

1 AN ACT concerning education.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

20 Sec. 13.2. Transfers among line item appropriations.

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 agencies require the approval of the Governor.

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

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

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

26 (2) Disabled Student Transportation Reimbursement

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

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

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

19 (35 ILCS 200/18-200)

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

21 shall not be reduced under the computation under subsections

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

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

24 operating tax rate falling from above the minimum requirement

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

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

5 (35 ILCS 200/18-249)

6 Sec. 18-249. Miscellaneous provisions.

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

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

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

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



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

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

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

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

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

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

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

1 normal cost for that fiscal year.

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

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

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

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

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

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

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

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

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

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

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

26 For State fiscal years 1996 through 2005, the State

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

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

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

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

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

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

26           Beginning in State fiscal year 2046, the minimum State

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 When assessing payment for any amount due under subsection

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

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

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

1 requiring the same certification.

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

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

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

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

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

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

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

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

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

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

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

25          Section 20. The Innovation Development and Economy Act is



1 amended by changing Section 33 as follows:

2 (50 ILCS 470/33)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

18 Sec. 50. Special tax allocation fund.

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

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

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

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

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

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

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

1 project area.

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

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

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

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

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

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

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

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

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

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

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

1           that the buildings must be removed.

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

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

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

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

26           (F) Excessive vacancies. The presence of buildings



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



1 set forth under Section 11-74.4-3.5.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

26 (7.5) For redevelopment project areas designated (or

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

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

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

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

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

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

1 increment finance assistance under this Act.

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

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

1 received tax increment finance assistance under  
2 this Act;

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

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

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

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

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

26 (iii) the amount reimbursed may not affect

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

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

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

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

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



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

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

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

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

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

13 (9) Payment in lieu of taxes;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 be allocated as specifically provided in this Section:

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

20 (65 ILCS 110/50)

21 Sec. 50. Special tax allocation fund.

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

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

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

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

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

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

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

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

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

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

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

24 Section 45. The School Code is amended by changing Sections  
25 1A-8, 1B-5, 1B-6, 1B-7, 1B-8, 1C-1, 1C-2, 1D-1, 1E-20, 1F-20,

1 1F-62, 1H-20, 1H-70, 2-3.33, 2-3.51.5, 2-3.66, 2-3.66b,  
2 2-3.84, 2-3.109a, 3-14.21, 7-14A, 10-17a, 10-19, 10-22.5a,  
3 10-22.20, 10-29, 11E-135, 13A-8, 13B-20.20, 13B-45, 13B-50,  
4 13B-50.10, 13B-50.15, 14-7.02b, 14-13.01, 14C-1, 14C-12, 17-1,  
5 17-1.2, 17-1.5, 17-2.11, 17-2A, 18-4.3, 18-8.05, 18-8.10,  
6 18-9, 18-12, 26-16, 27-8.1, 27A-9, 27A-11, 29-5, 34-2.3, 34-18,  
7 34-18.30, and 34-43.1 and by adding Sections 2-3.170, 17-3.6,  
8 and 18-8.15 as follows:

9 (105 ILCS 5/1A-8) (from Ch. 122, par. 1A-8)

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

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

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

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

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

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

1 such as, but not limited to, tax anticipation warrants and  
2 general State aid or evidence-based funding ~~Aid~~  
3 certificates or tax anticipation warrants and revenue  
4 anticipation notes.

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

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

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

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



1 the State Board of Education certifies that a district in a  
2 city with 500,000 inhabitants or more is in financial  
3 difficulty, the State Board shall so notify the Governor and  
4 the Mayor of the city in which the district is located. The  
5 State Board of Education may require school districts certified  
6 in financial difficulty, except those districts subject to  
7 Article 34A, to develop, adopt and submit a financial plan  
8 within 45 days after certification of financial difficulty. The  
9 financial plan shall be developed according to guidelines  
10 presented to the district by the State Board of Education  
11 within 14 days of certification. Such guidelines shall address  
12 the specific nature of each district's financial difficulties.  
13 Any proposed budget of the district shall be consistent with  
14 the financial plan submitted to and approved by the State Board  
15 of Education.

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

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

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

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

1 provided in this School Code.

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

4 (105 ILCS 5/1B-5) (from Ch. 122, par. 1B-5)

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

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

21 Panel members shall serve without compensation, but may be  
22 reimbursed for travel and other necessary expenses incurred in  
23 the performance of their official duties by the State Board.  
24 The amount reimbursed Panel members for their expenses shall be  
25 charged to the school district as part of any emergency

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

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

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

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

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

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

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

10 (105 ILCS 5/1B-6) (from Ch. 122, par. 1B-6)

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

23 (a) to sue and be sued;

24 (b) to provide for its organization and internal  
25 management;

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

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

22 (e) to approve any and all bonds, notes, teachers orders,  
23 tax anticipation warrants, and other evidences of indebtedness  
24 prior to issuance or sale by the school district; and  
25 notwithstanding any other provision of The School Code, as now  
26 or hereafter amended, no bonds, notes, teachers orders, tax

1 anticipation warrants or other evidences of indebtedness shall  
2 be issued or sold by the school district or be legally binding  
3 upon or enforceable against the local board of education unless  
4 and until the approval of the Panel has been received;

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

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

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

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

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

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

25 (l) to recommend dissolution or reorganization of the  
26 school district to the General Assembly if in the Panel's

1 judgment the circumstances so require;

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

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

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

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

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

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

26 (s) to do any and all things necessary or convenient to



1 carry out its purposes and exercise the powers given to the  
2 Panel by this Article; and

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

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

6 (105 ILCS 5/1B-7) (from Ch. 122, par. 1B-7)

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

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

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

23 (c) to make recommendations to the Financial Oversight  
24 Panel concerning the school district's financial plan and  
25 budget, and all other matters within the scope of the Panel's

1 authority;

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

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

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

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

16 (105 ILCS 5/1B-8) (from Ch. 122, par. 1B-8)

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

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

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

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

1 amount determined by the State Superintendent.

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

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

22 Any emergency financial assistance grant proposed by the  
23 Financial Oversight Panel and approved by the State  
24 Superintendent may be paid in its entirety during the initial  
25 year of the Panel's existence or spread in equal or declining  
26 amounts over a period of years not to exceed the period of the

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

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

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

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

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

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

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

11           (105 ILCS 5/1C-2)

12           Sec. 1C-2. Block grants.

13           (a) For fiscal year 1999, and each fiscal year thereafter,  
14 the State Board of Education shall award to school districts  
15 block grants as described in subsection (c). The State Board of  
16 Education may adopt rules and regulations necessary to  
17 implement this Section. In accordance with Section 2-3.32, all  
18 state block grants are subject to an audit. Therefore, block  
19 grant receipts and block grant expenditures shall be recorded  
20 to the appropriate fund code.

21           (b) (Blank).

22           (c) An Early Childhood Education Block Grant shall be  
23 created by combining the following programs: Preschool  
24 Education, Parental Training and Prevention Initiative. These  
25 funds shall be distributed to school districts and other

1 entities on a competitive basis, except that the State Board of  
2 Education shall award to a school district having a population  
3 exceeding 500,000 inhabitants 37% of the funds in each fiscal  
4 year. Not less than 14% of the Early Childhood Education Block  
5 Grant allocation of funds shall be used to fund programs for  
6 children ages 0-3. Beginning in Fiscal Year 2016, at least 25%  
7 of any additional Early Childhood Education Block Grant funding  
8 over and above the previous fiscal year's allocation shall be  
9 used to fund programs for children ages 0-3. Once the  
10 percentage of Early Childhood Education Block Grant funding  
11 allocated to programs for children ages 0-3 reaches 20% of the  
12 overall Early Childhood Education Block Grant allocation for a  
13 full fiscal year, thereafter in subsequent fiscal years the  
14 percentage of Early Childhood Education Block Grant funding  
15 allocated to programs for children ages 0-3 each fiscal year  
16 shall remain at least 20% of the overall Early Childhood  
17 Education Block Grant allocation. However, if, in a given  
18 fiscal year, the amount appropriated for the Early Childhood  
19 Education Block Grant is insufficient to increase the  
20 percentage of the grant to fund programs for children ages 0-3  
21 without reducing the amount of the grant for existing providers  
22 of preschool education programs, then the percentage of the  
23 grant to fund programs for children ages 0-3 may be held steady  
24 instead of increased.

