporting data required from  
11 Organizational Units.

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

20 (E) Benefits. Within 5 years after the implementation  
21 of this Section, the Panel shall make recommendations for  
22 further study of benefit costs.

23 (F) Technology. The per pupil target for technology  
24 shall be reviewed every 3 years to determine whether  
25 current allocations are sufficient to develop 21st century  
26 learning in all classrooms in this State and supporting a

1       one-to-one technological device program in each school.  
2       Recommendations shall be made no later than 3 years after  
3       the implementation of this Section.

4       (G) Local Capacity Target. Within 3 years after the  
5       implementation of this Section, the Panel shall make  
6       recommendations for any additional data desired to analyze  
7       possible modifications to the Local Capacity Target, to be  
8       based on measures in addition to solely EAV and to be  
9       completed within 5 years after implementation of this  
10      Section.

11      (H) Funding for Alternative Schools, Laboratory  
12      Schools, safe schools, and alternative learning  
13      opportunities programs. By the beginning of the 2021-2022  
14      school year, the Panel shall study and make recommendations  
15      regarding the funding levels for Alternative Schools,  
16      Laboratory Schools, safe schools, and alternative learning  
17      opportunities programs in this State.

18      (I) Funding for college and career acceleration  
19      strategies. By the beginning of the 2021-2022 school year,  
20      the Panel shall study and make recommendations regarding  
21      funding levels to support college and career acceleration  
22      strategies in high school that have been demonstrated to  
23      result in improved secondary and postsecondary outcomes,  
24      including Advanced Placement, dual-credit opportunities,  
25      and college and career pathway systems.

26      (J) Special education investments. By the beginning of

1       the 2021-2022 school year, the Panel shall study and make  
2       recommendations on whether and how to account for  
3       disability types within the special education funding  
4       category.

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

15       (5) Within 5 years after the implementation of this  
16       Section, the Panel shall complete an evaluative study of the  
17       entire Evidence-Based Funding model, including an assessment  
18       of whether or not the formula is achieving State goals. The  
19       Panel shall report to the State Board, the General Assembly,  
20       and the Governor on the findings of the study.

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

25       (j) References. Beginning July 1, 2017, references in other  
26       laws to general State aid funds or calculations under Section

1 18-8.05 of this Code shall be deemed to be references to  
2 evidence-based model formula funds or calculations under this  
3 Section.

4 (105 ILCS 5/18-9) (from Ch. 122, par. 18-9)

5 Sec. 18-9. Requirement for special equalization and  
6 supplementary State aid. If property comprising an aggregate  
7 assessed valuation equal to 6% or more of the total assessed  
8 valuation of all taxable property in a school district is owned  
9 by a person or corporation that is the subject of bankruptcy  
10 proceedings or that has been adjudged bankrupt and, as a result  
11 thereof, has not paid taxes on the property, then the district  
12 may amend its general State aid or evidence-based funding claim  
13 (i) back to the inception of the bankruptcy, not to exceed 6  
14 years, in which time those taxes were not paid and (ii) for  
15 each succeeding year that those taxes remain unpaid, by adding  
16 to the claim an amount determined by multiplying the assessed  
17 valuation of the property on which taxes have not been paid due  
18 to the bankruptcy by the lesser of the total tax rate for the  
19 district for the tax year for which the taxes are unpaid or the  
20 applicable rate used in calculating the district's general  
21 State aid under paragraph (3) of subsection (D) of Section  
22 18-8.05 of this Code or evidence-based funding under Section  
23 18-8.15 of this Code, as applicable. If at any time a district  
24 that receives additional State aid under this Section receives  
25 tax revenue from the property for the years that taxes were not

1 paid, the district's next claim for State aid shall be reduced  
2 in an amount equal to the taxes paid on the property, not to  
3 exceed the additional State aid received under this Section.  
4 Claims under this Section shall be filed on forms prescribed by  
5 the State Superintendent of Education, and the State  
6 Superintendent of Education, upon receipt of a claim, shall  
7 adjust the claim in accordance with the provisions of this  
8 Section. Supplementary State aid for each succeeding year under  
9 this Section shall be paid beginning with the first general  
10 State aid or evidence-based funding claim paid after the  
11 district has filed a completed claim in accordance with this  
12 Section.

13 (Source: P.A. 95-496, eff. 8-28-07.)

14 (105 ILCS 5/18-12) (from Ch. 122, par. 18-12)

15 Sec. 18-12. Dates for filing State aid claims. The school  
16 board of each school district, a regional office of education,  
17 a laboratory school, or a State-authorized charter school shall  
18 require teachers, principals, or superintendents to furnish  
19 from records kept by them such data as it needs in preparing  
20 and certifying to the State Superintendent of Education its  
21 report of claims provided in Section 18-8.05 of this Code. The  
22 claim shall be based on the latest available equalized assessed  
23 valuation and tax rates, as provided in Section 18-8.05 or  
24 18-8.15, shall use the average daily attendance as determined  
25 by the method outlined in Section 18-8.05 or 18-8.15, and shall



1 be certified and filed with the State Superintendent of  
2 Education by June 21 for districts and State-authorized charter  
3 schools with an official school calendar end date before June  
4 15 or within 2 weeks following the official school calendar end  
5 date for districts, regional offices of education, laboratory  
6 schools, or State-authorized charter schools with a school year  
7 end date of June 15 or later. Failure to so file by these  
8 deadlines constitutes a forfeiture of the right to receive  
9 payment by the State until such claim is filed. The State  
10 Superintendent of Education shall voucher for payment those  
11 claims to the State Comptroller as provided in Section 18-11.

12 Except as otherwise provided in this Section, if any school  
13 district fails to provide the minimum school term specified in  
14 Section 10-19, the State aid claim for that year shall be  
15 reduced by the State Superintendent of Education in an amount  
16 equivalent to  $1/176$  or .56818% for each day less than the  
17 number of days required by this Code.

18 If the State Superintendent of Education determines that  
19 the failure to provide the minimum school term was occasioned  
20 by an act or acts of God, or was occasioned by conditions  
21 beyond the control of the school district which posed a  
22 hazardous threat to the health and safety of pupils, the State  
23 aid claim need not be reduced.

24 If a school district is precluded from providing the  
25 minimum hours of instruction required for a full day of  
26 attendance due to an adverse weather condition or a condition

1 beyond the control of the school district that poses a  
2 hazardous threat to the health and safety of students, then the  
3 partial day of attendance may be counted if (i) the school  
4 district has provided at least one hour of instruction prior to  
5 the closure of the school district, (ii) a school building has  
6 provided at least one hour of instruction prior to the closure  
7 of the school building, or (iii) the normal start time of the  
8 school district is delayed.

9 If, prior to providing any instruction, a school district  
10 must close one or more but not all school buildings after  
11 consultation with a local emergency response agency or due to a  
12 condition beyond the control of the school district, then the  
13 school district may claim attendance for up to 2 school days  
14 based on the average attendance of the 3 school days  
15 immediately preceding the closure of the affected school  
16 building or, if approved by the State Board of Education,  
17 utilize the provisions of an e-learning program for the  
18 affected school building as prescribed in Section 10-20.56 of  
19 this Code. The partial or no day of attendance described in  
20 this Section and the reasons therefore shall be certified  
21 within a month of the closing or delayed start by the school  
22 district superintendent to the regional superintendent of  
23 schools for forwarding to the State Superintendent of Education  
24 for approval.

25 Other than the utilization of any e-learning days as  
26 prescribed in Section 10-20.56 of this Code, no exception to

1 the requirement of providing a minimum school term may be  
2 approved by the State Superintendent of Education pursuant to  
3 this Section unless a school district has first used all  
4 emergency days provided for in its regular calendar.

5 If the State Superintendent of Education declares that an  
6 energy shortage exists during any part of the school year for  
7 the State or a designated portion of the State, a district may  
8 operate the school attendance centers within the district 4  
9 days of the week during the time of the shortage by extending  
10 each existing school day by one clock hour of school work, and  
11 the State aid claim shall not be reduced, nor shall the  
12 employees of that district suffer any reduction in salary or  
13 benefits as a result thereof. A district may operate all  
14 attendance centers on this revised schedule, or may apply the  
15 schedule to selected attendance centers, taking into  
16 consideration such factors as pupil transportation schedules  
17 and patterns and sources of energy for individual attendance  
18 centers.

19 Electronically submitted State aid claims shall be  
20 submitted by duly authorized district individuals over a secure  
21 network that is password protected. The electronic submission  
22 of a State aid claim must be accompanied with an affirmation  
23 that all of the provisions of Sections 18-8.05, 10-22.5, and  
24 24-4 of this Code are met in all respects.

25 (Source: P.A. 99-194, eff. 7-30-15; 99-657, eff. 7-28-16.)

1 (105 ILCS 5/26-16)

2 Sec. 26-16. Graduation incentives program.

3 (a) The General Assembly finds that it is critical to  
4 provide options for children to succeed in school. The purpose  
5 of this Section is to provide incentives for and encourage all  
6 Illinois students who have experienced or are experiencing  
7 difficulty in the traditional education system to enroll in  
8 alternative programs.

9 (b) Any student who is below the age of 20 years is  
10 eligible to enroll in a graduation incentives program if he or  
11 she:

12 (1) is considered a dropout pursuant to Section 26-2a  
13 of this Code;

14 (2) has been suspended or expelled pursuant to Section  
15 10-22.6 or 34-19 of this Code;

16 (3) is pregnant or is a parent;

17 (4) has been assessed as chemically dependent; or

18 (5) is enrolled in a bilingual education or LEP  
19 program.

20 (c) The following programs qualify as graduation  
21 incentives programs for students meeting the criteria  
22 established in this Section:

23 (1) Any public elementary or secondary education  
24 graduation incentives program established by a school  
25 district or by a regional office of education.

26 (2) Any alternative learning opportunities program

1 established pursuant to Article 13B of this Code.

2 (3) Vocational or job training courses approved by the  
3 State Superintendent of Education that are available  
4 through the Illinois public community college system.  
5 Students may apply for reimbursement of 50% of tuition  
6 costs for one course per semester or a maximum of 3 courses  
7 per school year. Subject to available funds, students may  
8 apply for reimbursement of up to 100% of tuition costs upon  
9 a showing of employment within 6 months after completion of  
10 a vocational or job training program. The qualifications  
11 for reimbursement shall be established by the State  
12 Superintendent of Education by rule.

13 (4) Job and career programs approved by the State  
14 Superintendent of Education that are available through  
15 Illinois-accredited private business and vocational  
16 schools. Subject to available funds, pupils may apply for  
17 reimbursement of up to 100% of tuition costs upon a showing  
18 of employment within 6 months after completion of a job or  
19 career program. The State Superintendent of Education  
20 shall establish, by rule, the qualifications for  
21 reimbursement, criteria for determining reimbursement  
22 amounts, and limits on reimbursement.

23 (5) Adult education courses that offer preparation for  
24 high school equivalency testing.

25 (d) Graduation incentives programs established by school  
26 districts are entitled to claim general State aid and

1 evidence-based funding, subject to Sections 13B-50, 13B-50.5,  
2 and 13B-50.10 of this Code. Graduation incentives programs  
3 operated by regional offices of education are entitled to  
4 receive general State aid and evidence-based funding at the  
5 foundation level of support per pupil enrolled. A school  
6 district must ensure that its graduation incentives program  
7 receives supplemental general State aid, transportation  
8 reimbursements, and special education resources, if  
9 appropriate, for students enrolled in the program.

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

11 (105 ILCS 5/27-8.1) (from Ch. 122, par. 27-8.1)

12 (Text of Section before amendment by P.A. 99-927)

13 Sec. 27-8.1. Health examinations and immunizations.

14 (1) In compliance with rules and regulations which the  
15 Department of Public Health shall promulgate, and except as  
16 hereinafter provided, all children in Illinois shall have a  
17 health examination as follows: within one year prior to  
18 entering kindergarten or the first grade of any public,  
19 private, or parochial elementary school; upon entering the  
20 sixth and ninth grades of any public, private, or parochial  
21 school; prior to entrance into any public, private, or  
22 parochial nursery school; and, irrespective of grade,  
23 immediately prior to or upon entrance into any public, private,  
24 or parochial school or nursery school, each child shall present  
25 proof of having been examined in accordance with this Section

1 and the rules and regulations promulgated hereunder. Any child  
2 who received a health examination within one year prior to  
3 entering the fifth grade for the 2007-2008 school year is not  
4 required to receive an additional health examination in order  
5 to comply with the provisions of Public Act 95-422 when he or  
6 she attends school for the 2008-2009 school year, unless the  
7 child is attending school for the first time as provided in  
8 this paragraph.

9 A tuberculosis skin test screening shall be included as a  
10 required part of each health examination included under this  
11 Section if the child resides in an area designated by the  
12 Department of Public Health as having a high incidence of  
13 tuberculosis. Additional health examinations of pupils,  
14 including eye examinations, may be required when deemed  
15 necessary by school authorities. Parents are encouraged to have  
16 their children undergo eye examinations at the same points in  
17 time required for health examinations.

18 (1.5) In compliance with rules adopted by the Department of  
19 Public Health and except as otherwise provided in this Section,  
20 all children in kindergarten and the second and sixth grades of  
21 any public, private, or parochial school shall have a dental  
22 examination. Each of these children shall present proof of  
23 having been examined by a dentist in accordance with this  
24 Section and rules adopted under this Section before May 15th of  
25 the school year. If a child in the second or sixth grade fails  
26 to present proof by May 15th, the school may hold the child's

1 report card until one of the following occurs: (i) the child  
2 presents proof of a completed dental examination or (ii) the  
3 child presents proof that a dental examination will take place  
4 within 60 days after May 15th. The Department of Public Health  
5 shall establish, by rule, a waiver for children who show an  
6 undue burden or a lack of access to a dentist. Each public,  
7 private, and parochial school must give notice of this dental  
8 examination requirement to the parents and guardians of  
9 students at least 60 days before May 15th of each school year.

10 (1.10) Except as otherwise provided in this Section, all  
11 children enrolling in kindergarten in a public, private, or  
12 parochial school on or after the effective date of this  
13 amendatory Act of the 95th General Assembly and any student  
14 enrolling for the first time in a public, private, or parochial  
15 school on or after the effective date of this amendatory Act of  
16 the 95th General Assembly shall have an eye examination. Each  
17 of these children shall present proof of having been examined  
18 by a physician licensed to practice medicine in all of its  
19 branches or a licensed optometrist within the previous year, in  
20 accordance with this Section and rules adopted under this  
21 Section, before October 15th of the school year. If the child  
22 fails to present proof by October 15th, the school may hold the  
23 child's report card until one of the following occurs: (i) the  
24 child presents proof of a completed eye examination or (ii) the  
25 child presents proof that an eye examination will take place  
26 within 60 days after October 15th. The Department of Public



1 Health shall establish, by rule, a waiver for children who show  
2 an undue burden or a lack of access to a physician licensed to  
3 practice medicine in all of its branches who provides eye  
4 examinations or to a licensed optometrist. Each public,  
5 private, and parochial school must give notice of this eye  
6 examination requirement to the parents and guardians of  
7 students in compliance with rules of the Department of Public  
8 Health. Nothing in this Section shall be construed to allow a  
9 school to exclude a child from attending because of a parent's  
10 or guardian's failure to obtain an eye examination for the  
11 child.

12 (2) The Department of Public Health shall promulgate rules  
13 and regulations specifying the examinations and procedures  
14 that constitute a health examination, which shall include the  
15 collection of data relating to obesity (including at a minimum,  
16 date of birth, gender, height, weight, blood pressure, and date  
17 of exam), and a dental examination and may recommend by rule  
18 that certain additional examinations be performed. The rules  
19 and regulations of the Department of Public Health shall  
20 specify that a tuberculosis skin test screening shall be  
21 included as a required part of each health examination included  
22 under this Section if the child resides in an area designated  
23 by the Department of Public Health as having a high incidence  
24 of tuberculosis. The Department of Public Health shall specify  
25 that a diabetes screening as defined by rule shall be included  
26 as a required part of each health examination. Diabetes testing

1 is not required.