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



1 (105 ILCS 5/1D-1)

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

3 (a) For fiscal year 1996 through fiscal year 2017 ~~and each~~  
4 ~~fiscal year thereafter~~, the State Board of Education shall  
5 award to a school district having a population exceeding  
6 500,000 inhabitants a general education block grant and an  
7 educational services block grant, determined as provided in  
8 this Section, in lieu of distributing to the district separate  
9 State funding for the programs described in subsections (b) and  
10 (c). The provisions of this Section, however, do not apply to  
11 any federal funds that the district is entitled to receive. In  
12 accordance with Section 2-3.32, all block grants are subject to  
13 an audit. Therefore, block grant receipts and block grant  
14 expenditures shall be recorded to the appropriate fund code for  
15 the designated block grant.

16 (b) The general education block grant shall include the  
17 following programs: REI Initiative, Summer Bridges, Preschool  
18 At Risk, K-6 Comprehensive Arts, School Improvement Support,  
19 Urban Education, Scientific Literacy, Substance Abuse  
20 Prevention, Second Language Planning, Staff Development,  
21 Outcomes and Assessment, K-6 Reading Improvement, 7-12  
22 Continued Reading Improvement, Truants' Optional Education,  
23 Hispanic Programs, Agriculture Education, Parental Education,  
24 Prevention Initiative, Report Cards, and Criminal Background  
25 Investigations. Notwithstanding any other provision of law,  
26 all amounts paid under the general education block grant from

1 State appropriations to a school district in a city having a  
2 population exceeding 500,000 inhabitants shall be appropriated  
3 and expended by the board of that district for any of the  
4 programs included in the block grant or any of the board's  
5 lawful purposes.

6 (c) The educational services block grant shall include the  
7 following programs: Regular and Vocational Transportation,  
8 State Lunch and Free Breakfast Program, Special Education  
9 (Personnel, Transportation, Orphanage, Private Tuition),  
10 funding for children requiring special education services,  
11 Summer School, Educational Service Centers, and  
12 Administrator's Academy. This subsection (c) does not relieve  
13 the district of its obligation to provide the services required  
14 under a program that is included within the educational  
15 services block grant. It is the intention of the General  
16 Assembly in enacting the provisions of this subsection (c) to  
17 relieve the district of the administrative burdens that impede  
18 efficiency and accompany single-program funding. The General  
19 Assembly encourages the board to pursue mandate waivers  
20 pursuant to Section 2-3.25g.

21 The funding program included in the educational services  
22 block grant for funding for children requiring special  
23 education services in each fiscal year shall be treated in that  
24 fiscal year as a payment to the school district in respect of  
25 services provided or costs incurred in the prior fiscal year,  
26 calculated in each case as provided in this Section. Nothing in

1 this Section shall change the nature of payments for any  
2 program that, apart from this Section, would be or, prior to  
3 adoption or amendment of this Section, was on the basis of a  
4 payment in a fiscal year in respect of services provided or  
5 costs incurred in the prior fiscal year, calculated in each  
6 case as provided in this Section.

7 (d) For fiscal year 1996 through fiscal year 2017 ~~and each~~  
8 ~~fiscal year thereafter~~, the amount of the district's block  
9 grants shall be determined as follows: (i) with respect to each  
10 program that is included within each block grant, the district  
11 shall receive an amount equal to the same percentage of the  
12 current fiscal year appropriation made for that program as the  
13 percentage of the appropriation received by the district from  
14 the 1995 fiscal year appropriation made for that program, and  
15 (ii) the total amount that is due the district under the block  
16 grant shall be the aggregate of the amounts that the district  
17 is entitled to receive for the fiscal year with respect to each  
18 program that is included within the block grant that the State  
19 Board of Education shall award the district under this Section  
20 for that fiscal year. In the case of the Summer Bridges  
21 program, the amount of the district's block grant shall be  
22 equal to 44% of the amount of the current fiscal year  
23 appropriation made for that program.

24 (e) The district is not required to file any application or  
25 other claim in order to receive the block grants to which it is  
26 entitled under this Section. The State Board of Education shall

1 make payments to the district of amounts due under the  
2 district's block grants on a schedule determined by the State  
3 Board of Education.

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

15 (g) Through fiscal year 2017, this ~~This~~ paragraph provides  
16 for the treatment of block grants under Article 1C for purposes  
17 of calculating the amount of block grants for a district under  
18 this Section. Those block grants under Article 1C are, for this  
19 purpose, treated as included in the amount of appropriation for  
20 the various programs set forth in paragraph (b) above. The  
21 appropriation in each current fiscal year for each block grant  
22 under Article 1C shall be treated for these purposes as  
23 appropriations for the individual program included in that  
24 block grant. The proportion of each block grant so allocated to  
25 each such program included in it shall be the proportion which  
26 the appropriation for that program was of all appropriations

1 for such purposes now in that block grant, in fiscal 1995.

2 Payments to the school district under this Section with  
3 respect to each program for which payments to school districts  
4 generally, as of the date of this amendatory Act of the 92nd  
5 General Assembly, are on a reimbursement basis shall continue  
6 to be made to the district on a reimbursement basis, pursuant  
7 to the provisions of this Code governing those programs.

8 (h) Notwithstanding any other provision of law, any school  
9 district receiving a block grant under this Section may  
10 classify all or a portion of the funds that it receives in a  
11 particular fiscal year from any block grant authorized under  
12 this Code or from general State aid pursuant to Section 18-8.05  
13 of this Code (other than supplemental general State aid) as  
14 funds received in connection with any funding program for which  
15 it is entitled to receive funds from the State in that fiscal  
16 year (including, without limitation, any funding program  
17 referred to in subsection (c) of this Section), regardless of  
18 the source or timing of the receipt. The district may not  
19 classify more funds as funds received in connection with the  
20 funding program than the district is entitled to receive in  
21 that fiscal year for that program. Any classification by a  
22 district must be made by a resolution of its board of  
23 education. The resolution must identify the amount of any block  
24 grant or general State aid to be classified under this  
25 subsection (h) and must specify the funding program to which  
26 the funds are to be treated as received in connection

1 therewith. This resolution is controlling as to the  
2 classification of funds referenced therein. A certified copy of  
3 the resolution must be sent to the State Superintendent of  
4 Education. The resolution shall still take effect even though a  
5 copy of the resolution has not been sent to the State  
6 Superintendent of Education in a timely manner. No  
7 classification under this subsection (h) by a district shall  
8 affect the total amount or timing of money the district is  
9 entitled to receive under this Code. No classification under  
10 this subsection (h) by a district shall in any way relieve the  
11 district from or affect any requirements that otherwise would  
12 apply with respect to the block grant as provided in this  
13 Section, including any accounting of funds by source, reporting  
14 expenditures by original source and purpose, reporting  
15 requirements, or requirements of provision of services.

16 (Source: P.A. 97-238, eff. 8-2-11; 97-324, eff. 8-12-11;  
17 97-813, eff. 7-13-12.)

18 (105 ILCS 5/1E-20)

19 (This Section scheduled to be repealed in accordance with  
20 105 ILCS 5/1E-165)

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

22 (a) When a petition for a School Finance Authority is  
23 allowed by the State Board under Section 1E-15 of this Code,  
24 the State Superintendent shall within 10 days thereafter  
25 appoint 5 members to serve on a School Finance Authority for

1 the district. Of the initial members, 2 shall be appointed to  
2 serve a term of 2 years and 3 shall be appointed to serve a term  
3 of 3 years. Thereafter, each member shall serve for a term of 3  
4 years and until his or her successor has been appointed. The  
5 State Superintendent shall designate one of the members of the  
6 Authority to serve as its Chairperson. In the event of vacancy  
7 or resignation, the State Superintendent shall, within 10 days  
8 after receiving notice, appoint a successor to serve out that  
9 member's term. The State Superintendent may remove a member for  
10 incompetence, malfeasance, neglect of duty, or other just  
11 cause.

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

20 Authority members shall serve without compensation, but  
21 may be reimbursed by the State Board for travel and other  
22 necessary expenses incurred in the performance of their  
23 official duties. Unless paid from bonds issued under Section  
24 1E-65 of this Code, the amount reimbursed members for their  
25 expenses shall be charged to the school district as part of any  
26 emergency financial assistance and incorporated as a part of

1 the terms and conditions for repayment of the assistance or  
2 shall be deducted from the district's general State aid or  
3 evidence-based funding as provided in Section 1B-8 of this  
4 Code.

5 The Authority may elect such officers as it deems  
6 appropriate.

7 (b) The first meeting of the Authority shall be held at the  
8 call of the Chairperson. The Authority shall prescribe the  
9 times and places for its meetings and the manner in which  
10 regular and special meetings may be called and shall comply  
11 with the Open Meetings Act.

12 Three members of the Authority shall constitute a quorum.  
13 When a vote is taken upon any measure before the Authority, a  
14 quorum being present, a majority of the votes of the members  
15 voting on the measure shall determine the outcome.

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

17 (105 ILCS 5/1F-20)

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

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

21 (a) Upon establishment of a School Finance Authority under  
22 Section 1F-15 of this Code, the State Superintendent shall  
23 within 15 days thereafter appoint 5 members to serve on a  
24 School Finance Authority for the district. Of the initial  
25 members, 2 shall be appointed to serve a term of 2 years and 3



1 shall be appointed to serve a term of 3 years. Thereafter, each  
2 member shall serve for a term of 3 years and until his or her  
3 successor has been appointed. The State Superintendent shall  
4 designate one of the members of the Authority to serve as its  
5 Chairperson. In the event of vacancy or resignation, the State  
6 Superintendent shall, within 10 days after receiving notice,  
7 appoint a successor to serve out that member's term. The State  
8 Superintendent may remove a member for incompetence,  
9 malfeasance, neglect of duty, or other just cause.

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

18 Authority members shall be paid a stipend approved by the  
19 State Superintendent of not more than \$100 per meeting and may  
20 be reimbursed by the State Board for travel and other necessary  
21 expenses incurred in the performance of their official duties.  
22 Unless paid from bonds issued under Section 1F-65 of this Code,  
23 the amount reimbursed members for their expenses shall be  
24 charged to the school district as part of any emergency  
25 financial assistance and incorporated as a part of the terms  
26 and conditions for repayment of the assistance or shall be

1 deducted from the district's general State aid or  
2 evidence-based funding as provided in Section 1B-8 of this  
3 Code.

4 The Authority may elect such officers as it deems  
5 appropriate.

6 (b) The first meeting of the Authority shall be held at the  
7 call of the Chairperson. The Authority shall prescribe the  
8 times and places for its meetings and the manner in which  
9 regular and special meetings may be called and shall comply  
10 with the Open Meetings Act.

11 Three members of the Authority shall constitute a quorum.  
12 When a vote is taken upon any measure before the Authority, a  
13 quorum being present, a majority of the votes of the members  
14 voting on the measure shall determine the outcome.

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

16 (105 ILCS 5/1F-62)

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

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

21 (a) Moneys in the School District Emergency Financial  
22 Assistance Fund established under Section 1B-8 of this Code may  
23 be allocated and expended by the State Board as grants to  
24 provide technical and consulting services to school districts  
25 to assess their financial condition and by the Illinois Finance

1 Authority for emergency financial assistance loans to a School  
2 Finance Authority that petitions for emergency financial  
3 assistance. An emergency financial assistance loan to a School  
4 Finance Authority or borrowing from sources other than the  
5 State shall not be considered as part of the calculation of a  
6 district's debt for purposes of the limitation specified in  
7 Section 19-1 of this Code. From the amount allocated to each  
8 School Finance Authority, the State Board shall identify a sum  
9 sufficient to cover all approved costs of the School Finance  
10 Authority. If the State Board and State Superintendent have not  
11 approved emergency financial assistance in conjunction with  
12 the appointment of a School Finance Authority, the Authority's  
13 approved costs shall be paid from deductions from the  
14 district's general State aid or evidence-based funding.

15 The School Finance Authority may prepare and file with the  
16 State Superintendent a proposal for emergency financial  
17 assistance for the school district and for its operations  
18 budget. No expenditures shall be authorized by the State  
19 Superintendent until he or she has approved the proposal of the  
20 School Finance Authority, either as submitted or in such lesser  
21 amount determined by the State Superintendent.

22 (b) The amount of an emergency financial assistance loan  
23 that may be allocated to a School Finance Authority under this  
24 Article, including moneys necessary for the operations of the  
25 School Finance Authority, and borrowing from sources other than  
26 the State shall not exceed, in the aggregate, \$4,000 times the

1 number of pupils enrolled in the district during the school  
2 year ending June 30 prior to the date of approval by the State  
3 Board of the petition for emergency financial assistance, as  
4 certified to the school board and the School Finance Authority  
5 by the State Superintendent. However, this limitation does not  
6 apply to borrowing by the district secured by amounts levied by  
7 the district prior to establishment of the School Finance  
8 Authority. An emergency financial assistance grant shall not  
9 exceed \$1,000 times the number of such pupils. A district may  
10 receive both a loan and a grant.

11 (c) The payment of a State emergency financial assistance  
12 grant or loan shall be subject to appropriation by the General  
13 Assembly. State emergency financial assistance allocated and  
14 paid to a School Finance Authority under this Article may be  
15 applied to any fund or funds from which the School Finance  
16 Authority is authorized to make expenditures by law.

17 (d) Any State emergency financial assistance proposed by  
18 the School Finance Authority and approved by the State  
19 Superintendent may be paid in its entirety during the initial  
20 year of the School Finance Authority's existence or spread in  
21 equal or declining amounts over a period of years not to exceed  
22 the period of the School Finance Authority's existence. The  
23 State Superintendent shall not approve any loan to the School  
24 Finance Authority unless the School Finance Authority has been  
25 unable to borrow sufficient funds to operate the district.

26 All loan payments made from the School District Emergency

1 Financial Assistance Fund to a School Finance Authority shall  
2 be required to be repaid not later than the date the School  
3 Finance Authority ceases to exist, with simple interest over  
4 the term of the loan at a rate equal to 50% of the one-year  
5 Constant Maturity Treasury (CMT) yield as last published by the  
6 Board of Governors of the Federal Reserve System before the  
7 date on which the School Finance Authority's loan is approved  
8 by the State Board.

9 The School Finance Authority shall establish and the  
10 Illinois Finance Authority shall approve the terms and  
11 conditions of the loan, including the schedule of repayments.  
12 The schedule shall provide for repayments commencing July 1 of  
13 each year or upon each fiscal year's receipt of moneys from a  
14 tax levy for emergency financial assistance. Repayment shall be  
15 incorporated into the annual budget of the district and may be  
16 made from any fund or funds of the district in which there are  
17 moneys available. Default on repayment is subject to the  
18 Illinois Grant Funds Recovery Act. When moneys are repaid as  
19 provided in this Section, they shall not be made available to  
20 the School Finance Authority for further use as emergency  
21 financial assistance under this Article at any time thereafter.  
22 All repayments required to be made by a School Finance  
23 Authority shall be received by the State Board and deposited in  
24 the School District Emergency Financial Assistance Fund.

25 In establishing the terms and conditions for the repayment  
26 obligation of the School Finance Authority, the School Finance

1 Authority shall annually determine whether a separate local  
2 property tax levy is required to meet that obligation. The  
3 School Finance Authority shall provide for a separate tax levy  
4 for emergency financial assistance repayment purposes. This  
5 tax levy shall not be subject to referendum approval. The  
6 amount of the levy shall not exceed the amount necessary to  
7 meet the annual emergency financial repayment obligations of  
8 the district, including principal and interest, as established  
9 by the School Finance Authority.

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

11 (105 ILCS 5/1H-20)

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

13 (a) Upon establishment of a Financial Oversight Panel under  
14 Section 1H-15 of this Code, the State Superintendent shall  
15 within 15 working days thereafter appoint 5 members to serve on  
16 a Financial Oversight Panel for the district. Members appointed  
17 to the Panel shall serve at the pleasure of the State  
18 Superintendent. The State Superintendent shall designate one  
19 of the members of the Panel to serve as its Chairperson. In the  
20 event of vacancy or resignation, the State Superintendent  
21 shall, within 10 days after receiving notice, appoint a  
22 successor to serve out that member's term.

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

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

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

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

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

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

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

1 (105 ILCS 5/1H-70)

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

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

13 (2) issue tax anticipation notes under the provisions  
14 of the Tax Anticipation Note Act against taxes levied by  
15 either the school board or the Panel pursuant to Section  
16 1H-25 of this Code;

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

19 (4) issue general State aid or evidence-based funding  
20 anticipation certificates under the provisions of Section  
21 18-18 of this Code; and

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

24 Tax anticipation warrants, tax anticipation notes, revenue  
25 anticipation certificates or notes, general State aid or



1 evidence-based funding anticipation certificates, and lines of  
2 credit are considered borrowing from sources other than the  
3 State and are subject to Section 1H-65 of this Code.