2 Physicians licensed to practice medicine in all of its  
3 branches, licensed advanced practice nurses, or licensed  
4 physician assistants shall be responsible for the performance  
5 of the health examinations, other than dental examinations, eye  
6 examinations, and vision and hearing screening, and shall sign  
7 all report forms required by subsection (4) of this Section  
8 that pertain to those portions of the health examination for  
9 which the physician, advanced practice nurse, or physician  
10 assistant is responsible. If a registered nurse performs any  
11 part of a health examination, then a physician licensed to  
12 practice medicine in all of its branches must review and sign  
13 all required report forms. Licensed dentists shall perform all  
14 dental examinations and shall sign all report forms required by  
15 subsection (4) of this Section that pertain to the dental  
16 examinations. Physicians licensed to practice medicine in all  
17 its branches or licensed optometrists shall perform all eye  
18 examinations required by this Section and shall sign all report  
19 forms required by subsection (4) of this Section that pertain  
20 to the eye examination. For purposes of this Section, an eye  
21 examination shall at a minimum include history, visual acuity,  
22 subjective refraction to best visual acuity near and far,  
23 internal and external examination, and a glaucoma evaluation,  
24 as well as any other tests or observations that in the  
25 professional judgment of the doctor are necessary. Vision and  
26 hearing screening tests, which shall not be considered

1 examinations as that term is used in this Section, shall be  
2 conducted in accordance with rules and regulations of the  
3 Department of Public Health, and by individuals whom the  
4 Department of Public Health has certified. In these rules and  
5 regulations, the Department of Public Health shall require that  
6 individuals conducting vision screening tests give a child's  
7 parent or guardian written notification, before the vision  
8 screening is conducted, that states, "Vision screening is not a  
9 substitute for a complete eye and vision evaluation by an eye  
10 doctor. Your child is not required to undergo this vision  
11 screening if an optometrist or ophthalmologist has completed  
12 and signed a report form indicating that an examination has  
13 been administered within the previous 12 months."

14 (3) Every child shall, at or about the same time as he or  
15 she receives a health examination required by subsection (1) of  
16 this Section, present to the local school proof of having  
17 received such immunizations against preventable communicable  
18 diseases as the Department of Public Health shall require by  
19 rules and regulations promulgated pursuant to this Section and  
20 the Communicable Disease Prevention Act.

21 (4) The individuals conducting the health examination,  
22 dental examination, or eye examination shall record the fact of  
23 having conducted the examination, and such additional  
24 information as required, including for a health examination  
25 data relating to obesity (including at a minimum, date of  
26 birth, gender, height, weight, blood pressure, and date of

1 exam), on uniform forms which the Department of Public Health  
2 and the State Board of Education shall prescribe for statewide  
3 use. The examiner shall summarize on the report form any  
4 condition that he or she suspects indicates a need for special  
5 services, including for a health examination factors relating  
6 to obesity. The individuals confirming the administration of  
7 required immunizations shall record as indicated on the form  
8 that the immunizations were administered.

9 (5) If a child does not submit proof of having had either  
10 the health examination or the immunization as required, then  
11 the child shall be examined or receive the immunization, as the  
12 case may be, and present proof by October 15 of the current  
13 school year, or by an earlier date of the current school year  
14 established by a school district. To establish a date before  
15 October 15 of the current school year for the health  
16 examination or immunization as required, a school district must  
17 give notice of the requirements of this Section 60 days prior  
18 to the earlier established date. If for medical reasons one or  
19 more of the required immunizations must be given after October  
20 15 of the current school year, or after an earlier established  
21 date of the current school year, then the child shall present,  
22 by October 15, or by the earlier established date, a schedule  
23 for the administration of the immunizations and a statement of  
24 the medical reasons causing the delay, both the schedule and  
25 the statement being issued by the physician, advanced practice  
26 nurse, physician assistant, registered nurse, or local health

1 department that will be responsible for administration of the  
2 remaining required immunizations. If a child does not comply by  
3 October 15, or by the earlier established date of the current  
4 school year, with the requirements of this subsection, then the  
5 local school authority shall exclude that child from school  
6 until such time as the child presents proof of having had the  
7 health examination as required and presents proof of having  
8 received those required immunizations which are medically  
9 possible to receive immediately. During a child's exclusion  
10 from school for noncompliance with this subsection, the child's  
11 parents or legal guardian shall be considered in violation of  
12 Section 26-1 and subject to any penalty imposed by Section  
13 26-10. This subsection (5) does not apply to dental  
14 examinations and eye examinations. If the student is an  
15 out-of-state transfer student and does not have the proof  
16 required under this subsection (5) before October 15 of the  
17 current year or whatever date is set by the school district,  
18 then he or she may only attend classes (i) if he or she has  
19 proof that an appointment for the required vaccinations has  
20 been scheduled with a party authorized to submit proof of the  
21 required vaccinations. If the proof of vaccination required  
22 under this subsection (5) is not submitted within 30 days after  
23 the student is permitted to attend classes, then the student is  
24 not to be permitted to attend classes until proof of the  
25 vaccinations has been properly submitted. No school district or  
26 employee of a school district shall be held liable for any

1 injury or illness to another person that results from admitting  
2 an out-of-state transfer student to class that has an  
3 appointment scheduled pursuant to this subsection (5).

4 (6) Every school shall report to the State Board of  
5 Education by November 15, in the manner which that agency shall  
6 require, the number of children who have received the necessary  
7 immunizations and the health examination (other than a dental  
8 examination or eye examination) as required, indicating, of  
9 those who have not received the immunizations and examination  
10 as required, the number of children who are exempt from health  
11 examination and immunization requirements on religious or  
12 medical grounds as provided in subsection (8). On or before  
13 December 1 of each year, every public school district and  
14 registered nonpublic school shall make publicly available the  
15 immunization data they are required to submit to the State  
16 Board of Education by November 15. The immunization data made  
17 publicly available must be identical to the data the school  
18 district or school has reported to the State Board of  
19 Education.

20 Every school shall report to the State Board of Education  
21 by June 30, in the manner that the State Board requires, the  
22 number of children who have received the required dental  
23 examination, indicating, of those who have not received the  
24 required dental examination, the number of children who are  
25 exempt from the dental examination on religious grounds as  
26 provided in subsection (8) of this Section and the number of

1 children who have received a waiver under subsection (1.5) of  
2 this Section.

3 Every school shall report to the State Board of Education  
4 by June 30, in the manner that the State Board requires, the  
5 number of children who have received the required eye  
6 examination, indicating, of those who have not received the  
7 required eye examination, the number of children who are exempt  
8 from the eye examination as provided in subsection (8) of this  
9 Section, the number of children who have received a waiver  
10 under subsection (1.10) of this Section, and the total number  
11 of children in noncompliance with the eye examination  
12 requirement.

13 The reported information under this subsection (6) shall be  
14 provided to the Department of Public Health by the State Board  
15 of Education.

16 (7) Upon determining that the number of pupils who are  
17 required to be in compliance with subsection (5) of this  
18 Section is below 90% of the number of pupils enrolled in the  
19 school district, 10% of each State aid payment made pursuant to  
20 Section 18-8.05 or 18-8.15 to the school district for such year  
21 may be withheld by the State Board of Education until the  
22 number of students in compliance with subsection (5) is the  
23 applicable specified percentage or higher.

24 (8) Children of parents or legal guardians who object to  
25 health, dental, or eye examinations or any part thereof, to  
26 immunizations, or to vision and hearing screening tests on

1 religious grounds shall not be required to undergo the  
2 examinations, tests, or immunizations to which they so object  
3 if such parents or legal guardians present to the appropriate  
4 local school authority a signed Certificate of Religious  
5 Exemption detailing the grounds for objection and the specific  
6 immunizations, tests, or examinations to which they object. The  
7 grounds for objection must set forth the specific religious  
8 belief that conflicts with the examination, test,  
9 immunization, or other medical intervention. The signed  
10 certificate shall also reflect the parent's or legal guardian's  
11 understanding of the school's exclusion policies in the case of  
12 a vaccine-preventable disease outbreak or exposure. The  
13 certificate must also be signed by the authorized examining  
14 health care provider responsible for the performance of the  
15 child's health examination confirming that the provider  
16 provided education to the parent or legal guardian on the  
17 benefits of immunization and the health risks to the student  
18 and to the community of the communicable diseases for which  
19 immunization is required in this State. However, the health  
20 care provider's signature on the certificate reflects only that  
21 education was provided and does not allow a health care  
22 provider grounds to determine a religious exemption. Those  
23 receiving immunizations required under this Code shall be  
24 provided with the relevant vaccine information statements that  
25 are required to be disseminated by the federal National  
26 Childhood Vaccine Injury Act of 1986, which may contain



1 information on circumstances when a vaccine should not be  
2 administered, prior to administering a vaccine. A healthcare  
3 provider may consider including without limitation the  
4 nationally accepted recommendations from federal agencies such  
5 as the Advisory Committee on Immunization Practices, the  
6 information outlined in the relevant vaccine information  
7 statement, and vaccine package inserts, along with the  
8 healthcare provider's clinical judgment, to determine whether  
9 any child may be more susceptible to experiencing an adverse  
10 vaccine reaction than the general population, and, if so, the  
11 healthcare provider may exempt the child from an immunization  
12 or adopt an individualized immunization schedule. The  
13 Certificate of Religious Exemption shall be created by the  
14 Department of Public Health and shall be made available and  
15 used by parents and legal guardians by the beginning of the  
16 2015-2016 school year. Parents or legal guardians must submit  
17 the Certificate of Religious Exemption to their local school  
18 authority prior to entering kindergarten, sixth grade, and  
19 ninth grade for each child for which they are requesting an  
20 exemption. The religious objection stated need not be directed  
21 by the tenets of an established religious organization.  
22 However, general philosophical or moral reluctance to allow  
23 physical examinations, eye examinations, immunizations, vision  
24 and hearing screenings, or dental examinations does not provide  
25 a sufficient basis for an exception to statutory requirements.  
26 The local school authority is responsible for determining if

1 the content of the Certificate of Religious Exemption  
2 constitutes a valid religious objection. The local school  
3 authority shall inform the parent or legal guardian of  
4 exclusion procedures, in accordance with the Department's  
5 rules under Part 690 of Title 77 of the Illinois Administrative  
6 Code, at the time the objection is presented.

7 If the physical condition of the child is such that any one  
8 or more of the immunizing agents should not be administered,  
9 the examining physician, advanced practice nurse, or physician  
10 assistant responsible for the performance of the health  
11 examination shall endorse that fact upon the health examination  
12 form.

13 Exempting a child from the health, dental, or eye  
14 examination does not exempt the child from participation in the  
15 program of physical education training provided in Sections  
16 27-5 through 27-7 of this Code.

17 (9) For the purposes of this Section, "nursery schools"  
18 means those nursery schools operated by elementary school  
19 systems or secondary level school units or institutions of  
20 higher learning.

21 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;  
22 99-249, eff. 8-3-15; 99-642, eff. 7-28-16.)

23 (Text of Section after amendment by P.A. 99-927)

24 Sec. 27-8.1. Health examinations and immunizations.

25 (1) In compliance with rules and regulations which the

1 Department of Public Health shall promulgate, and except as  
2 hereinafter provided, all children in Illinois shall have a  
3 health examination as follows: within one year prior to  
4 entering kindergarten or the first grade of any public,  
5 private, or parochial elementary school; upon entering the  
6 sixth and ninth grades of any public, private, or parochial  
7 school; prior to entrance into any public, private, or  
8 parochial nursery school; and, irrespective of grade,  
9 immediately prior to or upon entrance into any public, private,  
10 or parochial school or nursery school, each child shall present  
11 proof of having been examined in accordance with this Section  
12 and the rules and regulations promulgated hereunder. Any child  
13 who received a health examination within one year prior to  
14 entering the fifth grade for the 2007-2008 school year is not  
15 required to receive an additional health examination in order  
16 to comply with the provisions of Public Act 95-422 when he or  
17 she attends school for the 2008-2009 school year, unless the  
18 child is attending school for the first time as provided in  
19 this paragraph.

20 A tuberculosis skin test screening shall be included as a  
21 required part of each health examination included under this  
22 Section if the child resides in an area designated by the  
23 Department of Public Health as having a high incidence of  
24 tuberculosis. Additional health examinations of pupils,  
25 including eye examinations, may be required when deemed  
26 necessary by school authorities. Parents are encouraged to have

1 their children undergo eye examinations at the same points in  
2 time required for health examinations.

3 (1.5) In compliance with rules adopted by the Department of  
4 Public Health and except as otherwise provided in this Section,  
5 all children in kindergarten and the second and sixth grades of  
6 any public, private, or parochial school shall have a dental  
7 examination. Each of these children shall present proof of  
8 having been examined by a dentist in accordance with this  
9 Section and rules adopted under this Section before May 15th of  
10 the school year. If a child in the second or sixth grade fails  
11 to present proof by May 15th, the school may hold the child's  
12 report card until one of the following occurs: (i) the child  
13 presents proof of a completed dental examination or (ii) the  
14 child presents proof that a dental examination will take place  
15 within 60 days after May 15th. The Department of Public Health  
16 shall establish, by rule, a waiver for children who show an  
17 undue burden or a lack of access to a dentist. Each public,  
18 private, and parochial school must give notice of this dental  
19 examination requirement to the parents and guardians of  
20 students at least 60 days before May 15th of each school year.

21 (1.10) Except as otherwise provided in this Section, all  
22 children enrolling in kindergarten in a public, private, or  
23 parochial school on or after the effective date of this  
24 amendatory Act of the 95th General Assembly and any student  
25 enrolling for the first time in a public, private, or parochial  
26 school on or after the effective date of this amendatory Act of

1 the 95th General Assembly shall have an eye examination. Each  
2 of these children shall present proof of having been examined  
3 by a physician licensed to practice medicine in all of its  
4 branches or a licensed optometrist within the previous year, in  
5 accordance with this Section and rules adopted under this  
6 Section, before October 15th of the school year. If the child  
7 fails to present proof by October 15th, the school may hold the  
8 child's report card until one of the following occurs: (i) the  
9 child presents proof of a completed eye examination or (ii) the  
10 child presents proof that an eye examination will take place  
11 within 60 days after October 15th. The Department of Public  
12 Health shall establish, by rule, a waiver for children who show  
13 an undue burden or a lack of access to a physician licensed to  
14 practice medicine in all of its branches who provides eye  
15 examinations or to a licensed optometrist. Each public,  
16 private, and parochial school must give notice of this eye  
17 examination requirement to the parents and guardians of  
18 students in compliance with rules of the Department of Public  
19 Health. Nothing in this Section shall be construed to allow a  
20 school to exclude a child from attending because of a parent's  
21 or guardian's failure to obtain an eye examination for the  
22 child.