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

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

6 Sec. 2-3.33. Recomputation of claims. To recompute within  
7 3 years from the final date for filing of a claim any claim for  
8 general State aid reimbursement to any school district and one  
9 year from the final date for filing of a claim for  
10 evidence-based funding if the claim has been found to be  
11 incorrect and to adjust subsequent claims accordingly, and to  
12 recompute and adjust any such claims within 6 years from the  
13 final date for filing when there has been an adverse court or  
14 administrative agency decision on the merits affecting the tax  
15 revenues of the school district. However, no such adjustment  
16 shall be made regarding equalized assessed valuation unless the  
17 district's equalized assessed valuation is changed by greater  
18 than \$250,000 or 2%. Any adjustments for claims recomputed for  
19 the 2016-2017 school year and prior school years shall be  
20 applied to the apportionment of evidence-based funding in  
21 Section 18-8.15 of this Code beginning in the 2017-2018 school  
22 year and thereafter. However, the recomputation of a claim for  
23 evidence-based funding for a school district shall not require  
24 the recomputation of claims for all districts, and the State  
25 Board of Education shall only make recomputations of

1 evidence-based funding for those districts where an adjustment  
2 is required.

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

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

22 From the total amount of general State aid or  
23 evidence-based funding to be provided to districts,  
24 adjustments as a result of recomputation under this Section  
25 together with adjustments under Section 2-3.84 must not exceed  
26 \$25 million, in the aggregate for all districts under both

1 Sections combined, of the general State aid or evidence-based  
2 funding appropriation in any fiscal year; if necessary, amounts  
3 shall be prorated among districts. If it is necessary to  
4 prorate claims under this paragraph, then that portion of each  
5 prorated claim that is approved but not paid in the current  
6 fiscal year may be resubmitted as a valid claim in the  
7 following fiscal year.

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

9 (105 ILCS 5/2-3.51.5)

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

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

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

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

24 (3) Grants under the School Safety and Educational  
25 Improvement Block Grant Program shall be awarded provided there  
26 is an appropriation for the program, and funding levels for

1 each district shall be prorated according to the amount of the  
2 appropriation.

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

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

7 (105 ILCS 5/2-3.66) (from Ch. 122, par. 2-3.66)

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

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

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

2 (105 ILCS 5/2-3.66b)

3 Sec. 2-3.66b. IHOPE Program.

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

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

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

1 dropouts in their regions or districts.

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

18 (c) In order to be eligible for funding under the IHOPE  
19 Program, an interested regional office of education or a school  
20 district organized under Article 34 of this Code shall develop  
21 an IHOPE Plan to be approved by the State Board of Education.  
22 The State Board of Education shall develop rules for the IHOPE  
23 Program that shall set forth the requirements for the  
24 development of the IHOPE Plan. Each Plan shall involve school  
25 districts, public community colleges, and key community  
26 programs that work with high school dropouts located in an



1 educational service region or the City of Chicago before the  
2 Plan is sent to the State Board for approval. No funds may be  
3 distributed to a regional office of education or a school  
4 district organized under Article 34 of this Code until the  
5 State Board has approved the Plan.

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

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

21 (e) In order to distribute funding based upon the need to  
22 ensure delivery of programs that will have the greatest impact,  
23 IHOPE Program funding must be distributed based upon the  
24 proportion of dropouts in the educational service region or  
25 school district, in the case of a school district organized  
26 under Article 34 of this Code, to the total number of dropouts

1 in this State. This formula shall employ the dropout data  
2 provided by school districts to the State Board of Education.

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

17 (f) IHOPE categories of programming may include the  
18 following:

19 (1) Full-time programs that are comprehensive,  
20 year-round programs.

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

24 (3) Online programs and courses in which students take  
25 courses and complete on-site, supervised tests that  
26 measure the student's mastery of a specific course needed

1 for graduation. Students may take courses online and earn  
2 credit or students may prepare to take supervised tests for  
3 specific courses for credit leading to receipt of a high  
4 school diploma.

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

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

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

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

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

25 (4) Voluntary enrollment.

26 (5) High standards for student learning, integrating

1 work experience, and education, including during the  
2 school year and after school, and summer school programs  
3 that link internships, work, and learning.

4 (6) Comprehensive programs providing extensive support  
5 services.

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

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

12 (9) Learning opportunities that incorporate action  
13 into study.

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

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

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

1 (105 ILCS 5/2-3.84) (from Ch. 122, par. 2-3.84)

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

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

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

24 (105 ILCS 5/2-3.109a)

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

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

8           (105 ILCS 5/2-3.170 new)

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

10          (a) As used in this Section,

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

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

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

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

24          (c) By August 1 of each year, the State Board shall publish  
25 an estimated unit equivalent tax rate above which school

1 districts are eligible for relief under this Section. This  
2 estimated tax rate shall be based on the most recent available  
3 data provided by school districts pursuant to Section 18-8.15  
4 of this Code. The State Board shall estimate this property tax  
5 rate based on the amount appropriated to the grant program and  
6 the assumption that a set of school districts, based on  
7 criteria established by the State Board, will apply for grants  
8 under this Section. The criteria shall be based on reasonable  
9 assumptions about when school districts will apply for the  
10 grant.

11 (d) School districts seeking grants under this Section  
12 shall apply to the State Board by October 1 of each year. All  
13 applications to the State Board for grants shall include the  
14 amount of the grant requested.

15 (e) By December 1 of each year, based on the most recent  
16 available data provided by school districts pursuant to Section  
17 18-8.15 of this Code, the State Board shall calculate the unit  
18 equivalent tax rate, based on the applications received by the  
19 State Board, above which the appropriations are sufficient to  
20 provide relief and publish a list of the school districts  
21 eligible for relief.

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

25 (g) If payment from the State Board is received by the  
26 school district on time, the school district shall reduce its

1 property tax levy in an amount equal to the grant received  
2 under this Section.

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

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

15 (j) The State Board shall prioritize payments under Section  
16 18-8.15 of this Code over payments under this Section, if  
17 necessary.

18 (k) Any grants received by a school district shall be  
19 included in future calculations of that school district's Base  
20 Funding Minimum under Section 18-8.15 of this Code.

21 (l) In the tax year following receipt of a Property Tax  
22 Pool Relief Grant, the aggregate levy of any school district  
23 receiving a grant under this Section, for purposes of the  
24 Property Tax Extension Limitation Law, shall include the tax  
25 relief the school district provided in the previous taxable  
26 year under this Section.



1 (105 ILCS 5/3-14.21) (from Ch. 122, par. 3-14.21)

2 Sec. 3-14.21. Inspection of schools.

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

13 (b) If the regional superintendent determines that a school  
14 board has failed in a timely manner to correct urgent items  
15 identified in a previous life-safety report completed under  
16 Section 2-3.12 or as otherwise previously ordered by the  
17 regional superintendent, the regional superintendent shall  
18 order the school board to adopt and submit to the regional  
19 superintendent a plan for the immediate correction of the  
20 building violations. This plan shall be adopted following a  
21 public hearing that is conducted by the school board on the  
22 violations and the plan and that is preceded by at least 7  
23 days' prior notice of the hearing published in a newspaper of  
24 general circulation within the school district. If the regional  
25 superintendent determines in the next annual inspection that

1 the plan has not been completed and that the violations have  
2 not been corrected, the regional superintendent shall submit a  
3 report to the State Board of Education with a recommendation  
4 that the State Board withhold from payments of general State  
5 aid or evidence-based funding due to the district an amount  
6 necessary to correct the outstanding violations. The State  
7 Board, upon notice to the school board and to the regional  
8 superintendent, shall consider the report at a meeting of the  
9 State Board, and may order that a sufficient amount of general  
10 State aid or evidence-based funding be withheld from payments  
11 due to the district to correct the violations. This amount  
12 shall be paid to the regional superintendent who shall contract  
13 on behalf of the school board for the correction of the  
14 outstanding violations.

15 (c) The Office of the State Fire Marshal or a qualified  
16 fire official, as defined in Section 2-3.12 of this Code, to  
17 whom the State Fire Marshal has delegated his or her authority  
18 shall conduct an annual fire safety inspection of each school  
19 building in this State. The State Fire Marshal or the fire  
20 official shall coordinate its inspections with the regional  
21 superintendent. The inspection shall be based on the fire  
22 safety code authorized in Section 2-3.12 of this Code. Any  
23 violations shall be reported in writing to the regional  
24 superintendent and shall reference the specific code sections  
25 where a discrepancy has been identified within 15 days after  
26 the inspection has been conducted. The regional superintendent

1 shall address those violations that are not corrected in a  
2 timely manner pursuant to subsection (b) of this Section. The  
3 inspection must be at no cost to the school district.