23 (2) The Department of Public Health shall promulgate rules  
24 and regulations specifying the examinations and procedures  
25 that constitute a health examination, which shall include an  
26 age-appropriate developmental screening, an age-appropriate

1 social and emotional screening, and the collection of data  
2 relating to obesity (including at a minimum, date of birth,  
3 gender, height, weight, blood pressure, and date of exam), and  
4 a dental examination and may recommend by rule that certain  
5 additional examinations be performed. The rules and  
6 regulations of the Department of Public Health shall specify  
7 that a tuberculosis skin test screening shall be included as a  
8 required part of each health examination included under this  
9 Section if the child resides in an area designated by the  
10 Department of Public Health as having a high incidence of  
11 tuberculosis. With respect to the developmental screening and  
12 the social and emotional screening, the Department of Public  
13 Health must develop rules and appropriate revisions to the  
14 Child Health Examination form in conjunction with a statewide  
15 organization representing school boards; a statewide  
16 organization representing pediatricians; statewide  
17 organizations representing individuals holding Illinois  
18 educator licenses with school support personnel endorsements,  
19 including school social workers, school psychologists, and  
20 school nurses; a statewide organization representing  
21 children's mental health experts; a statewide organization  
22 representing school principals; the Director of Healthcare and  
23 Family Services or his or her designee, the State  
24 Superintendent of Education or his or her designee; and  
25 representatives of other appropriate State agencies and, at a  
26 minimum, must recommend the use of validated screening tools

1 appropriate to the child's age or grade, and, with regard to  
2 the social and emotional screening, require recording only  
3 whether or not the screening was completed. The rules shall  
4 take into consideration the screening recommendations of the  
5 American Academy of Pediatrics and must be consistent with the  
6 State Board of Education's social and emotional learning  
7 standards. The Department of Public Health shall specify that a  
8 diabetes screening as defined by rule shall be included as a  
9 required part of each health examination. Diabetes testing is  
10 not required.

11 Physicians licensed to practice medicine in all of its  
12 branches, licensed advanced practice nurses, or licensed  
13 physician assistants shall be responsible for the performance  
14 of the health examinations, other than dental examinations, eye  
15 examinations, and vision and hearing screening, and shall sign  
16 all report forms required by subsection (4) of this Section  
17 that pertain to those portions of the health examination for  
18 which the physician, advanced practice nurse, or physician  
19 assistant is responsible. If a registered nurse performs any  
20 part of a health examination, then a physician licensed to  
21 practice medicine in all of its branches must review and sign  
22 all required report forms. Licensed dentists shall perform all  
23 dental examinations and shall sign all report forms required by  
24 subsection (4) of this Section that pertain to the dental  
25 examinations. Physicians licensed to practice medicine in all  
26 its branches or licensed optometrists shall perform all eye

1 examinations required by this Section and shall sign all report  
2 forms required by subsection (4) of this Section that pertain  
3 to the eye examination. For purposes of this Section, an eye  
4 examination shall at a minimum include history, visual acuity,  
5 subjective refraction to best visual acuity near and far,  
6 internal and external examination, and a glaucoma evaluation,  
7 as well as any other tests or observations that in the  
8 professional judgment of the doctor are necessary. Vision and  
9 hearing screening tests, which shall not be considered  
10 examinations as that term is used in this Section, shall be  
11 conducted in accordance with rules and regulations of the  
12 Department of Public Health, and by individuals whom the  
13 Department of Public Health has certified. In these rules and  
14 regulations, the Department of Public Health shall require that  
15 individuals conducting vision screening tests give a child's  
16 parent or guardian written notification, before the vision  
17 screening is conducted, that states, "Vision screening is not a  
18 substitute for a complete eye and vision evaluation by an eye  
19 doctor. Your child is not required to undergo this vision  
20 screening if an optometrist or ophthalmologist has completed  
21 and signed a report form indicating that an examination has  
22 been administered within the previous 12 months."

23 (2.5) With respect to the developmental screening and the  
24 social and emotional screening portion of the health  
25 examination, each child may present proof of having been  
26 screened in accordance with this Section and the rules adopted



1 under this Section before October 15th of the school year. With  
2 regard to the social and emotional screening only, the  
3 examining health care provider shall only record whether or not  
4 the screening was completed. If the child fails to present  
5 proof of the developmental screening or the social and  
6 emotional screening portions of the health examination by  
7 October 15th of the school year, qualified school support  
8 personnel may, with a parent's or guardian's consent, offer the  
9 developmental screening or the social and emotional screening  
10 to the child. Each public, private, and parochial school must  
11 give notice of the developmental screening and social and  
12 emotional screening requirements to the parents and guardians  
13 of students in compliance with the rules of the Department of  
14 Public Health. Nothing in this Section shall be construed to  
15 allow a school to exclude a child from attending because of a  
16 parent's or guardian's failure to obtain a developmental  
17 screening or a social and emotional screening for the child.  
18 Once a developmental screening or a social and emotional  
19 screening is completed and proof has been presented to the  
20 school, the school may, with a parent's or guardian's consent,  
21 make available appropriate school personnel to work with the  
22 parent or guardian, the child, and the provider who signed the  
23 screening form to obtain any appropriate evaluations and  
24 services as indicated on the form and in other information and  
25 documentation provided by the parents, guardians, or provider.

26 (3) Every child shall, at or about the same time as he or

1 she receives a health examination required by subsection (1) of  
2 this Section, present to the local school proof of having  
3 received such immunizations against preventable communicable  
4 diseases as the Department of Public Health shall require by  
5 rules and regulations promulgated pursuant to this Section and  
6 the Communicable Disease Prevention Act.

7 (4) The individuals conducting the health examination,  
8 dental examination, or eye examination shall record the fact of  
9 having conducted the examination, and such additional  
10 information as required, including for a health examination  
11 data relating to obesity (including at a minimum, date of  
12 birth, gender, height, weight, blood pressure, and date of  
13 exam), on uniform forms which the Department of Public Health  
14 and the State Board of Education shall prescribe for statewide  
15 use. The examiner shall summarize on the report form any  
16 condition that he or she suspects indicates a need for special  
17 services, including for a health examination factors relating  
18 to obesity. The duty to summarize on the report form does not  
19 apply to social and emotional screenings. The confidentiality  
20 of the information and records relating to the developmental  
21 screening and the social and emotional screening shall be  
22 determined by the statutes, rules, and professional ethics  
23 governing the type of provider conducting the screening. The  
24 individuals confirming the administration of required  
25 immunizations shall record as indicated on the form that the  
26 immunizations were administered.

1           (5) If a child does not submit proof of having had either  
2 the health examination or the immunization as required, then  
3 the child shall be examined or receive the immunization, as the  
4 case may be, and present proof by October 15 of the current  
5 school year, or by an earlier date of the current school year  
6 established by a school district. To establish a date before  
7 October 15 of the current school year for the health  
8 examination or immunization as required, a school district must  
9 give notice of the requirements of this Section 60 days prior  
10 to the earlier established date. If for medical reasons one or  
11 more of the required immunizations must be given after October  
12 15 of the current school year, or after an earlier established  
13 date of the current school year, then the child shall present,  
14 by October 15, or by the earlier established date, a schedule  
15 for the administration of the immunizations and a statement of  
16 the medical reasons causing the delay, both the schedule and  
17 the statement being issued by the physician, advanced practice  
18 nurse, physician assistant, registered nurse, or local health  
19 department that will be responsible for administration of the  
20 remaining required immunizations. If a child does not comply by  
21 October 15, or by the earlier established date of the current  
22 school year, with the requirements of this subsection, then the  
23 local school authority shall exclude that child from school  
24 until such time as the child presents proof of having had the  
25 health examination as required and presents proof of having  
26 received those required immunizations which are medically

1 possible to receive immediately. During a child's exclusion  
2 from school for noncompliance with this subsection, the child's  
3 parents or legal guardian shall be considered in violation of  
4 Section 26-1 and subject to any penalty imposed by Section  
5 26-10. This subsection (5) does not apply to dental  
6 examinations, eye examinations, and the developmental  
7 screening and the social and emotional screening portions of  
8 the health examination. If the student is an out-of-state  
9 transfer student and does not have the proof required under  
10 this subsection (5) before October 15 of the current year or  
11 whatever date is set by the school district, then he or she may  
12 only attend classes (i) if he or she has proof that an  
13 appointment for the required vaccinations has been scheduled  
14 with a party authorized to submit proof of the required  
15 vaccinations. If the proof of vaccination required under this  
16 subsection (5) is not submitted within 30 days after the  
17 student is permitted to attend classes, then the student is not  
18 to be permitted to attend classes until proof of the  
19 vaccinations has been properly submitted. No school district or  
20 employee of a school district shall be held liable for any  
21 injury or illness to another person that results from admitting  
22 an out-of-state transfer student to class that has an  
23 appointment scheduled pursuant to this subsection (5).

24 (6) Every school shall report to the State Board of  
25 Education by November 15, in the manner which that agency shall  
26 require, the number of children who have received the necessary

1 immunizations and the health examination (other than a dental  
2 examination or eye examination) as required, indicating, of  
3 those who have not received the immunizations and examination  
4 as required, the number of children who are exempt from health  
5 examination and immunization requirements on religious or  
6 medical grounds as provided in subsection (8). On or before  
7 December 1 of each year, every public school district and  
8 registered nonpublic school shall make publicly available the  
9 immunization data they are required to submit to the State  
10 Board of Education by November 15. The immunization data made  
11 publicly available must be identical to the data the school  
12 district or school has reported to the State Board of  
13 Education.

14 Every school shall report to the State Board of Education  
15 by June 30, in the manner that the State Board requires, the  
16 number of children who have received the required dental  
17 examination, indicating, of those who have not received the  
18 required dental examination, the number of children who are  
19 exempt from the dental examination on religious grounds as  
20 provided in subsection (8) of this Section and the number of  
21 children who have received a waiver under subsection (1.5) of  
22 this Section.

23 Every school shall report to the State Board of Education  
24 by June 30, in the manner that the State Board requires, the  
25 number of children who have received the required eye  
26 examination, indicating, of those who have not received the

1 required eye examination, the number of children who are exempt  
2 from the eye examination as provided in subsection (8) of this  
3 Section, the number of children who have received a waiver  
4 under subsection (1.10) of this Section, and the total number  
5 of children in noncompliance with the eye examination  
6 requirement.

7 The reported information under this subsection (6) shall be  
8 provided to the Department of Public Health by the State Board  
9 of Education.

10 (7) Upon determining that the number of pupils who are  
11 required to be in compliance with subsection (5) of this  
12 Section is below 90% of the number of pupils enrolled in the  
13 school district, 10% of each State aid payment made pursuant to  
14 Section 18-8.05 or 18-8.15 to the school district for such year  
15 may be withheld by the State Board of Education until the  
16 number of students in compliance with subsection (5) is the  
17 applicable specified percentage or higher.

18 (8) Children of parents or legal guardians who object to  
19 health, dental, or eye examinations or any part thereof, to  
20 immunizations, or to vision and hearing screening tests on  
21 religious grounds shall not be required to undergo the  
22 examinations, tests, or immunizations to which they so object  
23 if such parents or legal guardians present to the appropriate  
24 local school authority a signed Certificate of Religious  
25 Exemption detailing the grounds for objection and the specific  
26 immunizations, tests, or examinations to which they object. The

1 grounds for objection must set forth the specific religious  
2 belief that conflicts with the examination, test,  
3 immunization, or other medical intervention. The signed  
4 certificate shall also reflect the parent's or legal guardian's  
5 understanding of the school's exclusion policies in the case of  
6 a vaccine-preventable disease outbreak or exposure. The  
7 certificate must also be signed by the authorized examining  
8 health care provider responsible for the performance of the  
9 child's health examination confirming that the provider  
10 provided education to the parent or legal guardian on the  
11 benefits of immunization and the health risks to the student  
12 and to the community of the communicable diseases for which  
13 immunization is required in this State. However, the health  
14 care provider's signature on the certificate reflects only that  
15 education was provided and does not allow a health care  
16 provider grounds to determine a religious exemption. Those  
17 receiving immunizations required under this Code shall be  
18 provided with the relevant vaccine information statements that  
19 are required to be disseminated by the federal National  
20 Childhood Vaccine Injury Act of 1986, which may contain  
21 information on circumstances when a vaccine should not be  
22 administered, prior to administering a vaccine. A healthcare  
23 provider may consider including without limitation the  
24 nationally accepted recommendations from federal agencies such  
25 as the Advisory Committee on Immunization Practices, the  
26 information outlined in the relevant vaccine information

1 statement, and vaccine package inserts, along with the  
2 healthcare provider's clinical judgment, to determine whether  
3 any child may be more susceptible to experiencing an adverse  
4 vaccine reaction than the general population, and, if so, the  
5 healthcare provider may exempt the child from an immunization  
6 or adopt an individualized immunization schedule. The  
7 Certificate of Religious Exemption shall be created by the  
8 Department of Public Health and shall be made available and  
9 used by parents and legal guardians by the beginning of the  
10 2015-2016 school year. Parents or legal guardians must submit  
11 the Certificate of Religious Exemption to their local school  
12 authority prior to entering kindergarten, sixth grade, and  
13 ninth grade for each child for which they are requesting an  
14 exemption. The religious objection stated need not be directed  
15 by the tenets of an established religious organization.  
16 However, general philosophical or moral reluctance to allow  
17 physical examinations, eye examinations, immunizations, vision  
18 and hearing screenings, or dental examinations does not provide  
19 a sufficient basis for an exception to statutory requirements.  
20 The local school authority is responsible for determining if  
21 the content of the Certificate of Religious Exemption  
22 constitutes a valid religious objection. The local school  
23 authority shall inform the parent or legal guardian of  
24 exclusion procedures, in accordance with the Department's  
25 rules under Part 690 of Title 77 of the Illinois Administrative  
26 Code, at the time the objection is presented.



1           If the physical condition of the child is such that any one  
2 or more of the immunizing agents should not be administered,  
3 the examining physician, advanced practice nurse, or physician  
4 assistant responsible for the performance of the health  
5 examination shall endorse that fact upon the health examination  
6 form.

7           Exempting a child from the health, dental, or eye  
8 examination does not exempt the child from participation in the  
9 program of physical education training provided in Sections  
10 27-5 through 27-7 of this Code.

11           (9) For the purposes of this Section, "nursery schools"  
12 means those nursery schools operated by elementary school  
13 systems or secondary level school units or institutions of  
14 higher learning.

15           (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;  
16 99-249, eff. 8-3-15; 99-642, eff. 7-28-16; 99-927, eff.  
17 6-1-17.)

18           (105 ILCS 5/27A-9)

19           Sec. 27A-9. Term of charter; renewal.

20           (a) For charters granted before January 1, 2017 (the  
21 effective date of Public Act 99-840) ~~this amendatory Act of the~~  
22 ~~99th General Assembly~~, a charter may be granted for a period  
23 not less than 5 and not more than 10 school years. For charters  
24 granted on or after January 1, 2017 (the effective date of  
25 Public Act 99-840) ~~this amendatory Act of the 99th General~~

1 ~~Assembly~~, a charter shall be granted for a period of 5 school  
2 years. For charters renewed before January 1, 2017 (the  
3 effective date of Public Act 99-840) ~~this amendatory Act of the~~  
4 ~~99th General Assembly~~, a charter may be renewed in incremental  
5 periods not to exceed 5 school years. For charters renewed on  
6 or after January 1, 2017 (the effective date of Public Act  
7 99-840) ~~this amendatory Act of the 99th General Assembly~~, a  
8 charter may be renewed in incremental periods not to exceed 10  
9 school years; however, the Commission may renew a charter only  
10 in incremental periods not to exceed 5 years. Authorizers shall  
11 ensure that every charter granted on or after January 1, 2017  
12 (the effective date of Public Act 99-840) ~~this amendatory Act~~  
13 ~~of the 99th General Assembly~~ includes standards and goals for  
14 academic, organizational, and financial performance. A charter  
15 must meet all standards and goals for academic, organizational,  
16 and financial performance set forth by the authorizer in order  
17 to be renewed for a term in excess of 5 years but not more than  
18 10 years. If an authorizer fails to establish standards and  
19 goals, a charter shall not be renewed for a term in excess of 5  
20 years. Nothing contained in this Section shall require an  
21 authorizer to grant a full 10-year renewal term to any  
22 particular charter school, but an authorizer may award a full  
23 10-year renewal term to charter schools that have a  
24 demonstrated track record of improving student performance.

25 (b) A charter school renewal proposal submitted to the  
26 local school board or the Commission, as the chartering entity,

1 shall contain:

2 (1) A report on the progress of the charter school in  
3 achieving the goals, objectives, pupil performance  
4 standards, content standards, and other terms of the  
5 initial approved charter proposal; and

6 (2) A financial statement that discloses the costs of  
7 administration, instruction, and other spending categories  
8 for the charter school that is understandable to the  
9 general public and that will allow comparison of those  
10 costs to other schools or other comparable organizations,  
11 in a format required by the State Board.

12 (c) A charter may be revoked or not renewed if the local  
13 school board or the Commission, as the chartering entity,  
14 clearly demonstrates that the charter school did any of the  
15 following, or otherwise failed to comply with the requirements  
16 of this law:

17 (1) Committed a material violation of any of the  
18 conditions, standards, or procedures set forth in the  
19 charter.

20 (2) Failed to meet or make reasonable progress toward  
21 achievement of the content standards or pupil performance  
22 standards identified in the charter.

23 (3) Failed to meet generally accepted standards of  
24 fiscal management.

25 (4) Violated any provision of law from which the  
26 charter school was not exempted.

1           In the case of revocation, the local school board or the  
2 Commission, as the chartering entity, shall notify the charter  
3 school in writing of the reason why the charter is subject to  
4 revocation. The charter school shall submit a written plan to  
5 the local school board or the Commission, whichever is  
6 applicable, to rectify the problem. The plan shall include a  
7 timeline for implementation, which shall not exceed 2 years or  
8 the date of the charter's expiration, whichever is earlier. If  
9 the local school board or the Commission, as the chartering  
10 entity, finds that the charter school has failed to implement  
11 the plan of remediation and adhere to the timeline, then the  
12 chartering entity shall revoke the charter. Except in  
13 situations of an emergency where the health, safety, or  
14 education of the charter school's students is at risk, the  
15 revocation shall take place at the end of a school year.  
16 Nothing in Public Act 96-105 ~~this amendatory Act of the 96th~~  
17 ~~General Assembly~~ shall be construed to prohibit an  
18 implementation timetable that is less than 2 years in duration.

19           (d) (Blank).

20           (e) Notice of a local school board's decision to deny,  
21 revoke, or not ~~to~~ renew a charter shall be provided to the  
22 Commission and the State Board. The Commission may reverse a  
23 local board's decision if the Commission finds that the charter  
24 school or charter school proposal (i) is in compliance with  
25 this Article, and (ii) is in the best interests of the students  
26 it is designed to serve. The Commission may condition the

1 granting of an appeal on the acceptance by the charter school  
2 of funding in an amount less than that requested in the  
3 proposal submitted to the local school board. Final decisions  
4 of the Commission shall be subject to judicial review under the  
5 Administrative Review Law.

6 (f) Notwithstanding other provisions of this Article, if  
7 the Commission on appeal reverses a local board's decision or  
8 if a charter school is approved by referendum, the Commission  
9 shall act as the authorized chartering entity for the charter  
10 school. The Commission shall approve the charter and shall  
11 perform all functions under this Article otherwise performed by  
12 the local school board. The State Board shall determine whether  
13 the charter proposal approved by the Commission is consistent  
14 with the provisions of this Article and, if the approved  
15 proposal complies, certify the proposal pursuant to this  
16 Article. The State Board shall report the aggregate number of  
17 charter school pupils resident in a school district to that  
18 district and shall notify the district of the amount of funding  
19 to be paid by the State Board to the charter school enrolling  
20 such students. The Commission shall require the charter school  
21 to maintain accurate records of daily attendance that shall be  
22 deemed sufficient to file claims under Section 18-8.05 or  
23 18-8.15 notwithstanding any other requirements of that Section  
24 regarding hours of instruction and teacher certification. The  
25 State Board shall withhold from funds otherwise due the  
26 district the funds authorized by this Article to be paid to the

1 charter school and shall pay such amounts to the charter  
2 school.

3 (g) For charter schools authorized by the Commission, the  
4 Commission shall quarterly certify to the State Board the  
5 student enrollment for each of its charter schools.

6 (h) For charter schools authorized by the Commission, the  
7 State Board shall pay directly to a charter school any federal  
8 or State aid attributable to a student with a disability  
9 attending the school.

10 (Source: P.A. 98-739, eff. 7-16-14; 99-840, eff. 1-1-17;  
11 revised 10-27-16.)

12 (105 ILCS 5/27A-11)

13 Sec. 27A-11. Local financing.

14 (a) For purposes of the School Code, pupils enrolled in a  
15 charter school shall be included in the pupil enrollment of the  
16 school district within which the pupil resides. Each charter  
17 school (i) shall determine the school district in which each  
18 pupil who is enrolled in the charter school resides, (ii) shall  
19 report the aggregate number of pupils resident of a school  
20 district who are enrolled in the charter school to the school  
21 district in which those pupils reside, and (iii) shall maintain  
22 accurate records of daily attendance that shall be deemed  
23 sufficient to file claims under Section 18-8 or 18-8.15  
24 notwithstanding any other requirements of that Section  
25 regarding hours of instruction and teacher certification.

1           (b) Except for a charter school established by referendum  
2 under Section 27A-6.5, as part of a charter school contract,  
3 the charter school and the local school board shall agree on  
4 funding and any services to be provided by the school district  
5 to the charter school. Agreed funding that a charter school is  
6 to receive from the local school board for a school year shall  
7 be paid in equal quarterly installments with the payment of the  
8 installment for the first quarter being made not later than  
9 July 1, unless the charter establishes a different payment  
10 schedule. However, if a charter school dismisses a pupil from  
11 the charter school after receiving a quarterly payment, the  
12 charter school shall return to the school district, on a  
13 quarterly basis, the prorated portion of public funding  
14 provided for the education of that pupil for the time the  
15 student is not enrolled at the charter school. Likewise, if a  
16 pupil transfers to a charter school between quarterly payments,  
17 the school district shall provide, on a quarterly basis, a  
18 prorated portion of the public funding to the charter school to  
19 provide for the education of that pupil.

20           All services centrally or otherwise provided by the school  
21 district including, but not limited to, rent, food services,  
22 custodial services, maintenance, curriculum, media services,  
23 libraries, transportation, and warehousing shall be subject to  
24 negotiation between a charter school and the local school board  
25 and paid for out of the revenues negotiated pursuant to this  
26 subsection (b); provided that the local school board shall not

1 attempt, by negotiation or otherwise, to obligate a charter  
2 school to provide pupil transportation for pupils for whom a  
3 district is not required to provide transportation under the  
4 criteria set forth in subsection (a) (13) of Section 27A-7.

5 In no event shall the funding be less than 97% ~~75%~~ or more  
6 than 103% ~~125%~~ of the school district's per capita student  
7 tuition multiplied by the number of students residing in the  
8 district who are enrolled in the charter school.

9 It is the intent of the General Assembly that funding and  
10 service agreements under this subsection (b) shall be neither a  
11 financial incentive nor a financial disincentive to the  
12 establishment of a charter school.

13 The charter school may set and collect reasonable fees.  
14 Fees collected from students enrolled at a charter school shall  
15 be retained by the charter school.

16 (c) Notwithstanding subsection (b) of this Section, the  
17 proportionate share of State and federal resources generated by  
18 students with disabilities or staff serving them shall be  
19 directed to charter schools enrolling those students by their  
20 school districts or administrative units. The proportionate  
21 share of moneys generated under other federal or State  
22 categorical aid programs shall be directed to charter schools  
23 serving students eligible for that aid.

24 (d) The governing body of a charter school is authorized to  
25 accept gifts, donations, or grants of any kind made to the  
26 charter school and to expend or use gifts, donations, or grants



1 in accordance with the conditions prescribed by the donor;  
2 however, a gift, donation, or grant may not be accepted by the  
3 governing body if it is subject to any condition contrary to  
4 applicable law or contrary to the terms of the contract between  
5 the charter school and the local school board. Charter schools  
6 shall be encouraged to solicit and utilize community volunteer  
7 speakers and other instructional resources when providing  
8 instruction on the Holocaust and other historical events.

9 (e) (Blank).

10 (f) The Commission shall provide technical assistance to  
11 persons and groups preparing or revising charter applications.

12 (g) At the non-renewal or revocation of its charter, each  
13 charter school shall refund to the local board of education all  
14 unspent funds.

15 (h) A charter school is authorized to incur temporary,  
16 short term debt to pay operating expenses in anticipation of  
17 receipt of funds from the local school board.

18 (Source: P.A. 98-640, eff. 6-9-14; 98-739, eff. 7-16-14; 99-78,  
19 eff. 7-20-15.)

20 (105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

21 Sec. 29-5. Reimbursement by State for transportation. Any  
22 school district, maintaining a school, transporting resident  
23 pupils to another school district's vocational program,  
24 offered through a joint agreement approved by the State Board  
25 of Education, as provided in Section 10-22.22 or transporting

1 its resident pupils to a school which meets the standards for  
2 recognition as established by the State Board of Education  
3 which provides transportation meeting the standards of safety,  
4 comfort, convenience, efficiency and operation prescribed by  
5 the State Board of Education for resident pupils in  
6 kindergarten or any of grades 1 through 12 who: (a) reside at  
7 least 1 1/2 miles as measured by the customary route of travel,  
8 from the school attended; or (b) reside in areas where  
9 conditions are such that walking constitutes a hazard to the  
10 safety of the child when determined under Section 29-3; and (c)  
11 are transported to the school attended from pick-up points at  
12 the beginning of the school day and back again at the close of  
13 the school day or transported to and from their assigned  
14 attendance centers during the school day, shall be reimbursed  
15 by the State as hereinafter provided in this Section.

16 The State will pay the cost of transporting eligible pupils  
17 less the prior year assessed valuation in a dual school  
18 district maintaining secondary grades 9 to 12 inclusive times a  
19 qualifying rate of .05%; in elementary school districts  
20 maintaining grades K to 8 times a qualifying rate of .06%; and  
21 in unit districts maintaining grades K to 12, including  
22 optional elementary unit districts and combined high school -  
23 unit districts, times a qualifying rate of .07%; provided that  
24 for optional elementary unit districts and combined high school  
25 - unit districts, prior year assessed valuation for high school  
26 purposes, as defined in Article 11E of this Code, must be used.

1 To be eligible to receive reimbursement in excess of 4/5 of the  
2 cost to transport eligible pupils, a school district shall have  
3 a Transportation Fund tax rate of at least .12%. If a school  
4 district does not have a .12% Transportation Fund tax rate, the  
5 amount of its claim in excess of 4/5 of the cost of  
6 transporting pupils shall be reduced by the sum arrived at by  
7 subtracting the Transportation Fund tax rate from .12% and  
8 multiplying that amount by the district's prior year ~~districts~~  
9 equalized or assessed valuation, provided, that in no case  
10 shall said reduction result in reimbursement of less than 4/5  
11 of the cost to transport eligible pupils.

12 The minimum amount to be received by a district is \$16  
13 times the number of eligible pupils transported.

14 When calculating the reimbursement for transportation  
15 costs, the State Board of Education may not deduct the number  
16 of pupils enrolled in early education programs from the number  
17 of pupils eligible for reimbursement if the pupils enrolled in  
18 the early education programs are transported at the same time  
19 as other eligible pupils.

20 Any such district transporting resident pupils during the  
21 school day to an area vocational school or another school  
22 district's vocational program more than 1 1/2 miles from the  
23 school attended, as provided in Sections 10-22.20a and  
24 10-22.22, shall be reimbursed by the State for 4/5 of the cost  
25 of transporting eligible pupils.

26 School day means that period of time which the pupil is

1 required to be in attendance for instructional purposes.

2 If a pupil is at a location within the school district  
3 other than his residence for child care purposes at the time  
4 for transportation to school, that location may be considered  
5 for purposes of determining the 1 1/2 miles from the school  
6 attended.

7 Claims for reimbursement that include children who attend  
8 any school other than a public school shall show the number of  
9 such children transported.

10 Claims for reimbursement under this Section shall not be  
11 paid for the transportation of pupils for whom transportation  
12 costs are claimed for payment under other Sections of this Act.

13 The allowable direct cost of transporting pupils for  
14 regular, vocational, and special education pupil  
15 transportation shall be limited to the sum of the cost of  
16 physical examinations required for employment as a school bus  
17 driver; the salaries of full or part-time drivers and school  
18 bus maintenance personnel; employee benefits excluding  
19 Illinois municipal retirement payments, social security  
20 payments, unemployment insurance payments and workers'  
21 compensation insurance premiums; expenditures to independent  
22 carriers who operate school buses; payments to other school  
23 districts for pupil transportation services; pre-approved  
24 contractual expenditures for computerized bus scheduling; the  
25 cost of gasoline, oil, tires, and other supplies necessary for  
26 the operation of school buses; the cost of converting buses'

1 gasoline engines to more fuel efficient engines or to engines  
2 which use alternative energy sources; the cost of travel to  
3 meetings and workshops conducted by the regional  
4 superintendent or the State Superintendent of Education  
5 pursuant to the standards established by the Secretary of State  
6 under Section 6-106 of the Illinois Vehicle Code to improve the  
7 driving skills of school bus drivers; the cost of maintenance  
8 of school buses including parts and materials used;  
9 expenditures for leasing transportation vehicles, except  
10 interest and service charges; the cost of insurance and  
11 licenses for transportation vehicles; expenditures for the  
12 rental of transportation equipment; plus a depreciation  
13 allowance of 20% for 5 years for school buses and vehicles  
14 approved for transporting pupils to and from school and a  
15 depreciation allowance of 10% for 10 years for other  
16 transportation equipment so used. Each school year, if a school  
17 district has made expenditures to the Regional Transportation  
18 Authority or any of its service boards, a mass transit  
19 district, or an urban transportation district under an  
20 intergovernmental agreement with the district to provide for  
21 the transportation of pupils and if the public transit carrier  
22 received direct payment for services or passes from a school  
23 district within its service area during the 2000-2001 school  
24 year, then the allowable direct cost of transporting pupils for  
25 regular, vocational, and special education pupil  
26 transportation shall also include the expenditures that the

1 district has made to the public transit carrier. In addition to  
2 the above allowable costs school districts shall also claim all  
3 transportation supervisory salary costs, including Illinois  
4 municipal retirement payments, and all transportation related  
5 building and building maintenance costs without limitation.

6 Special education allowable costs shall also include  
7 expenditures for the salaries of attendants or aides for that  
8 portion of the time they assist special education pupils while  
9 in transit and expenditures for parents and public carriers for  
10 transporting special education pupils when pre-approved by the  
11 State Superintendent of Education.

12 Indirect costs shall be included in the reimbursement claim  
13 for districts which own and operate their own school buses.  
14 Such indirect costs shall include administrative costs, or any  
15 costs attributable to transporting pupils from their  
16 attendance centers to another school building for  
17 instructional purposes. No school district which owns and  
18 operates its own school buses may claim reimbursement for  
19 indirect costs which exceed 5% of the total allowable direct  
20 costs for pupil transportation.

21 The State Board of Education shall prescribe uniform  
22 regulations for determining the above standards and shall  
23 prescribe forms of cost accounting and standards of determining  
24 reasonable depreciation. Such depreciation shall include the  
25 cost of equipping school buses with the safety features  
26 required by law or by the rules, regulations and standards

1 promulgated by the State Board of Education, and the Department  
2 of Transportation for the safety and construction of school  
3 buses provided, however, any equipment cost reimbursed by the  
4 Department of Transportation for equipping school buses with  
5 such safety equipment shall be deducted from the allowable cost  
6 in the computation of reimbursement under this Section in the  
7 same percentage as the cost of the equipment is depreciated.

8 On or before August 15, annually, the chief school  
9 administrator for the district shall certify to the State  
10 Superintendent of Education the district's claim for  
11 reimbursement for the school year ending on June 30 next  
12 preceding. The State Superintendent of Education shall check  
13 and approve the claims and prepare the vouchers showing the  
14 amounts due for district reimbursement claims. Each fiscal  
15 year, the State Superintendent of Education shall prepare and  
16 transmit the first 3 vouchers to the Comptroller on the 30th  
17 day of September, December and March, respectively, and the  
18 final voucher, no later than June 20.