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

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

13 (105 ILCS 5/7-14A) (from Ch. 122, par. 7-14A)

14 Sec. 7-14A. Annexation compensation. There shall be no  
15 accounting made after a mere change in boundaries when no new  
16 district is created, except that those districts whose  
17 enrollment increases by 90% or more as a result of annexing  
18 territory detached from another district pursuant to this  
19 Article are eligible for supplementary State aid payments in  
20 accordance with Section 11E-135 of this Code. Eligible annexing  
21 districts shall apply to the State Board of Education for  
22 supplementary State aid payments by submitting enrollment  
23 figures for the year immediately preceding and the year  
24 immediately following the effective date of the boundary change  
25 for both the district gaining territory and the district losing

1 territory. Copies of any intergovernmental agreements between  
2 the district gaining territory and the district losing  
3 territory detailing any transfer of fund balances and staff  
4 must also be submitted. In all instances of changes in  
5 boundaries, the district losing territory shall not count the  
6 average daily attendance of pupils living in the territory  
7 during the year preceding the effective date of the boundary  
8 change in its claim for reimbursement under Section 18-8.05 or  
9 18-8.15 of this Code for the school year following the  
10 effective date of the change in boundaries and the district  
11 receiving the territory shall count the average daily  
12 attendance of pupils living in the territory during the year  
13 preceding the effective date of the boundary change in its  
14 claim for reimbursement under Section 18-8.05 or 18-8.15 of  
15 this Code for the school year following the effective date of  
16 the change in boundaries. The changes to this Section made by  
17 this amendatory Act of the 95th General Assembly are intended  
18 to be retroactive and applicable to any annexation taking  
19 effect on or after July 1, 2004.

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

21 (105 ILCS 5/10-17a) (from Ch. 122, par. 10-17a)

22 Sec. 10-17a. State, school district, and school report  
23 cards.

24 (1) By October 31, 2013 and October 31 of each subsequent  
25 school year, the State Board of Education, through the State

1 Superintendent of Education, shall prepare a State report card,  
2 school district report cards, and school report cards, and  
3 shall by the most economic means provide to each school  
4 district in this State, including special charter districts and  
5 districts subject to the provisions of Article 34, the report  
6 cards for the school district and each of its schools.

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

12 (A) school characteristics and student demographics,  
13 including average class size, average teaching experience,  
14 student racial/ethnic breakdown, and the percentage of  
15 students classified as low-income; the percentage of  
16 students classified as English learners; the percentage of  
17 students who have individualized education plans or 504  
18 plans that provide for special education services; the  
19 percentage of students who annually transferred in or out  
20 of the school district; the per-pupil operating  
21 expenditure of the school district; and the per-pupil State  
22 average operating expenditure for the district type  
23 (elementary, high school, or unit);

24 (B) curriculum information, including, where  
25 applicable, Advanced Placement, International  
26 Baccalaureate or equivalent courses, dual enrollment

1 courses, foreign language classes, school personnel  
2 resources (including Career Technical Education teachers),  
3 before and after school programs, extracurricular  
4 activities, subjects in which elective classes are  
5 offered, health and wellness initiatives (including the  
6 average number of days of Physical Education per week per  
7 student), approved programs of study, awards received,  
8 community partnerships, and special programs such as  
9 programming for the gifted and talented, students with  
10 disabilities, and work-study students;

11 (C) student outcomes, including, where applicable, the  
12 percentage of students deemed proficient on assessments of  
13 State standards, the percentage of students in the eighth  
14 grade who pass Algebra, the percentage of students enrolled  
15 in post-secondary institutions (including colleges,  
16 universities, community colleges, trade/vocational  
17 schools, and training programs leading to career  
18 certification within 2 semesters of high school  
19 graduation), the percentage of students graduating from  
20 high school who are college and career ready, and the  
21 percentage of graduates enrolled in community colleges,  
22 colleges, and universities who are in one or more courses  
23 that the community college, college, or university  
24 identifies as a developmental course;

25 (D) student progress, including, where applicable, the  
26 percentage of students in the ninth grade who have earned 5

1 credits or more without failing more than one core class, a  
2 measure of students entering kindergarten ready to learn, a  
3 measure of growth, and the percentage of students who enter  
4 high school on track for college and career readiness;

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

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

25 (G) a school district's Final Percent of Adequacy, as  
26 defined in paragraph (4) of subsection (f) of Section

1       18-8.15 of this Code;

2           (H) a school district's Local Capacity Target, as  
3       defined in paragraph (2) of subsection (c) of Section  
4       18-8.15 of this Code, displayed as a percentage amount; and

5           (I) a school district's Real Receipts, as defined in  
6       paragraph (1) of subsection (d) of Section 18-8.15 of this  
7       Code, divided by a school district's Adequacy Target, as  
8       defined in paragraph (1) of subsection (b) of Section  
9       18-8.15 of this Code, displayed as a percentage amount.

10       The school report card shall also provide information that  
11       allows for comparing the current outcome, progress, and  
12       environment data to the State average, to the school data from  
13       the past 5 years, and to the outcomes, progress, and  
14       environment of similar schools based on the type of school and  
15       enrollment of low-income students, special education students,  
16       and English learners.

17       (3) At the discretion of the State Superintendent, the  
18       school district report card shall include a subset of the  
19       information identified in paragraphs (A) through (E) of  
20       subsection (2) of this Section, as well as information relating  
21       to the operating expense per pupil and other finances of the  
22       school district, and the State report card shall include a  
23       subset of the information identified in paragraphs (A) through  
24       (E) of subsection (2) of this Section.

25       (4) Notwithstanding anything to the contrary in this  
26       Section, in consultation with key education stakeholders, the



1 State Superintendent shall at any time have the discretion to  
2 amend or update any and all metrics on the school, district, or  
3 State report card.

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

24 (6) Nothing contained in this amendatory Act of the 98th  
25 General Assembly repeals, supersedes, invalidates, or  
26 nullifies final decisions in lawsuits pending on the effective

1 date of this amendatory Act of the 98th General Assembly in  
2 Illinois courts involving the interpretation of Public Act  
3 97-8.

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

6 (105 ILCS 5/10-19) (from Ch. 122, par. 10-19)

7 Sec. 10-19. Length of school term - experimental programs.  
8 Each school board shall annually prepare a calendar for the  
9 school term, specifying the opening and closing dates and  
10 providing a minimum term of at least 185 days to insure 176  
11 days of actual pupil attendance, computable under Section  
12 18-8.05 or 18-8.15, except that for the 1980-1981 school year  
13 only 175 days of actual pupil attendance shall be required  
14 because of the closing of schools pursuant to Section 24-2 on  
15 January 29, 1981 upon the appointment by the President of that  
16 day as a day of thanksgiving for the freedom of the Americans  
17 who had been held hostage in Iran. Any days allowed by law for  
18 teachers' institutes but not used as such or used as parental  
19 institutes as provided in Section 10-22.18d shall increase the  
20 minimum term by the school days not so used. Except as provided  
21 in Section 10-19.1, the board may not extend the school term  
22 beyond such closing date unless that extension of term is  
23 necessary to provide the minimum number of computable days. In  
24 case of such necessary extension school employees shall be paid  
25 for such additional time on the basis of their regular

1 contracts. A school board may specify a closing date earlier  
2 than that set on the annual calendar when the schools of the  
3 district have provided the minimum number of computable days  
4 under this Section. Nothing in this Section prevents the board  
5 from employing superintendents of schools, principals and  
6 other nonteaching personnel for a period of 12 months, or in  
7 the case of superintendents for a period in accordance with  
8 Section 10-23.8, or prevents the board from employing other  
9 personnel before or after the regular school term with payment  
10 of salary proportionate to that received for comparable work  
11 during the school term.

12 A school board may make such changes in its calendar for  
13 the school term as may be required by any changes in the legal  
14 school holidays prescribed in Section 24-2. A school board may  
15 make changes in its calendar for the school term as may be  
16 necessary to reflect the utilization of teachers' institute  
17 days as parental institute days as provided in Section  
18 10-22.18d.

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

22 With the prior approval of the State Board of Education and  
23 subject to review by the State Board of Education every 3  
24 years, any school board may, by resolution of its board and in  
25 agreement with affected exclusive collective bargaining  
26 agents, establish experimental educational programs, including

1 but not limited to programs for e-learning days as authorized  
2 under Section 10-20.56 of this Code, self-directed learning, or  
3 outside of formal class periods, which programs when so  
4 approved shall be considered to comply with the requirements of  
5 this Section as respects numbers of days of actual pupil  
6 attendance and with the other requirements of this Act as  
7 respects courses of instruction.

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

9 (105 ILCS 5/10-22.5a) (from Ch. 122, par. 10-22.5a)

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

13 (a) To enter into written agreements with cultural exchange  
14 organizations, or with nationally recognized eleemosynary  
15 institutions that promote excellence in the arts, mathematics,  
16 or science. The written agreements may provide for tuition free  
17 attendance at the local district school by foreign exchange  
18 students, or by nonresident pupils of eleemosynary  
19 institutions. The local board of education, as part of the  
20 agreement, may require that the cultural exchange program or  
21 the eleemosynary institutions provide services to the district  
22 in exchange for the waiver of nonresident tuition.

23 To enter into written agreements with adjacent school  
24 districts to provide for tuition free attendance by a student  
25 of the adjacent district when requested for the student's

1 health and safety by the student or parent and both districts  
2 determine that the student's health or safety will be served by  
3 such attendance. Districts shall not be required to enter into  
4 such agreements nor be required to alter existing  
5 transportation services due to the attendance of such  
6 non-resident pupils.

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

23 (b) Nonresident pupils and foreign exchange students  
24 attending school on a tuition free basis under such agreements  
25 and nonresident dependents of United States military personnel  
26 attending school on a tuition free basis may be counted for the

1 purposes of determining the apportionment of State aid provided  
2 under Section 18-8.05 or 18-8.15 of this Code. No organization  
3 or institution participating in agreements authorized under  
4 this Section may exclude any individual for participation in  
5 its program on account of the person's race, color, sex,  
6 religion or nationality.

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

8 (105 ILCS 5/10-22.20) (from Ch. 122, par. 10-22.20)

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

12 (a) To establish special classes for the instruction (1) of  
13 persons of age 21 years or over and (2) of persons less than  
14 age 21 and not otherwise in attendance in public school, for  
15 the purpose of providing adults in the community and youths  
16 whose schooling has been interrupted with such additional basic  
17 education, vocational skill training, and other instruction as  
18 may be necessary to increase their qualifications for  
19 employment or other means of self-support and their ability to  
20 meet their responsibilities as citizens, including courses of  
21 instruction regularly accepted for graduation from elementary  
22 or high schools and for Americanization and high school  
23 equivalency testing review classes.

24 The board shall pay the necessary expenses of such classes  
25 out of school funds of the district, including costs of student

1 transportation and such facilities or provision for child-care  
2 as may be necessary in the judgment of the board to permit  
3 maximum utilization of the courses by students with children,  
4 and other special needs of the students directly related to  
5 such instruction. The expenses thus incurred shall be subject  
6 to State reimbursement, as provided in this Section. The board  
7 may make a tuition charge for persons taking instruction who  
8 are not subject to State reimbursement, such tuition charge not  
9 to exceed the per capita cost of such classes.

10 The cost of such instruction, including the additional  
11 expenses herein authorized, incurred for recipients of  
12 financial aid under the Illinois Public Aid Code, or for  
13 persons for whom education and training aid has been authorized  
14 under Section 9-8 of that Code, shall be assumed in its  
15 entirety from funds appropriated by the State to the Illinois  
16 Community College Board.

17 (b) The Illinois Community College Board shall establish  
18 the standards for the courses of instruction reimbursed under  
19 this Section. The Illinois Community College Board shall  
20 supervise the administration of the programs. The Illinois  
21 Community College Board shall determine the cost of instruction  
22 in accordance with standards established by the Illinois  
23 Community College Board, including therein other incidental  
24 costs as herein authorized, which shall serve as the basis of  
25 State reimbursement in accordance with the provisions of this  
26 Section. In the approval of programs and the determination of

1 the cost of instruction, the Illinois Community College Board  
2 shall provide for the maximum utilization of federal funds for  
3 such programs. The Illinois Community College Board shall also  
4 provide for:

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

8 (2) the method for calculating hours of instruction, as  
9 defined by the Illinois Community College Board, claimable  
10 for reimbursement and a method to phase in the calculation  
11 and for adjusting the calculations in cases where the  
12 services of a program are interrupted due to circumstances  
13 beyond the control of the program provider;

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

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

21 For instruction provided by school districts and community  
22 college districts beginning July 1, 1996 and thereafter,  
23 reimbursement provided by the Illinois Community College Board  
24 for classes authorized by this Section shall be provided from  
25 funds appropriated for the reimbursement criteria set forth in  
26 subsection (c) below.



1           (c) Upon the annual approval of the Illinois Community  
2 College Board, reimbursement shall be first provided for  
3 transportation, child care services, and other special needs of  
4 the students directly related to instruction and then from the  
5 funds remaining an amount equal to the product of the total  
6 credit hours or units of instruction approved by the Illinois  
7 Community College Board, multiplied by the following:

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

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

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

1 (4) (Blank); and

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

4 (d) Upon its annual approval, the Illinois Community  
5 College Board shall provide grants to eligible programs for  
6 supplemental activities to improve or expand services under the  
7 Adult Education Act. Eligible programs shall be determined  
8 based upon performance outcomes of students in the programs as  
9 set by the Illinois Community College Board.

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

12 If the amount appropriated to the Illinois Community  
13 College Board for reimbursement under this Section is less than  
14 the amount required under this Act, the apportionment shall be  
15 proportionately reduced.

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

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

24 Each school board and community college shall keep an  
25 accurate and detailed account of the students assigned to and  
26 receiving instruction under this Section who are subject to

1 State reimbursement and shall submit reports of services  
2 provided commencing with fiscal year 1997 as required by the  
3 Illinois Community College Board.

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

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

14 School districts or community colleges providing classes  
15 under this Section shall submit applications to the Illinois  
16 Community College Board for preapproval in accordance with the  
17 standards established by the Illinois Community College Board.  
18 Payments shall be made by the Illinois Community College Board  
19 based upon approved programs. Interim expenditure reports may  
20 be required by the Illinois Community College Board. Final  
21 claims for the school year shall be submitted to the regional  
22 superintendents for transmittal to the Illinois Community  
23 College Board. Final adjusted payments shall be made by  
24 September 30.

25 If a school district or community college district fails to  
26 provide, or is providing unsatisfactory or insufficient

1 classes under this Section, the Illinois Community College  
2 Board may enter into agreements with public or private  
3 educational or other agencies other than the public schools for  
4 the establishment of such classes.

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

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

22 The board may charge for care of children for whom it  
23 cannot make claim under the provisions of this Section. The  
24 charge shall not exceed per capita cost, and to the extent  
25 feasible, shall be fixed at a level which will permit  
26 utilization by employed parents of low or moderate income. It

1 may also permit any other State or local governmental agency or  
2 private agency providing care for children to purchase care.

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

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

14 (j) In addition to claiming reimbursement under this  
15 Section, a school district may claim general State aid under  
16 Section 18-8.05 or evidence-based funding under Section  
17 18-8.15 for any student under age 21 who is enrolled in courses  
18 accepted for graduation from elementary or high school and who  
19 otherwise meets the requirements of Section 18-8.05 or 18-8.15,  
20 as applicable.

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

22 (105 ILCS 5/10-29)

23 Sec. 10-29. Remote educational programs.

24 (a) For purposes of this Section, "remote educational  
25 program" means an educational program delivered to students in

1 the home or other location outside of a school building that  
2 meets all of the following criteria:

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

10 (A) Criteria for determining that a remote  
11 educational program will best serve a student's  
12 individual learning needs. The criteria must include  
13 consideration of, at a minimum, a student's prior  
14 attendance, disciplinary record, and academic history.

15 (B) Any limitations on the number of students or  
16 grade levels that may participate in a remote  
17 educational program.

18 (C) A description of the process that the school  
19 district will use to approve participation in the  
20 remote educational program. The process must include  
21 without limitation a requirement that, for any student  
22 who qualifies to receive services pursuant to the  
23 federal Individuals with Disabilities Education  
24 Improvement Act of 2004, the student's participation  
25 in a remote educational program receive prior approval  
26 from the student's individualized education program

1 team.

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

6 (E) A description of the system the school district  
7 will establish to calculate the number of clock hours a  
8 student is participating in instruction in accordance  
9 with the remote educational program.

10 (F) A description of the process for renewing a  
11 remote educational program at the expiration of its  
12 term.

13 (G) Such other terms and provisions as the school  
14 district deems necessary to provide for the  
15 establishment and delivery of a remote educational  
16 program.

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

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

24 (A) they are certificated under Article 21 of this  
25 Code;

26 (B) they meet applicable highly qualified criteria

1 under the federal No Child Left Behind Act of 2001; and

2 (C) they have responsibility for all of the  
3 following elements of the program: planning  
4 instruction, diagnosing learning needs, prescribing  
5 content delivery through class activities, assessing  
6 learning, reporting outcomes to administrators and  
7 parents and guardians, and evaluating the effects of  
8 instruction.