19 If the amount appropriated for transportation  
20 reimbursement is insufficient to fund total claims for any  
21 fiscal year, the State Board of Education shall reduce each  
22 school district's allowable costs and flat grant amount  
23 proportionately to make total adjusted claims equal the total  
24 amount appropriated.

25 For purposes of calculating claims for reimbursement under  
26 this Section for any school year beginning July 1, 1998, or

1 thereafter, the equalized assessed valuation for a school  
2 district used to compute reimbursement shall be computed in the  
3 same manner as it is computed under paragraph (2) of subsection  
4 (G) of Section 18-8.05.

5 All reimbursements received from the State shall be  
6 deposited into the district's transportation fund or into the  
7 fund from which the allowable expenditures were made.

8 Notwithstanding any other provision of law, any school  
9 district receiving a payment under this Section or under  
10 Section 14-7.02, 14-7.02b, or 14-13.01 of this Code may  
11 classify all or a portion of the funds that it receives in a  
12 particular fiscal year or from general State aid pursuant to  
13 Section 18-8.05 of this Code as funds received in connection  
14 with any funding program for which it is entitled to receive  
15 funds from the State in that fiscal year (including, without  
16 limitation, any funding program referenced in this Section),  
17 regardless of the source or timing of the receipt. The district  
18 may not classify more funds as funds received in connection  
19 with the funding program than the district is entitled to  
20 receive in that fiscal year for that program. Any  
21 classification by a district must be made by a resolution of  
22 its board of education. The resolution must identify the amount  
23 of any payments or general State aid to be classified under  
24 this paragraph and must specify the funding program to which  
25 the funds are to be treated as received in connection  
26 therewith. This resolution is controlling as to the



1 classification of funds referenced therein. A certified copy of  
2 the resolution must be sent to the State Superintendent of  
3 Education. The resolution shall still take effect even though a  
4 copy of the resolution has not been sent to the State  
5 Superintendent of Education in a timely manner. No  
6 classification under this paragraph by a district shall affect  
7 the total amount or timing of money the district is entitled to  
8 receive under this Code. No classification under this paragraph  
9 by a district shall in any way relieve the district from or  
10 affect any requirements that otherwise would apply with respect  
11 to that funding program, including any accounting of funds by  
12 source, reporting expenditures by original source and purpose,  
13 reporting requirements, or requirements of providing services.

14 Any school district with a population of not more than  
15 500,000 must deposit all funds received under this Article into  
16 the transportation fund and use those funds for the provision  
17 of transportation services.

18 (Source: P.A. 95-903, eff. 8-25-08; 96-1264, eff. 1-1-11.)

19 (105 ILCS 5/34-2.3) (from Ch. 122, par. 34-2.3)

20 Sec. 34-2.3. Local school councils - Powers and duties.  
21 Each local school council shall have and exercise, consistent  
22 with the provisions of this Article and the powers and duties  
23 of the board of education, the following powers and duties:

24 1. (A) To annually evaluate the performance of the  
25 principal of the attendance center using a Board approved

1 principal evaluation form, which shall include the evaluation  
2 of (i) student academic improvement, as defined by the school  
3 improvement plan, (ii) student absenteeism rates at the school,  
4 (iii) instructional leadership, (iv) the effective  
5 implementation of programs, policies, or strategies to improve  
6 student academic achievement, (v) school management, and (vi)  
7 any other factors deemed relevant by the local school council,  
8 including, without limitation, the principal's communication  
9 skills and ability to create and maintain a student-centered  
10 learning environment, to develop opportunities for  
11 professional development, and to encourage parental  
12 involvement and community partnerships to achieve school  
13 improvement;

14 (B) to determine in the manner provided by subsection (c)  
15 of Section 34-2.2 and subdivision 1.5 of this Section whether  
16 the performance contract of the principal shall be renewed; and

17 (C) to directly select, in the manner provided by  
18 subsection (c) of Section 34-2.2, a new principal (including a  
19 new principal to fill a vacancy) -- without submitting any list  
20 of candidates for that position to the general superintendent  
21 as provided in paragraph 2 of this Section -- to serve under a  
22 4 year performance contract; provided that (i) the  
23 determination of whether the principal's performance contract  
24 is to be renewed, based upon the evaluation required by  
25 subdivision 1.5 of this Section, shall be made no later than  
26 150 days prior to the expiration of the current

1 performance-based contract of the principal, (ii) in cases  
2 where such performance contract is not renewed -- a direct  
3 selection of a new principal -- to serve under a 4 year  
4 performance contract shall be made by the local school council  
5 no later than 45 days prior to the expiration of the current  
6 performance contract of the principal, and (iii) a selection by  
7 the local school council of a new principal to fill a vacancy  
8 under a 4 year performance contract shall be made within 90  
9 days after the date such vacancy occurs. A Council shall be  
10 required, if requested by the principal, to provide in writing  
11 the reasons for the council's not renewing the principal's  
12 contract.

13 1.5. The local school council's determination of whether to  
14 renew the principal's contract shall be based on an evaluation  
15 to assess the educational and administrative progress made at  
16 the school during the principal's current performance-based  
17 contract. The local school council shall base its evaluation on  
18 (i) student academic improvement, as defined by the school  
19 improvement plan, (ii) student absenteeism rates at the school,  
20 (iii) instructional leadership, (iv) the effective  
21 implementation of programs, policies, or strategies to improve  
22 student academic achievement, (v) school management, and (vi)  
23 any other factors deemed relevant by the local school council,  
24 including, without limitation, the principal's communication  
25 skills and ability to create and maintain a student-centered  
26 learning environment, to develop opportunities for

1 professional development, and to encourage parental  
2 involvement and community partnerships to achieve school  
3 improvement. If a local school council fails to renew the  
4 performance contract of a principal rated by the general  
5 superintendent, or his or her designee, in the previous years'  
6 evaluations as meeting or exceeding expectations, the  
7 principal, within 15 days after the local school council's  
8 decision not to renew the contract, may request a review of the  
9 local school council's principal non-retention decision by a  
10 hearing officer appointed by the American Arbitration  
11 Association. A local school council member or members or the  
12 general superintendent may support the principal's request for  
13 review. During the period of the hearing officer's review of  
14 the local school council's decision on whether or not to retain  
15 the principal, the local school council shall maintain all  
16 authority to search for and contract with a person to serve as  
17 interim or acting principal, or as the principal of the  
18 attendance center under a 4-year performance contract,  
19 provided that any performance contract entered into by the  
20 local school council shall be voidable or modified in  
21 accordance with the decision of the hearing officer. The  
22 principal may request review only once while at that attendance  
23 center. If a local school council renews the contract of a  
24 principal who failed to obtain a rating of "meets" or "exceeds  
25 expectations" in the general superintendent's evaluation for  
26 the previous year, the general superintendent, within 15 days

1 after the local school council's decision to renew the  
2 contract, may request a review of the local school council's  
3 principal retention decision by a hearing officer appointed by  
4 the American Arbitration Association. The general  
5 superintendent may request a review only once for that  
6 principal at that attendance center. All requests to review the  
7 retention or non-retention of a principal shall be submitted to  
8 the general superintendent, who shall, in turn, forward such  
9 requests, within 14 days of receipt, to the American  
10 Arbitration Association. The general superintendent shall send  
11 a contemporaneous copy of the request that was forwarded to the  
12 American Arbitration Association to the principal and to each  
13 local school council member and shall inform the local school  
14 council of its rights and responsibilities under the  
15 arbitration process, including the local school council's  
16 right to representation and the manner and process by which the  
17 Board shall pay the costs of the council's representation. If  
18 the local school council retains the principal and the general  
19 superintendent requests a review of the retention decision, the  
20 local school council and the general superintendent shall be  
21 considered parties to the arbitration, a hearing officer shall  
22 be chosen between those 2 parties pursuant to procedures  
23 promulgated by the State Board of Education, and the principal  
24 may retain counsel and participate in the arbitration. If the  
25 local school council does not retain the principal and the  
26 principal requests a review of the retention decision, the

1 local school council and the principal shall be considered  
2 parties to the arbitration and a hearing officer shall be  
3 chosen between those 2 parties pursuant to procedures  
4 promulgated by the State Board of Education. The hearing shall  
5 begin (i) within 45 days after the initial request for review  
6 is submitted by the principal to the general superintendent or  
7 (ii) if the initial request for review is made by the general  
8 superintendent, within 45 days after that request is mailed to  
9 the American Arbitration Association. The hearing officer  
10 shall render a decision within 45 days after the hearing begins  
11 and within 90 days after the initial request for review. The  
12 Board shall contract with the American Arbitration Association  
13 for all of the hearing officer's reasonable and necessary  
14 costs. In addition, the Board shall pay any reasonable costs  
15 incurred by a local school council for representation before a  
16 hearing officer.

17 1.10. The hearing officer shall conduct a hearing, which  
18 shall include (i) a review of the principal's performance,  
19 evaluations, and other evidence of the principal's service at  
20 the school, (ii) reasons provided by the local school council  
21 for its decision, and (iii) documentation evidencing views of  
22 interested persons, including, without limitation, students,  
23 parents, local school council members, school faculty and  
24 staff, the principal, the general superintendent or his or her  
25 designee, and members of the community. The burden of proof in  
26 establishing that the local school council's decision was

1 arbitrary and capricious shall be on the party requesting the  
2 arbitration, and this party shall sustain the burden by a  
3 preponderance of the evidence. The hearing officer shall set  
4 the local school council decision aside if that decision, in  
5 light of the record developed at the hearing, is arbitrary and  
6 capricious. The decision of the hearing officer may not be  
7 appealed to the Board or the State Board of Education. If the  
8 hearing officer decides that the principal shall be retained,  
9 the retention period shall not exceed 2 years.

10 2. In the event (i) the local school council does not renew  
11 the performance contract of the principal, or the principal  
12 fails to receive a satisfactory rating as provided in  
13 subsection (h) of Section 34-8.3, or the principal is removed  
14 for cause during the term of his or her performance contract in  
15 the manner provided by Section 34-85, or a vacancy in the  
16 position of principal otherwise occurs prior to the expiration  
17 of the term of a principal's performance contract, and (ii) the  
18 local school council fails to directly select a new principal  
19 to serve under a 4 year performance contract, the local school  
20 council in such event shall submit to the general  
21 superintendent a list of 3 candidates -- listed in the local  
22 school council's order of preference -- for the position of  
23 principal, one of which shall be selected by the general  
24 superintendent to serve as principal of the attendance center.  
25 If the general superintendent fails or refuses to select one of  
26 the candidates on the list to serve as principal within 30 days

1 after being furnished with the candidate list, the general  
2 superintendent shall select and place a principal on an interim  
3 basis (i) for a period not to exceed one year or (ii) until the  
4 local school council selects a new principal with 7 affirmative  
5 votes as provided in subsection (c) of Section 34-2.2,  
6 whichever occurs first. If the local school council fails or  
7 refuses to select and appoint a new principal, as specified by  
8 subsection (c) of Section 34-2.2, the general superintendent  
9 may select and appoint a new principal on an interim basis for  
10 an additional year or until a new contract principal is  
11 selected by the local school council. There shall be no  
12 discrimination on the basis of race, sex, creed, color or  
13 disability unrelated to ability to perform in connection with  
14 the submission of candidates for, and the selection of a  
15 candidate to serve as principal of an attendance center. No  
16 person shall be directly selected, listed as a candidate for,  
17 or selected to serve as principal of an attendance center (i)  
18 if such person has been removed for cause from employment by  
19 the Board or (ii) if such person does not hold a valid  
20 administrative certificate issued or exchanged under Article  
21 21 and endorsed as required by that Article for the position of  
22 principal. A principal whose performance contract is not  
23 renewed as provided under subsection (c) of Section 34-2.2 may  
24 nevertheless, if otherwise qualified and certified as herein  
25 provided and if he or she has received a satisfactory rating as  
26 provided in subsection (h) of Section 34-8.3, be included by a



1 local school council as one of the 3 candidates listed in order  
2 of preference on any candidate list from which one person is to  
3 be selected to serve as principal of the attendance center  
4 under a new performance contract. The initial candidate list  
5 required to be submitted by a local school council to the  
6 general superintendent in cases where the local school council  
7 does not renew the performance contract of its principal and  
8 does not directly select a new principal to serve under a 4  
9 year performance contract shall be submitted not later than 30  
10 days prior to the expiration of the current performance  
11 contract. In cases where the local school council fails or  
12 refuses to submit the candidate list to the general  
13 superintendent no later than 30 days prior to the expiration of  
14 the incumbent principal's contract, the general superintendent  
15 may appoint a principal on an interim basis for a period not to  
16 exceed one year, during which time the local school council  
17 shall be able to select a new principal with 7 affirmative  
18 votes as provided in subsection (c) of Section 34-2.2. In cases  
19 where a principal is removed for cause or a vacancy otherwise  
20 occurs in the position of principal and the vacancy is not  
21 filled by direct selection by the local school council, the  
22 candidate list shall be submitted by the local school council  
23 to the general superintendent within 90 days after the date  
24 such removal or vacancy occurs. In cases where the local school  
25 council fails or refuses to submit the candidate list to the  
26 general superintendent within 90 days after the date of the

1 vacancy, the general superintendent may appoint a principal on  
2 an interim basis for a period of one year, during which time  
3 the local school council shall be able to select a new  
4 principal with 7 affirmative votes as provided in subsection  
5 (c) of Section 34-2.2.

6 2.5. Whenever a vacancy in the office of a principal occurs  
7 for any reason, the vacancy shall be filled in the manner  
8 provided by this Section by the selection of a new principal to  
9 serve under a 4 year performance contract.

10 3. To establish additional criteria to be included as part  
11 of the performance contract of its principal, provided that  
12 such additional criteria shall not discriminate on the basis of  
13 race, sex, creed, color or disability unrelated to ability to  
14 perform, and shall not be inconsistent with the uniform 4 year  
15 performance contract for principals developed by the board as  
16 provided in Section 34-8.1 of the School Code or with other  
17 provisions of this Article governing the authority and  
18 responsibility of principals.

19 4. To approve the expenditure plan prepared by the  
20 principal with respect to all funds allocated and distributed  
21 to the attendance center by the Board. The expenditure plan  
22 shall be administered by the principal. Notwithstanding any  
23 other provision of this Act or any other law, any expenditure  
24 plan approved and administered under this Section 34-2.3 shall  
25 be consistent with and subject to the terms of any contract for  
26 services with a third party entered into by the Chicago School

1 Reform Board of Trustees or the board under this Act.

2 Via a supermajority vote of 7 members of the local school  
3 council or 8 members of a high school local school council, the  
4 Council may transfer allocations pursuant to Section 34-2.3  
5 within funds; provided that such a transfer is consistent with  
6 applicable law and collective bargaining agreements.

7 Beginning in fiscal year 1991 and in each fiscal year  
8 thereafter, the Board may reserve up to 1% of its total fiscal  
9 year budget for distribution on a prioritized basis to schools  
10 throughout the school system in order to assure adequate  
11 programs to meet the needs of special student populations as  
12 determined by the Board. This distribution shall take into  
13 account the needs catalogued in the Systemwide Plan and the  
14 various local school improvement plans of the local school  
15 councils. Information about these centrally funded programs  
16 shall be distributed to the local school councils so that their  
17 subsequent planning and programming will account for these  
18 provisions.

19 Beginning in fiscal year 1991 and in each fiscal year  
20 thereafter, from other amounts available in the applicable  
21 fiscal year budget, the board shall allocate a lump sum amount  
22 to each local school based upon such formula as the board shall  
23 determine taking into account the special needs of the student  
24 body. The local school principal shall develop an expenditure  
25 plan in consultation with the local school council, the  
26 professional personnel leadership committee and with all other

1 school personnel, which reflects the priorities and activities  
2 as described in the school's local school improvement plan and  
3 is consistent with applicable law and collective bargaining  
4 agreements and with board policies and standards; however, the  
5 local school council shall have the right to request waivers of  
6 board policy from the board of education and waivers of  
7 employee collective bargaining agreements pursuant to Section  
8 34-8.1a.

9 The expenditure plan developed by the principal with  
10 respect to amounts available from the fund for prioritized  
11 special needs programs and the allocated lump sum amount must  
12 be approved by the local school council.

13 The lump sum allocation shall take into account the  
14 following principles:

15 a. Teachers: Each school shall be allocated funds equal  
16 to the amount appropriated in the previous school year for  
17 compensation for teachers (regular grades kindergarten  
18 through 12th grade) plus whatever increases in  
19 compensation have been negotiated contractually or through  
20 longevity as provided in the negotiated agreement.  
21 Adjustments shall be made due to layoff or reduction in  
22 force, lack of funds or work, change in subject  
23 requirements, enrollment changes, or contracts with third  
24 parties for the performance of services or to rectify any  
25 inconsistencies with system-wide allocation formulas or  
26 for other legitimate reasons.

1           b. Other personnel: Funds for other teacher  
2           certificated and uncertificated personnel paid through  
3           non-categorical funds shall be provided according to  
4           system-wide formulas based on student enrollment and the  
5           special needs of the school as determined by the Board.

6           c. Non-compensation items: Appropriations for all  
7           non-compensation items shall be based on system-wide  
8           formulas based on student enrollment and on the special  
9           needs of the school or factors related to the physical  
10          plant, including but not limited to textbooks, electronic  
11          textbooks and the technological equipment necessary to  
12          gain access to and use electronic textbooks, supplies,  
13          electricity, equipment, and routine maintenance.

14          d. Funds for categorical programs: Schools shall  
15          receive personnel and funds based on, and shall use such  
16          personnel and funds in accordance with State and Federal  
17          requirements applicable to each categorical program  
18          provided to meet the special needs of the student body  
19          (including but not limited to, Federal Chapter I,  
20          Bilingual, and Special Education).

21          d.1. Funds for State Title I: Each school shall receive  
22          funds based on State and Board requirements applicable to  
23          each State Title I pupil provided to meet the special needs  
24          of the student body. Each school shall receive the  
25          proportion of funds as provided in Section 18-8 or 18-8.15  
26          to which they are entitled. These funds shall be spent only

1 with the budgetary approval of the Local School Council as  
2 provided in Section 34-2.3.

3 e. The Local School Council shall have the right to  
4 request the principal to close positions and open new ones  
5 consistent with the provisions of the local school  
6 improvement plan provided that these decisions are  
7 consistent with applicable law and collective bargaining  
8 agreements. If a position is closed, pursuant to this  
9 paragraph, the local school shall have for its use the  
10 system-wide average compensation for the closed position.

11 f. Operating within existing laws and collective  
12 bargaining agreements, the local school council shall have  
13 the right to direct the principal to shift expenditures  
14 within funds.

15 g. (Blank).

16 Any funds unexpended at the end of the fiscal year shall be  
17 available to the board of education for use as part of its  
18 budget for the following fiscal year.

19 5. To make recommendations to the principal concerning  
20 textbook selection and concerning curriculum developed  
21 pursuant to the school improvement plan which is consistent  
22 with systemwide curriculum objectives in accordance with  
23 Sections 34-8 and 34-18 of the School Code and in conformity  
24 with the collective bargaining agreement.

25 6. To advise the principal concerning the attendance and  
26 disciplinary policies for the attendance center, subject to the

1 provisions of this Article and Article 26, and consistent with  
2 the uniform system of discipline established by the board  
3 pursuant to Section 34-19.

4 7. To approve a school improvement plan developed as  
5 provided in Section 34-2.4. The process and schedule for plan  
6 development shall be publicized to the entire school community,  
7 and the community shall be afforded the opportunity to make  
8 recommendations concerning the plan. At least twice a year the  
9 principal and local school council shall report publicly on  
10 progress and problems with respect to plan implementation.

11 8. To evaluate the allocation of teaching resources and  
12 other certificated and uncertificated staff to the attendance  
13 center to determine whether such allocation is consistent with  
14 and in furtherance of instructional objectives and school  
15 programs reflective of the school improvement plan adopted for  
16 the attendance center; and to make recommendations to the  
17 board, the general superintendent and the principal concerning  
18 any reallocation of teaching resources or other staff whenever  
19 the council determines that any such reallocation is  
20 appropriate because the qualifications of any existing staff at  
21 the attendance center do not adequately match or support  
22 instructional objectives or school programs which reflect the  
23 school improvement plan.

24 9. To make recommendations to the principal and the general  
25 superintendent concerning their respective appointments, after  
26 August 31, 1989, and in the manner provided by Section 34-8 and

1 Section 34-8.1, of persons to fill any vacant, additional or  
2 newly created positions for teachers at the attendance center  
3 or at attendance centers which include the attendance center  
4 served by the local school council.

5 10. To request of the Board the manner in which training  
6 and assistance shall be provided to the local school council.  
7 Pursuant to Board guidelines a local school council is  
8 authorized to direct the Board of Education to contract with  
9 personnel or not-for-profit organizations not associated with  
10 the school district to train or assist council members. If  
11 training or assistance is provided by contract with personnel  
12 or organizations not associated with the school district, the  
13 period of training or assistance shall not exceed 30 hours  
14 during a given school year; person shall not be employed on a  
15 continuous basis longer than said period and shall not have  
16 been employed by the Chicago Board of Education within the  
17 preceding six months. Council members shall receive training in  
18 at least the following areas:

19 1. school budgets;

20 2. educational theory pertinent to the attendance  
21 center's particular needs, including the development of  
22 the school improvement plan and the principal's  
23 performance contract; and

24 3. personnel selection.

25 Council members shall, to the greatest extent possible,  
26 complete such training within 90 days of election.



1           11. In accordance with systemwide guidelines contained in  
2 the System-Wide Educational Reform Goals and Objectives Plan,  
3 criteria for evaluation of performance shall be established for  
4 local school councils and local school council members. If a  
5 local school council persists in noncompliance with systemwide  
6 requirements, the Board may impose sanctions and take necessary  
7 corrective action, consistent with Section 34-8.3.

8           12. Each local school council shall comply with the Open  
9 Meetings Act and the Freedom of Information Act. Each local  
10 school council shall issue and transmit to its school community  
11 a detailed annual report accounting for its activities  
12 programmatically and financially. Each local school council  
13 shall convene at least 2 well-publicized meetings annually with  
14 its entire school community. These meetings shall include  
15 presentation of the proposed local school improvement plan, of  
16 the proposed school expenditure plan, and the annual report,  
17 and shall provide an opportunity for public comment.

18           13. Each local school council is encouraged to involve  
19 additional non-voting members of the school community in  
20 facilitating the council's exercise of its responsibilities.

21           14. The local school council may adopt a school uniform or  
22 dress code policy that governs the attendance center and that  
23 is necessary to maintain the orderly process of a school  
24 function or prevent endangerment of student health or safety,  
25 consistent with the policies and rules of the Board of  
26 Education. A school uniform or dress code policy adopted by a

1 local school council: (i) shall not be applied in such manner  
2 as to discipline or deny attendance to a transfer student or  
3 any other student for noncompliance with that policy during  
4 such period of time as is reasonably necessary to enable the  
5 student to acquire a school uniform or otherwise comply with  
6 the dress code policy that is in effect at the attendance  
7 center into which the student's enrollment is transferred; and  
8 (ii) shall include criteria and procedures under which the  
9 local school council will accommodate the needs of or otherwise  
10 provide appropriate resources to assist a student from an  
11 indigent family in complying with an applicable school uniform  
12 or dress code policy. A student whose parents or legal  
13 guardians object on religious grounds to the student's  
14 compliance with an applicable school uniform or dress code  
15 policy shall not be required to comply with that policy if the  
16 student's parents or legal guardians present to the local  
17 school council a signed statement of objection detailing the  
18 grounds for the objection.

19 15. All decisions made and actions taken by the local  
20 school council in the exercise of its powers and duties shall  
21 comply with State and federal laws, all applicable collective  
22 bargaining agreements, court orders and rules properly  
23 promulgated by the Board.

24 15a. To grant, in accordance with board rules and policies,  
25 the use of assembly halls and classrooms when not otherwise  
26 needed, including lighting, heat, and attendants, for public

1 lectures, concerts, and other educational and social  
2 activities.

3 15b. To approve, in accordance with board rules and  
4 policies, receipts and expenditures for all internal accounts  
5 of the attendance center, and to approve all fund-raising  
6 activities by nonschool organizations that use the school  
7 building.

8 16. (Blank).

9 17. Names and addresses of local school council members  
10 shall be a matter of public record.

11 (Source: P.A. 96-1403, eff. 7-29-10.)

12 (105 ILCS 5/34-18) (from Ch. 122, par. 34-18)

13 Sec. 34-18. Powers of the board. The board shall exercise  
14 general supervision and jurisdiction over the public education  
15 and the public school system of the city, and, except as  
16 otherwise provided by this Article, shall have power:

17 1. To make suitable provision for the establishment and  
18 maintenance throughout the year or for such portion thereof  
19 as it may direct, not less than 9 months, of schools of all  
20 grades and kinds, including normal schools, high schools,  
21 night schools, schools for defectives and delinquents,  
22 parental and truant schools, schools for the blind, the  
23 deaf and persons with physical disabilities, schools or  
24 classes in manual training, constructural and vocational  
25 teaching, domestic arts and physical culture, vocation and

1 extension schools and lecture courses, and all other  
2 educational courses and facilities, including  
3 establishing, equipping, maintaining and operating  
4 playgrounds and recreational programs, when such programs  
5 are conducted in, adjacent to, or connected with any public  
6 school under the general supervision and jurisdiction of  
7 the board; provided that the calendar for the school term  
8 and any changes must be submitted to and approved by the  
9 State Board of Education before the calendar or changes may  
10 take effect, and provided that in allocating funds from  
11 year to year for the operation of all attendance centers  
12 within the district, the board shall ensure that  
13 supplemental general State aid or supplemental grant funds  
14 are allocated and applied in accordance with Section 18-8,  
15 ~~or~~ 18-8.05, or 18-8.15. To admit to such schools without  
16 charge foreign exchange students who are participants in an  
17 organized exchange student program which is authorized by  
18 the board. The board shall permit all students to enroll in  
19 apprenticeship programs in trade schools operated by the  
20 board, whether those programs are union-sponsored or not.  
21 No student shall be refused admission into or be excluded  
22 from any course of instruction offered in the common  
23 schools by reason of that student's sex. No student shall  
24 be denied equal access to physical education and  
25 interscholastic athletic programs supported from school  
26 district funds or denied participation in comparable

1 physical education and athletic programs solely by reason  
2 of the student's sex. Equal access to programs supported  
3 from school district funds and comparable programs will be  
4 defined in rules promulgated by the State Board of  
5 Education in consultation with the Illinois High School  
6 Association. Notwithstanding any other provision of this  
7 Article, neither the board of education nor any local  
8 school council or other school official shall recommend  
9 that children with disabilities be placed into regular  
10 education classrooms unless those children with  
11 disabilities are provided with supplementary services to  
12 assist them so that they benefit from the regular classroom  
13 instruction and are included on the teacher's regular  
14 education class register;

15 2. To furnish lunches to pupils, to make a reasonable  
16 charge therefor, and to use school funds for the payment of  
17 such expenses as the board may determine are necessary in  
18 conducting the school lunch program;

19 3. To co-operate with the circuit court;

20 4. To make arrangements with the public or quasi-public  
21 libraries and museums for the use of their facilities by  
22 teachers and pupils of the public schools;

23 5. To employ dentists and prescribe their duties for  
24 the purpose of treating the pupils in the schools, but  
25 accepting such treatment shall be optional with parents or  
26 guardians;

1           6. To grant the use of assembly halls and classrooms  
2 when not otherwise needed, including light, heat, and  
3 attendants, for free public lectures, concerts, and other  
4 educational and social interests, free of charge, under  
5 such provisions and control as the principal of the  
6 affected attendance center may prescribe;

7           7. To apportion the pupils to the several schools;  
8 provided that no pupil shall be excluded from or segregated  
9 in any such school on account of his color, race, sex, or  
10 nationality. The board shall take into consideration the  
11 prevention of segregation and the elimination of  
12 separation of children in public schools because of color,  
13 race, sex, or nationality. Except that children may be  
14 committed to or attend parental and social adjustment  
15 schools established and maintained either for boys or girls  
16 only. All records pertaining to the creation, alteration or  
17 revision of attendance areas shall be open to the public.  
18 Nothing herein shall limit the board's authority to  
19 establish multi-area attendance centers or other student  
20 assignment systems for desegregation purposes or  
21 otherwise, and to apportion the pupils to the several  
22 schools. Furthermore, beginning in school year 1994-95,  
23 pursuant to a board plan adopted by October 1, 1993, the  
24 board shall offer, commencing on a phased-in basis, the  
25 opportunity for families within the school district to  
26 apply for enrollment of their children in any attendance

1 center within the school district which does not have  
2 selective admission requirements approved by the board.  
3 The appropriate geographical area in which such open  
4 enrollment may be exercised shall be determined by the  
5 board of education. Such children may be admitted to any  
6 such attendance center on a space available basis after all  
7 children residing within such attendance center's area  
8 have been accommodated. If the number of applicants from  
9 outside the attendance area exceed the space available,  
10 then successful applicants shall be selected by lottery.  
11 The board of education's open enrollment plan must include  
12 provisions that allow low income students to have access to  
13 transportation needed to exercise school choice. Open  
14 enrollment shall be in compliance with the provisions of  
15 the Consent Decree and Desegregation Plan cited in Section  
16 34-1.01;

17 8. To approve programs and policies for providing  
18 transportation services to students. Nothing herein shall  
19 be construed to permit or empower the State Board of  
20 Education to order, mandate, or require busing or other  
21 transportation of pupils for the purpose of achieving  
22 racial balance in any school;

23 9. Subject to the limitations in this Article, to  
24 establish and approve system-wide curriculum objectives  
25 and standards, including graduation standards, which  
26 reflect the multi-cultural diversity in the city and are

1 consistent with State law, provided that for all purposes  
2 of this Article courses or proficiency in American Sign  
3 Language shall be deemed to constitute courses or  
4 proficiency in a foreign language; and to employ principals  
5 and teachers, appointed as provided in this Article, and  
6 fix their compensation. The board shall prepare such  
7 reports related to minimal competency testing as may be  
8 requested by the State Board of Education, and in addition  
9 shall monitor and approve special education and bilingual  
10 education programs and policies within the district to  
11 assure that appropriate services are provided in  
12 accordance with applicable State and federal laws to  
13 children requiring services and education in those areas;

14 10. To employ non-teaching personnel or utilize  
15 volunteer personnel for: (i) non-teaching duties not  
16 requiring instructional judgment or evaluation of pupils,  
17 including library duties; and (ii) supervising study  
18 halls, long distance teaching reception areas used  
19 incident to instructional programs transmitted by  
20 electronic media such as computers, video, and audio,  
21 detention and discipline areas, and school-sponsored  
22 extracurricular activities. The board may further utilize  
23 volunteer non-certificated personnel or employ  
24 non-certificated personnel to assist in the instruction of  
25 pupils under the immediate supervision of a teacher holding  
26 a valid certificate, directly engaged in teaching subject



1 matter or conducting activities; provided that the teacher  
2 shall be continuously aware of the non-certificated  
3 persons' activities and shall be able to control or modify  
4 them. The general superintendent shall determine  
5 qualifications of such personnel and shall prescribe rules  
6 for determining the duties and activities to be assigned to  
7 such personnel;