9 (4) During the period of time from and including the  
10 opening date to the closing date of the regular school term  
11 of the school district established pursuant to Section  
12 10-19 of this Code, participation in a remote educational  
13 program may be claimed for general State aid purposes under  
14 Section 18-8.05 of this Code or evidence-based funding  
15 purposes under Section 18-8.15 of this Code on any calendar  
16 day, notwithstanding whether the day is a day of pupil  
17 attendance or institute day on the school district's  
18 calendar or any other provision of law restricting  
19 instruction on that day. If the district holds year-round  
20 classes in some buildings, the district shall classify each  
21 student's participation in a remote educational program as  
22 either on a year-round or a non-year-round schedule for  
23 purposes of claiming general State aid or evidence-based  
24 funding. Outside of the regular school term of the  
25 district, the remote educational program may be offered as  
26 part of any summer school program authorized by this Code.



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

10           (A) Specific achievement goals for the student  
11 aligned to State learning standards.

12           (B) A description of all assessments that will be  
13 used to measure student progress, which description  
14 shall indicate the assessments that will be  
15 administered at an attendance center within the school  
16 district.

17           (C) A description of the progress reports that will  
18 be provided to the school district and the person or  
19 persons authorized to enroll the student under Section  
20 10-20.12b of this Code.

21           (D) Expectations, processes, and schedules for  
22 interaction between a teacher and student.

23           (E) A description of the specific responsibilities  
24 of the student's family and the school district with  
25 respect to equipment, materials, phone and Internet  
26 service, and any other requirements applicable to the

1 home or other location outside of a school building  
2 necessary for the delivery of the remote educational  
3 program.

4 (F) If applicable, a description of how the remote  
5 educational program will be delivered in a manner  
6 consistent with the student's individualized education  
7 program required by Section 614(d) of the federal  
8 Individuals with Disabilities Education Improvement  
9 Act of 2004 or plan to ensure compliance with Section  
10 504 of the federal Rehabilitation Act of 1973.

11 (G) A description of the procedures and  
12 opportunities for participation in academic and  
13 extra-curricular activities and programs within the  
14 school district.

15 (H) The identification of a parent, guardian, or  
16 other responsible adult who will provide direct  
17 supervision of the program. The plan must include an  
18 acknowledgment by the parent, guardian, or other  
19 responsible adult that he or she may engage only in  
20 non-teaching duties not requiring instructional  
21 judgment or the evaluation of a student. The plan shall  
22 designate the parent, guardian, or other responsible  
23 adult as non-teaching personnel or volunteer personnel  
24 under subsection (a) of Section 10-22.34 of this Code.

25 (I) The identification of a school district  
26 administrator who will oversee the remote educational

1 program on behalf of the school district and who may be  
2 contacted by the student's parents with respect to any  
3 issues or concerns with the program.

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

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

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

22 (6) Students participating in a remote educational  
23 program must be enrolled in a school district attendance  
24 center pursuant to the school district's enrollment policy  
25 or policies. A student participating in a remote  
26 educational program must be tested as part of all

1 assessments administered by the school district pursuant  
2 to Section 2-3.64a-5 of this Code at the attendance center  
3 in which the student is enrolled and in accordance with the  
4 attendance center's assessment policies and schedule. The  
5 student must be included within all accountability  
6 determinations for the school district and attendance  
7 center under State and federal law.

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

18 For purposes of this Section, a remote educational program  
19 does not include instruction delivered to students through an  
20 e-learning program approved under Section 10-20.56 of this  
21 Code.

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

24 (c) Clock hours of instruction by students in a remote  
25 educational program meeting the requirements of this Section  
26 may be claimed by the school district and shall be counted as

1 school work for general State aid purposes in accordance with  
2 and subject to the limitations of Section 18-8.05 of this Code  
3 or evidence-based funding purposes in accordance with and  
4 subject to the limitations of Section 18-8.15 of this Code.

5 (d) The impact of remote educational programs on wages,  
6 hours, and terms and conditions of employment of educational  
7 employees within the school district shall be subject to local  
8 collective bargaining agreements.

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

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

18 (g) School districts that, pursuant to this Section, adopt  
19 a policy for a remote educational program must submit to the  
20 State Board of Education a copy of the policy and any  
21 amendments thereto, as well as data on student participation in  
22 a format specified by the State Board of Education. The State  
23 Board of Education may perform or contract with an outside  
24 entity to perform an evaluation of remote educational programs  
25 in this State.

26 (h) The State Board of Education may adopt any rules

1 necessary to ensure compliance by remote educational programs  
2 with the requirements of this Section and other applicable  
3 legal requirements.

4 (Source: P.A. 98-972, eff. 8-15-14; 99-193, eff. 7-30-15;  
5 99-194, eff. 7-30-15; 99-642, eff. 7-28-16.)

6 (105 ILCS 5/11E-135)

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

12 (a) (1) For a combined school district, as defined in  
13 Section 11E-20 of this Code, or for a unit district, as defined  
14 in Section 11E-25 of this Code, for its first year of  
15 existence, the general State aid and supplemental general State  
16 aid calculated under Section 18-8.05 of this Code or the  
17 evidence-based funding calculated under Section 18-8.15 of  
18 this Code, as applicable, shall be computed for the new  
19 district and for the previously existing districts for which  
20 property is totally included within the new district. If the  
21 computation on the basis of the previously existing districts  
22 is greater, a supplementary payment equal to the difference  
23 shall be made for the first 4 years of existence of the new  
24 district.

25 (2) For a school district that annexes all of the territory

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

16 (3) For 2 or more school districts that annex all of the  
17 territory of one or more entire other school districts, as  
18 defined in Article 7 of this Code, for the first year during  
19 which the change of boundaries attributable to the annexation  
20 becomes effective for all purposes, as determined under Section  
21 7-9 of this Code, the general State aid and supplemental  
22 general State aid calculated under Section 18-8.05 of this Code  
23 or the evidence-based funding calculated under Section 18-8.15  
24 of this Code, as applicable, shall be computed for each  
25 annexing district as constituted after the annexation and for  
26 each annexing and annexed district as constituted prior to the

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



1           (4) For a school district conversion, as defined in Section  
2 11E-15 of this Code, or a multi-unit conversion, as defined in  
3 subsection (b) of Section 11E-30 of this Code, if in their  
4 first year of existence the newly created elementary districts  
5 and the newly created high school district, from a school  
6 district conversion, or the newly created elementary district  
7 or districts and newly created combined high school - unit  
8 district, from a multi-unit conversion, qualify for less  
9 general State aid under Section 18-8.05 of this Code or  
10 evidence-based funding under Section 18-8.15 of this Code than  
11 would have been payable under Section 18-8.05 or 18-8.15, as  
12 applicable, for that same year to the previously existing  
13 districts, then a supplementary payment equal to that  
14 difference shall be made for the first 4 years of existence of  
15 the newly created districts. The aggregate amount of each  
16 supplementary payment shall be allocated among the newly  
17 created districts in the proportion that the deemed pupil  
18 enrollment in each district during its first year of existence  
19 bears to the actual aggregate pupil enrollment in all of the  
20 districts during their first year of existence. For purposes of  
21 each allocation:

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

26           (B) the deemed pupil enrollment of each newly created

1 elementary district from a school district conversion  
2 shall be an amount equal to its actual pupil enrollment for  
3 its first year of existence reduced by an amount equal to  
4 the product obtained when the amount by which the newly  
5 created high school district's deemed pupil enrollment  
6 exceeds its actual pupil enrollment for its first year of  
7 existence is multiplied by a fraction, the numerator of  
8 which is the actual pupil enrollment of the newly created  
9 elementary district for its first year of existence and the  
10 denominator of which is the actual aggregate pupil  
11 enrollment of all of the newly created elementary districts  
12 for their first year of existence;

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

18 (D) the deemed elementary pupil enrollment of each  
19 newly created district from a multi-unit conversion shall  
20 be an amount equal to each district's actual grade K  
21 through 8 pupil enrollment for its first year of existence,  
22 reduced by an amount equal to the product obtained when the  
23 amount by which the newly created combined high school -  
24 unit district's deemed high school pupil enrollment  
25 exceeds its actual grade 9 through 12 pupil enrollment for  
26 its first year of existence is multiplied by a fraction,

1 the numerator of which is the actual grade K through 8  
2 pupil enrollment of each newly created district for its  
3 first year of existence and the denominator of which is the  
4 actual aggregate grade K through 8 pupil enrollment of all  
5 such newly created districts for their first year of  
6 existence.

7 The aggregate amount of each supplementary payment under  
8 this subdivision (4) and the amount thereof to be allocated to  
9 the newly created districts shall be computed by the State  
10 Board of Education on the basis of pupil enrollment and other  
11 data, which shall be certified to the State Board of Education,  
12 on forms that it shall provide for that purpose, by the  
13 regional superintendent of schools for each educational  
14 service region in which the newly created districts are  
15 located.