8 10.5. To utilize volunteer personnel from a regional  
9 School Crisis Assistance Team (S.C.A.T.), created as part  
10 of the Safe to Learn Program established pursuant to  
11 Section 25 of the Illinois Violence Prevention Act of 1995,  
12 to provide assistance to schools in times of violence or  
13 other traumatic incidents within a school community by  
14 providing crisis intervention services to lessen the  
15 effects of emotional trauma on individuals and the  
16 community; the School Crisis Assistance Team Steering  
17 Committee shall determine the qualifications for  
18 volunteers;

19 11. To provide television studio facilities in not to  
20 exceed one school building and to provide programs for  
21 educational purposes, provided, however, that the board  
22 shall not construct, acquire, operate, or maintain a  
23 television transmitter; to grant the use of its studio  
24 facilities to a licensed television station located in the  
25 school district; and to maintain and operate not to exceed  
26 one school radio transmitting station and provide programs

1 for educational purposes;

2 12. To offer, if deemed appropriate, outdoor education  
3 courses, including field trips within the State of  
4 Illinois, or adjacent states, and to use school educational  
5 funds for the expense of the said outdoor educational  
6 programs, whether within the school district or not;

7 13. During that period of the calendar year not  
8 embraced within the regular school term, to provide and  
9 conduct courses in subject matters normally embraced in the  
10 program of the schools during the regular school term and  
11 to give regular school credit for satisfactory completion  
12 by the student of such courses as may be approved for  
13 credit by the State Board of Education;

14 14. To insure against any loss or liability of the  
15 board, the former School Board Nominating Commission,  
16 Local School Councils, the Chicago Schools Academic  
17 Accountability Council, or the former Subdistrict Councils  
18 or of any member, officer, agent or employee thereof,  
19 resulting from alleged violations of civil rights arising  
20 from incidents occurring on or after September 5, 1967 or  
21 from the wrongful or negligent act or omission of any such  
22 person whether occurring within or without the school  
23 premises, provided the officer, agent or employee was, at  
24 the time of the alleged violation of civil rights or  
25 wrongful act or omission, acting within the scope of his  
26 employment or under direction of the board, the former

1 School Board Nominating Commission, the Chicago Schools  
2 Academic Accountability Council, Local School Councils, or  
3 the former Subdistrict Councils; and to provide for or  
4 participate in insurance plans for its officers and  
5 employees, including but not limited to retirement  
6 annuities, medical, surgical and hospitalization benefits  
7 in such types and amounts as may be determined by the  
8 board; provided, however, that the board shall contract for  
9 such insurance only with an insurance company authorized to  
10 do business in this State. Such insurance may include  
11 provision for employees who rely on treatment by prayer or  
12 spiritual means alone for healing, in accordance with the  
13 tenets and practice of a recognized religious  
14 denomination;

15 15. To contract with the corporate authorities of any  
16 municipality or the county board of any county, as the case  
17 may be, to provide for the regulation of traffic in parking  
18 areas of property used for school purposes, in such manner  
19 as is provided by Section 11-209 of The Illinois Vehicle  
20 Code, approved September 29, 1969, as amended;

21 16. (a) To provide, on an equal basis, access to a high  
22 school campus and student directory information to the  
23 official recruiting representatives of the armed forces of  
24 Illinois and the United States for the purposes of  
25 informing students of the educational and career  
26 opportunities available in the military if the board has

1 provided such access to persons or groups whose purpose is  
2 to acquaint students with educational or occupational  
3 opportunities available to them. The board is not required  
4 to give greater notice regarding the right of access to  
5 recruiting representatives than is given to other persons  
6 and groups. In this paragraph 16, "directory information"  
7 means a high school student's name, address, and telephone  
8 number.

9 (b) If a student or his or her parent or guardian  
10 submits a signed, written request to the high school before  
11 the end of the student's sophomore year (or if the student  
12 is a transfer student, by another time set by the high  
13 school) that indicates that the student or his or her  
14 parent or guardian does not want the student's directory  
15 information to be provided to official recruiting  
16 representatives under subsection (a) of this Section, the  
17 high school may not provide access to the student's  
18 directory information to these recruiting representatives.  
19 The high school shall notify its students and their parents  
20 or guardians of the provisions of this subsection (b).

21 (c) A high school may require official recruiting  
22 representatives of the armed forces of Illinois and the  
23 United States to pay a fee for copying and mailing a  
24 student's directory information in an amount that is not  
25 more than the actual costs incurred by the high school.

26 (d) Information received by an official recruiting

1 representative under this Section may be used only to  
2 provide information to students concerning educational and  
3 career opportunities available in the military and may not  
4 be released to a person who is not involved in recruiting  
5 students for the armed forces of Illinois or the United  
6 States;

7 17. (a) To sell or market any computer program  
8 developed by an employee of the school district, provided  
9 that such employee developed the computer program as a  
10 direct result of his or her duties with the school district  
11 or through the utilization of the school district resources  
12 or facilities. The employee who developed the computer  
13 program shall be entitled to share in the proceeds of such  
14 sale or marketing of the computer program. The distribution  
15 of such proceeds between the employee and the school  
16 district shall be as agreed upon by the employee and the  
17 school district, except that neither the employee nor the  
18 school district may receive more than 90% of such proceeds.  
19 The negotiation for an employee who is represented by an  
20 exclusive bargaining representative may be conducted by  
21 such bargaining representative at the employee's request.

22 (b) For the purpose of this paragraph 17:

23 (1) "Computer" means an internally programmed,  
24 general purpose digital device capable of  
25 automatically accepting data, processing data and  
26 supplying the results of the operation.

1           (2) "Computer program" means a series of coded  
2 instructions or statements in a form acceptable to a  
3 computer, which causes the computer to process data in  
4 order to achieve a certain result.

5           (3) "Proceeds" means profits derived from  
6 marketing or sale of a product after deducting the  
7 expenses of developing and marketing such product;

8           18. To delegate to the general superintendent of  
9 schools, by resolution, the authority to approve contracts  
10 and expenditures in amounts of \$10,000 or less;

11           19. Upon the written request of an employee, to  
12 withhold from the compensation of that employee any dues,  
13 payments or contributions payable by such employee to any  
14 labor organization as defined in the Illinois Educational  
15 Labor Relations Act. Under such arrangement, an amount  
16 shall be withheld from each regular payroll period which is  
17 equal to the pro rata share of the annual dues plus any  
18 payments or contributions, and the board shall transmit  
19 such withholdings to the specified labor organization  
20 within 10 working days from the time of the withholding;

21           19a. Upon receipt of notice from the comptroller of a  
22 municipality with a population of 500,000 or more, a county  
23 with a population of 3,000,000 or more, the Cook County  
24 Forest Preserve District, the Chicago Park District, the  
25 Metropolitan Water Reclamation District, the Chicago  
26 Transit Authority, or a housing authority of a municipality

1 with a population of 500,000 or more that a debt is due and  
2 owing the municipality, the county, the Cook County Forest  
3 Preserve District, the Chicago Park District, the  
4 Metropolitan Water Reclamation District, the Chicago  
5 Transit Authority, or the housing authority by an employee  
6 of the Chicago Board of Education, to withhold, from the  
7 compensation of that employee, the amount of the debt that  
8 is due and owing and pay the amount withheld to the  
9 municipality, the county, the Cook County Forest Preserve  
10 District, the Chicago Park District, the Metropolitan  
11 Water Reclamation District, the Chicago Transit Authority,  
12 or the housing authority; provided, however, that the  
13 amount deducted from any one salary or wage payment shall  
14 not exceed 25% of the net amount of the payment. Before the  
15 Board deducts any amount from any salary or wage of an  
16 employee under this paragraph, the municipality, the  
17 county, the Cook County Forest Preserve District, the  
18 Chicago Park District, the Metropolitan Water Reclamation  
19 District, the Chicago Transit Authority, or the housing  
20 authority shall certify that (i) the employee has been  
21 afforded an opportunity for a hearing to dispute the debt  
22 that is due and owing the municipality, the county, the  
23 Cook County Forest Preserve District, the Chicago Park  
24 District, the Metropolitan Water Reclamation District, the  
25 Chicago Transit Authority, or the housing authority and  
26 (ii) the employee has received notice of a wage deduction

1 order and has been afforded an opportunity for a hearing to  
2 object to the order. For purposes of this paragraph, "net  
3 amount" means that part of the salary or wage payment  
4 remaining after the deduction of any amounts required by  
5 law to be deducted and "debt due and owing" means (i) a  
6 specified sum of money owed to the municipality, the  
7 county, the Cook County Forest Preserve District, the  
8 Chicago Park District, the Metropolitan Water Reclamation  
9 District, the Chicago Transit Authority, or the housing  
10 authority for services, work, or goods, after the period  
11 granted for payment has expired, or (ii) a specified sum of  
12 money owed to the municipality, the county, the Cook County  
13 Forest Preserve District, the Chicago Park District, the  
14 Metropolitan Water Reclamation District, the Chicago  
15 Transit Authority, or the housing authority pursuant to a  
16 court order or order of an administrative hearing officer  
17 after the exhaustion of, or the failure to exhaust,  
18 judicial review;

19 20. The board is encouraged to employ a sufficient  
20 number of certified school counselors to maintain a  
21 student/counselor ratio of 250 to 1 by July 1, 1990. Each  
22 counselor shall spend at least 75% of his work time in  
23 direct contact with students and shall maintain a record of  
24 such time;

25 21. To make available to students vocational and career  
26 counseling and to establish 5 special career counseling



1 days for students and parents. On these days  
2 representatives of local businesses and industries shall  
3 be invited to the school campus and shall inform students  
4 of career opportunities available to them in the various  
5 businesses and industries. Special consideration shall be  
6 given to counseling minority students as to career  
7 opportunities available to them in various fields. For the  
8 purposes of this paragraph, minority student means a person  
9 who is any of the following:

10 (a) American Indian or Alaska Native (a person having  
11 origins in any of the original peoples of North and South  
12 America, including Central America, and who maintains  
13 tribal affiliation or community attachment).

14 (b) Asian (a person having origins in any of the  
15 original peoples of the Far East, Southeast Asia, or the  
16 Indian subcontinent, including, but not limited to,  
17 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,  
18 the Philippine Islands, Thailand, and Vietnam).

19 (c) Black or African American (a person having origins  
20 in any of the black racial groups of Africa). Terms such as  
21 "Haitian" or "Negro" can be used in addition to "Black or  
22 African American".

23 (d) Hispanic or Latino (a person of Cuban, Mexican,  
24 Puerto Rican, South or Central American, or other Spanish  
25 culture or origin, regardless of race).

26 (e) Native Hawaiian or Other Pacific Islander (a person

1 having origins in any of the original peoples of Hawaii,  
2 Guam, Samoa, or other Pacific Islands).

3 Counseling days shall not be in lieu of regular school  
4 days;

5 22. To report to the State Board of Education the  
6 annual student dropout rate and number of students who  
7 graduate from, transfer from or otherwise leave bilingual  
8 programs;

9 23. Except as otherwise provided in the Abused and  
10 Neglected Child Reporting Act or other applicable State or  
11 federal law, to permit school officials to withhold, from  
12 any person, information on the whereabouts of any child  
13 removed from school premises when the child has been taken  
14 into protective custody as a victim of suspected child  
15 abuse. School officials shall direct such person to the  
16 Department of Children and Family Services, or to the local  
17 law enforcement agency if appropriate;

18 24. To develop a policy, based on the current state of  
19 existing school facilities, projected enrollment and  
20 efficient utilization of available resources, for capital  
21 improvement of schools and school buildings within the  
22 district, addressing in that policy both the relative  
23 priority for major repairs, renovations and additions to  
24 school facilities, and the advisability or necessity of  
25 building new school facilities or closing existing schools  
26 to meet current or projected demographic patterns within

1 the district;

2 25. To make available to the students in every high  
3 school attendance center the ability to take all courses  
4 necessary to comply with the Board of Higher Education's  
5 college entrance criteria effective in 1993;

6 26. To encourage mid-career changes into the teaching  
7 profession, whereby qualified professionals become  
8 certified teachers, by allowing credit for professional  
9 employment in related fields when determining point of  
10 entry on teacher pay scale;

11 27. To provide or contract out training programs for  
12 administrative personnel and principals with revised or  
13 expanded duties pursuant to this Act in order to assure  
14 they have the knowledge and skills to perform their duties;

15 28. To establish a fund for the prioritized special  
16 needs programs, and to allocate such funds and other lump  
17 sum amounts to each attendance center in a manner  
18 consistent with the provisions of part 4 of Section 34-2.3.  
19 Nothing in this paragraph shall be construed to require any  
20 additional appropriations of State funds for this purpose;

21 29. (Blank);

22 30. Notwithstanding any other provision of this Act or  
23 any other law to the contrary, to contract with third  
24 parties for services otherwise performed by employees,  
25 including those in a bargaining unit, and to layoff those  
26 employees upon 14 days written notice to the affected

1 employees. Those contracts may be for a period not to  
2 exceed 5 years and may be awarded on a system-wide basis.  
3 The board may not operate more than 30 contract schools,  
4 provided that the board may operate an additional 5  
5 contract turnaround schools pursuant to item (5.5) of  
6 subsection (d) of Section 34-8.3 of this Code;

7 31. To promulgate rules establishing procedures  
8 governing the layoff or reduction in force of employees and  
9 the recall of such employees, including, but not limited  
10 to, criteria for such layoffs, reductions in force or  
11 recall rights of such employees and the weight to be given  
12 to any particular criterion. Such criteria shall take into  
13 account factors including, but not be limited to,  
14 qualifications, certifications, experience, performance  
15 ratings or evaluations, and any other factors relating to  
16 an employee's job performance;

17 32. To develop a policy to prevent nepotism in the  
18 hiring of personnel or the selection of contractors;

19 33. To enter into a partnership agreement, as required  
20 by Section 34-3.5 of this Code, and, notwithstanding any  
21 other provision of law to the contrary, to promulgate  
22 policies, enter into contracts, and take any other action  
23 necessary to accomplish the objectives and implement the  
24 requirements of that agreement; and

25 34. To establish a Labor Management Council to the  
26 board comprised of representatives of the board, the chief

1 executive officer, and those labor organizations that are  
2 the exclusive representatives of employees of the board and  
3 to promulgate policies and procedures for the operation of  
4 the Council.

5 The specifications of the powers herein granted are not to  
6 be construed as exclusive but the board shall also exercise all  
7 other powers that they may be requisite or proper for the  
8 maintenance and the development of a public school system, not  
9 inconsistent with the other provisions of this Article or  
10 provisions of this Code which apply to all school districts.

11 In addition to the powers herein granted and authorized to  
12 be exercised by the board, it shall be the duty of the board to  
13 review or to direct independent reviews of special education  
14 expenditures and services. The board shall file a report of  
15 such review with the General Assembly on or before May 1, 1990.

16 (Source: P.A. 99-143, eff. 7-27-15.)

17 (105 ILCS 5/34-18.30)

18 Sec. 34-18.30. Dependents of military personnel; no  
19 tuition charge. If, at the time of enrollment, a dependent of  
20 United States military personnel is housed in temporary housing  
21 located outside of the school district, but will be living  
22 within the district within 60 days after the time of initial  
23 enrollment, the dependent must be allowed to enroll, subject to  
24 the requirements of this Section, and must not be charged  
25 tuition. Any United States military personnel attempting to

1 enroll a dependent under this Section shall provide proof that  
2 the dependent will be living within the district within 60 days  
3 after the time of initial enrollment. Proof of residency may  
4 include, but is not limited to, postmarked mail addressed to  
5 the military personnel and sent to an address located within  
6 the district, a lease agreement for occupancy of a residence  
7 located within the district, or proof of ownership of a  
8 residence located within the district. Non-resident dependents  
9 of United States military personnel attending school on a  
10 tuition-free basis may be counted for the purposes of  
11 determining the apportionment of State aid provided under  
12 Section 18-8.05 or 18-8.15 of this Code.

13 (Source: P.A. 95-331, eff. 8-21-07.)

14 (105 ILCS 5/34-43.1) (from Ch. 122, par. 34-43.1)

15 Sec. 34-43.1. (A) Limitation of noninstructional costs. It  
16 is the purpose of this Section to establish for the Board of  
17 Education and the general superintendent of schools  
18 requirements and standards which maximize the proportion of  
19 school district resources in direct support of educational,  
20 program, and building maintenance and safety services for the  
21 pupils of the district, and which correspondingly minimize the  
22 amount and proportion of such resources associated with  
23 centralized administration, administrative support services,  
24 and other noninstructional services.

25 For the 1989-90 school year and for all subsequent school

1 years, the Board of Education shall undertake budgetary and  
2 expenditure control actions which limit the administrative  
3 expenditures of the Board of Education to levels, as provided  
4 for in this Section, which represent an average of the  
5 administrative expenses of all school districts in this State  
6 not subject to Article 34.

7 (B) Certification of expenses by the State Superintendent  
8 of Education. The State Superintendent of Education shall  
9 annually certify, on or before May 1, to the Board of Education  
10 and the School Finance Authority, for the applicable school  
11 year, the following information:

12 (1) the annual expenditures of all school districts of  
13 the State not subject to Article 34 properly attributable  
14 to expenditure functions defined by the rules and  
15 regulations of the State Board of Education as: 2210  
16 (Improvement of Instructional Services); 2300 (Support  
17 Services - General Administration) excluding, however,  
18 2320 (Executive Administrative Services); 2490 (Other  
19 Support Services - School Administration); 2500 (Support  
20 Services - Business); 2600 (Support Services - Central);

21 (2) the total annual expenditures of all school  
22 districts not subject to Article 34 attributable to the  
23 Education Fund, the Operations, Building and Maintenance  
24 Fund, the Transportation Fund and the Illinois Municipal  
25 Retirement Fund of the several districts, as defined by the  
26 rules and regulations of the State Board of Education; and

1           (3) a ratio, to be called the statewide average of  
2           administrative expenditures, derived by dividing the  
3           expenditures certified pursuant to paragraph (B) (1) by the  
4           expenditures certified pursuant to paragraph (B) (2).

5           For purposes of the annual certification of expenditures  
6           and ratios required by this Section, the "applicable year" of  
7           certification shall initially be the 1986-87 school year and,  
8           in sequent years, each succeeding school year.

9           The State Superintendent of Education shall consult with  
10          the Board of Education to ascertain whether particular  
11          expenditure items allocable to the administrative functions  
12          enumerated in paragraph (B) (1) are appropriately or  
13          necessarily higher in the applicable school district than in  
14          the rest of the State due to noncomparable factors. The State  
15          Superintendent shall also review the relevant cost proportions  
16          in other large urban school districts. The State Superintendent  
17          shall also review the expenditure categories in paragraph  
18          (B) (1) to ascertain whether they contain school-level  
19          expenses. If he or she finds that adjustments to the formula  
20          are appropriate or necessary to establish a more fair and  
21          comparable standard for administrative cost for the Board of  
22          Education or to exclude school-level expenses, the State  
23          Superintendent shall recommend to the School Finance Authority  
24          rules and regulations adjusting particular subcategories in  
25          this subsection (B) or adjusting certain costs in determining  
26          the budget and expenditure items properly attributable to the



1 functions or otherwise adjust the formula.

2 (C) Administrative expenditure limitations. The annual  
3 budget of the Board of Education, as adopted and implemented,  
4 and the related annual expenditures for the school year, shall  
5 reflect a limitation on administrative outlays as required by  
6 the following provisions, taking into account any adjustments  
7 established by the State Superintendent of Education: (1) the  
8 budget and expenditures of the Board of Education for the  
9 1989-90 school year shall reflect a ratio of administrative  
10 expenditures to total expenditures equal to or less than the  
11 statewide average of administrative expenditures for the  
12 1986-87 school year as certified by the State Superintendent of  
13 Education pursuant to paragraph (B)(3); (2) for the 1990-91  
14 school year and for all subsequent school years, the budget and  
15 expenditures of the Board of Education shall reflect a ratio of  
16 administrative expenditures to total expenditures equal to or  
17 less than the statewide average of administrative expenditures  
18 certified by the State Superintendent of Education for the  
19 applicable year pursuant to paragraph (B)(3); (3) if for any  
20 school year the budget of the Board of Education reflects a  
21 ratio of administrative expenditures to total expenditures  
22 which exceeds the applicable statewide average, the Board of  
23 Education shall reduce expenditure items allocable to the  
24 administrative functions enumerated in paragraph (B)(1) such  
25 that the Board of Education's ratio of administrative  
26 expenditures to total expenditures is equal to or less than the

1 applicable statewide average ratio.

2 For purposes of this Section, the ratio of administrative  
3 expenditures to the total expenditures of the Board of  
4 Education, as applied to the budget of the Board of Education,  
5 shall mean: the budgeted expenditure items of the Board of  
6 Education properly attributable to the expenditure functions  
7 identified in paragraph (B)(1) divided by the total budgeted  
8 expenditures of the Board of Education properly attributable to  
9 the Board of Education funds corresponding to those funds  
10 identified in paragraph (B)(2), exclusive of any monies  
11 budgeted for payment to the Public School Teachers' Pension and  
12 Retirement System, attributable to payments due from the  
13 General Funds of the State of Illinois.

14 The annual expenditure of the Board of Education for 2320  
15 (Executive Administrative Services) for the 1989-90 school  
16 year shall be no greater than the 2320 expenditure for the  
17 1988-89 school year. The annual expenditure of the Board of  
18 Education for 2320 for the 1990-91 school year and each  
19 subsequent school year shall be no greater than the 2320  
20 expenditure for the immediately preceding school year or the  
21 1988-89 school year, whichever is less. This annual expenditure  
22 limitation may be adjusted in each year in an amount not to  
23 exceed any change effective during the applicable school year  
24 in salary to be paid under the collective bargaining agreement  
25 with instructional personnel to which the Board is a party and  
26 in benefit costs either required by law or such collective

1 bargaining agreement.

2 (D) Cost control measures. In undertaking actions to  
3 control or reduce expenditure items necessitated by the  
4 administrative expenditure limitations of this Section, the  
5 Board of Education shall give priority consideration to  
6 reductions or cost controls with the least effect upon direct  
7 services to students or instructional services for pupils, and  
8 upon the safety and well-being of pupils, and, as applicable,  
9 with the particular costs or functions to which the Board of  
10 Education is higher than the statewide average.

11 For purposes of assuring that the cost control priorities  
12 of this subsection (D) are met, the State Superintendent of  
13 Education shall, with the assistance of the Board of Education,  
14 review the cost allocation practices of the Board of Education,  
15 and the State Superintendent of Education shall thereafter  
16 recommend to the School Finance Authority rules and regulations  
17 which define administrative areas which most impact upon the  
18 direct and instructional needs of students and upon the safety  
19 and well-being of the pupils of the district. No position  
20 closed shall be reopened using State or federal categorical  
21 funds.

22 (E) Report of Audited Information. For the 1988-89 school  
23 year and for all subsequent school years, the Board of  
24 Education shall file with the State Board of Education the  
25 Annual Financial Report and its audit, as required by the rules  
26 of the State Board of Education. Such reports shall be filed no

1 later than February 15 following the end of the school year of  
2 the Board of Education, beginning with the report to be filed  
3 no later than February 15, 1990 for the 1988-89 school year.

4 As part of the required Annual Financial Report, the Board  
5 of Education shall provide a detailed accounting of the central  
6 level, district, bureau and department costs and personnel  
7 included within expenditure functions included in paragraph  
8 (B)(1). The nature and detail of the reporting required for  
9 these functions shall be prescribed by the State Board of  
10 Education in rules and regulations. A copy of this detailed  
11 accounting shall also be provided annually to the School  
12 Finance Authority and the public. This report shall contain a  
13 reconciliation to the board of education's adopted budget for  
14 that fiscal year, specifically delineating administrative  
15 functions.

16 If the information required under this Section is not  
17 provided by the Board of Education in a timely manner, or is  
18 initially or subsequently determined by the State  
19 Superintendent of Education to be incomplete or inaccurate, the  
20 State Superintendent shall, in writing, notify the Board of  
21 Education of reporting deficiencies. The Board of Education  
22 shall, within 60 days of such notice, address the reporting  
23 deficiencies identified. If the State Superintendent of  
24 Education does not receive satisfactory response to these  
25 reporting deficiencies within 60 days, the next payment of  
26 general State aid or evidence-based funding due the Board of

1 Education under Section 18-8 or Section 18-8.15, as applicable,  
2 and all subsequent payments, shall be withheld by the State  
3 Superintendent of Education until the enumerated deficiencies  
4 have been addressed.

5 Utilizing the Annual Financial Report, the State  
6 Superintendent of Education shall certify on or before May 1 to  
7 the School Finance Authority the Board of Education's ratio of  
8 administrative expenditures to total expenditures for the  
9 1988-89 school year and for each succeeding school year. Such  
10 certification shall indicate the extent to which the  
11 administrative expenditure ratio of the Board of Education  
12 conformed to the limitations required in subsection (C) of this  
13 Section, taking into account any adjustments of the limitations  
14 which may have been recommended by the State Superintendent of  
15 Education to the School Finance Authority. In deriving the  
16 administrative expenditure ratio of the Chicago Board of  
17 Education, the State Superintendent of Education shall utilize  
18 the definition of this ratio prescribed in subsection (C) of  
19 this Section, except that the actual expenditures of the Board  
20 of Education shall be substituted for budgeted expenditure  
21 items.

22 (F) Approval and adjustments to administrative expenditure  
23 limitations. The School Finance Authority organized under  
24 Article 34A shall monitor the Board of Education's adherence to  
25 the requirements of this Section. As part of its responsibility  
26 the School Finance Authority shall determine whether the Board

1 of Education's budget for the next school year, and the  
2 expenditures for a prior school year, comply with the  
3 limitation of administrative expenditures required by this  
4 Section. The Board of Education and the State Board of  
5 Education shall provide such information as is required by the  
6 School Finance Authority in order for the Authority to  
7 determine compliance with the provisions of this Section. If  
8 the Authority determines that the budget proposed by the Board  
9 of Education does not meet the cost control requirements of  
10 this Section, the Board of Education shall undertake budgetary  
11 reductions, consistent with the requirements of this Section,  
12 to bring the proposed budget into compliance with such cost  
13 control limitations.

14 If, in formulating cost control and cost reduction  
15 alternatives, the Board of Education believes that meeting the  
16 cost control requirements of this Section related to the budget  
17 for the ensuing year would impair the education, safety, or  
18 well-being of the pupils of the school district, the Board of  
19 Education may request that the School Finance Authority make  
20 adjustments to the limitations required by this Section. The  
21 Board of Education shall specify the amount, nature, and  
22 reasons for the relief required and shall also identify cost  
23 reductions which can be made in expenditure functions not  
24 enumerated in paragraph (B) (1), which would serve the purposes  
25 of this Section.

26 The School Finance Authority shall consult with the State

1 Superintendent of Education concerning the reasonableness from  
2 an educational administration perspective of the adjustments  
3 sought by the Board of Education. The School Finance Authority  
4 shall provide an opportunity for the public to comment upon the  
5 reasonableness of the Board's request. If, after such  
6 consultation, the School Finance Authority determines that all  
7 or a portion of the adjustments sought by the Board of  
8 Education are reasonably appropriate or necessary, the  
9 Authority may grant such relief from the provisions of this  
10 Section which the Authority deems appropriate. Adjustments so  
11 granted apply only to the specific school year for which the  
12 request was made.

13 In the event that the School Finance Authority determines  
14 that the Board of Education has failed to achieve the required  
15 administrative expenditure limitations for a prior school  
16 year, or if the Authority determines that the Board of  
17 Education has not met the requirements of subsection (F), the  
18 Authority shall make recommendations to the Board of Education  
19 concerning appropriate corrective actions. If the Board of  
20 Education fails to provide adequate assurance to the Authority  
21 that appropriate corrective actions have been or will be taken,  
22 the Authority may, within 60 days thereafter, require the board  
23 to adjust its current budget to correct for the prior year's  
24 shortage or may recommend to the members of the General  
25 Assembly and the Governor such sanctions or remedial actions as  
26 will serve to deter any further such failures on the part of

1 the Board of Education.

2 To assist the Authority in its monitoring  
3 responsibilities, the Board of Education shall provide such  
4 reports and information as are from time to time required by  
5 the Authority.

6 (G) Independent reviews of administrative expenditures.  
7 The School Finance Authority may direct independent reviews of  
8 the administrative and administrative support expenditures and  
9 services and other non-instructional expenditure functions of  
10 the Board of Education. The Board of Education shall afford  
11 full cooperation to the School Finance Authority in such review  
12 activity. The purpose of such reviews shall be to verify  
13 specific targets for improved operating efficiencies of the  
14 Board of Education, to identify other areas of potential  
15 efficiencies, and to assure full and proper compliance by the  
16 Board of Education with all requirements of this Section.

17 In the conduct of reviews under this subsection, the  
18 Authority may request the assistance and consultation of the  
19 State Superintendent of Education with regard to questions of  
20 efficiency and effectiveness in educational administration.

21 (H) Reports to Governor and General Assembly. On or before  
22 May 1, 1991 and no less frequently than yearly thereafter, the  
23 School Finance Authority shall provide to the Governor, the  
24 State Board of Education, and the members of the General  
25 Assembly an annual report, as outlined in Section 34A-606,  
26 which includes the following information: (1) documenting the



1 compliance or non-compliance of the Board of Education with the  
2 requirements of this Section; (2) summarizing the costs,  
3 findings, and recommendations of any reviews directed by the  
4 School Finance Authority, and the response to such  
5 recommendations made by the Board of Education; and (3)  
6 recommending sanctions or legislation necessary to fulfill the  
7 intent of this Section.

8 (Source: P.A. 86-124; 86-1477.)

9 Section 50. The Educational Opportunity for Military  
10 Children Act is amended by changing Section 25 as follows:

11 (105 ILCS 70/25)

12 Sec. 25. Tuition for children of active duty military  
13 personnel who are transfer students. If a student who is a  
14 child of active duty military personnel is (i) placed with a  
15 non-custodial parent and (ii) as a result of placement, must  
16 attend a non-resident school district, then the student must  
17 not be charged the tuition of the school that the student  
18 attends as a result of placement with the non-custodial parent  
19 and the student must be counted in the calculation of average  
20 daily attendance under Section 18-8.05 or 18-8.15 of the School  
21 Code.

22 (Source: P.A. 98-673, eff. 6-30-14.)

23 Section 95. No acceleration or delay. Where this Act makes

1 changes in a statute that is represented in this Act by text  
2 that is not yet or no longer in effect (for example, a Section  
3 represented by multiple versions), the use of that text does  
4 not accelerate or delay the taking effect of (i) the changes  
5 made by this Act or (ii) provisions derived from any other  
6 Public Act.

7 Section 97. Savings clause. Any repeal or amendment made by  
8 this Act shall not affect or impair any of the following: suits  
9 pending or rights existing at the time this Act takes effect;  
10 any grant or conveyance made or right acquired or cause of  
11 action now existing under any Section, Article, or Act repealed  
12 or amended by this Act; the validity of any bonds or other  
13 obligations issued or sold and constituting valid obligations  
14 of the issuing authority at the time this Act takes effect; the  
15 validity of any contract; the validity of any tax levied under  
16 any law in effect prior to the effective date of this Act; or  
17 any offense committed, act done, penalty, punishment, or  
18 forfeiture incurred or any claim, right, power, or remedy  
19 accrued under any law in effect prior to the effective date of  
20 this Act.

21 Section 99. Effective date. This Act takes effect upon  
22 becoming law."