16 (5) For a partial elementary unit district, as defined in  
17 subsection (a) or (c) of Section 11E-30 of this Code, if, in  
18 the first year of existence, the newly created partial  
19 elementary unit district qualifies for less general State aid  
20 and supplemental general State aid under Section 18-8.05 of  
21 this Code or less evidence-based funding under Section 18-8.15  
22 of this Code, as applicable, than would have been payable under  
23 those Sections ~~that Section~~ for that same year to the  
24 previously existing districts that formed the partial  
25 elementary unit district, then a supplementary payment equal to  
26 that difference shall be made to the partial elementary unit

1 district for the first 4 years of existence of that newly  
2 created district.

3 (6) For an elementary opt-in, as described in subsection  
4 (d) of Section 11E-30 of this Code, the general State aid or  
5 evidence-based funding difference shall be computed in  
6 accordance with paragraph (5) of this subsection (a) as if the  
7 elementary opt-in was included in an optional elementary unit  
8 district at the optional elementary unit district's original  
9 effective date. If the calculation in this paragraph (6) is  
10 less than that calculated in paragraph (5) of this subsection  
11 (a) at the optional elementary unit district's original  
12 effective date, then no adjustments may be made. If the  
13 calculation in this paragraph (6) is more than that calculated  
14 in paragraph (5) of this subsection (a) at the optional  
15 elementary unit district's original effective date, then the  
16 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 optional  
11 elementary unit district, 25% of the calculated excess  
12 shall be paid to the optional elementary unit district in  
13 each of the first 4 years after the effective date of the  
14 elementary 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 (6.5) For a school district that annexes territory detached  
21 from another school district whereby the enrollment of the  
22 annexing district increases by 90% or more as a result of the  
23 annexation, for the first year during which the change of  
24 boundaries attributable to the annexation becomes effective  
25 for all purposes as determined under Section 7-9 of this Code,  
26 the general State aid and supplemental general State aid or

1 evidence-based funding, as applicable, calculated under this  
2 Section shall be computed for the district gaining territory  
3 and the district losing territory as constituted after the  
4 annexation and for the same districts as constituted prior to  
5 the annexation; and if the aggregate of the general State aid  
6 and supplemental general State aid or evidence-based funding,  
7 as applicable, as so computed for the district gaining  
8 territory and the district losing territory as constituted  
9 after the annexation is less than the aggregate of the general  
10 State aid and supplemental general State aid or evidence-based  
11 funding, as applicable, as so computed for the district gaining  
12 territory and the district losing territory as constituted  
13 prior to the annexation, then a supplementary payment shall be  
14 made to the annexing district for the first 4 years of  
15 existence after the annexation, equal to the difference  
16 multiplied by the ratio of student enrollment in the territory  
17 detached to the total student enrollment in the district losing  
18 territory for the year prior to the effective date of the  
19 annexation. The amount of the total difference and the  
20 proportion paid to the annexing district shall be computed by  
21 the State Board of Education on the basis of pupil enrollment  
22 and other data that must be submitted to the State Board of  
23 Education in accordance with Section 7-14A of this Code. The  
24 changes to this Section made by Public Act 95-707 are intended  
25 to be retroactive and applicable to any annexation taking  
26 effect on or after July 1, 2004. For annexations that are

1 eligible for payments under this paragraph (6.5) and that are  
2 effective on or after July 1, 2004, but before January 11, 2008  
3 (the effective date of Public Act 95-707), the first required  
4 yearly payment under this paragraph (6.5) shall be paid in the  
5 fiscal year of January 11, 2008 (the effective date of Public  
6 Act 95-707). Subsequent required yearly payments shall be paid  
7 in subsequent fiscal years until the payment obligation under  
8 this paragraph (6.5) is complete.

9 (7) Claims for financial assistance under this subsection  
10 (a) may not be recomputed except as expressly provided under  
11 Section 18-8.05 or 18-8.15 of this Code.

12 (8) Any supplementary payment made under this subsection  
13 (a) must be treated as separate from all other payments made  
14 pursuant to Section 18-8.05 or 18-8.15 of this Code.

15 (b) (1) After the formation of a combined school district,  
16 as defined in Section 11E-20 of this Code, or a unit district,  
17 as defined in Section 11E-25 of this Code, a computation shall  
18 be made to determine the difference between the salaries  
19 effective in each of the previously existing districts on June  
20 30, prior to the creation of the new district. For the first 4  
21 years after the formation of the new district, a supplementary  
22 State aid reimbursement shall be paid to the new district equal  
23 to the difference between the sum of the salaries earned by  
24 each of the certificated members of the new district, while  
25 employed in one of the previously existing districts during the  
26 year immediately preceding the formation of the new district,

1 and the sum of the salaries those certificated members would  
2 have been paid during the year immediately prior to the  
3 formation of the new district if placed on the salary schedule  
4 of the previously existing district with the highest salary  
5 schedule.

6 (2) After the territory of one or more school districts is  
7 annexed by one or more other school districts as defined in  
8 Article 7 of this Code, a computation shall be made to  
9 determine the difference between the salaries effective in each  
10 annexed district and in the annexing district or districts as  
11 they were each constituted on June 30 preceding the date when  
12 the change of boundaries attributable to the annexation became  
13 effective for all purposes, as determined under Section 7-9 of  
14 this Code. For the first 4 years after the annexation, a  
15 supplementary State aid reimbursement shall be paid to each  
16 annexing district as constituted after the annexation equal to  
17 the difference between the sum of the salaries earned by each  
18 of the certificated members of the annexing district as  
19 constituted after the annexation, while employed in an annexed  
20 or annexing district during the year immediately preceding the  
21 annexation, and the sum of the salaries those certificated  
22 members would have been paid during the immediately preceding  
23 year if placed on the salary schedule of whichever of the  
24 annexing or annexed districts had the highest salary schedule  
25 during the immediately preceding year.

26 (3) For each new high school district formed under a school



1 district conversion, as defined in Section 11E-15 of this Code,  
2 the State shall make a supplementary payment for 4 years equal  
3 to the difference between the sum of the salaries earned by  
4 each certified member of the new high school district, while  
5 employed in one of the previously existing districts, and the  
6 sum of the salaries those certified members would have been  
7 paid if placed on the salary schedule of the previously  
8 existing district with the highest salary schedule.

9 (4) For each newly created partial elementary unit  
10 district, the State shall make a supplementary payment for 4  
11 years equal to the difference between the sum of the salaries  
12 earned by each certified member of the newly created partial  
13 elementary unit district, while employed in one of the  
14 previously existing districts that formed the partial  
15 elementary unit district, and the sum of the salaries those  
16 certified members would have been paid if placed on the salary  
17 schedule of the previously existing district with the highest  
18 salary schedule. The salary schedules used in the calculation  
19 shall be those in effect in the previously existing districts  
20 for the school year prior to the creation of the new partial  
21 elementary unit district.

22 (5) For an elementary district opt-in, as described in  
23 subsection (d) of Section 11E-30 of this Code, the salary  
24 difference incentive shall be computed in accordance with  
25 paragraph (4) of this subsection (b) as if the opted-in  
26 elementary district was included in the optional elementary

1 unit district at the optional elementary unit district's  
2 original effective date. If the calculation in this paragraph  
3 (5) is less than that calculated in paragraph (4) of this  
4 subsection (b) at the optional elementary unit district's  
5 original effective date, then no adjustments may be made. If  
6 the calculation in this paragraph (5) is more than that  
7 calculated in paragraph (4) of this subsection (b) at the  
8 optional elementary unit district's original effective date,  
9 then the excess must be paid as follows:

10 (A) If the effective date for the elementary opt-in is  
11 one year after the effective date for the optional  
12 elementary unit district, 100% 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 (B) If the effective date for the elementary opt-in is  
17 2 years after the effective date for the optional  
18 elementary unit district, 75% 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 (C) If the effective date for the elementary opt-in is  
23 3 years after the effective date for the optional  
24 elementary unit district, 50% of the calculated excess  
25 shall be paid to the optional elementary unit district in  
26 each of the first 4 years after the effective date of the

1 elementary opt-in.

2 (D) If the effective date for the elementary opt-in is  
3 4 years after the effective date for the partial elementary  
4 unit district, 25% of the calculated excess shall be paid  
5 to the optional elementary unit district in each of the  
6 first 4 years after the effective date of the elementary  
7 opt-in.

8 (E) If the effective date for the elementary opt-in is  
9 5 years after the effective date for the optional  
10 elementary unit district, the optional elementary unit  
11 district is not eligible for any additional incentives due  
12 to the elementary opt-in.

13 (5.5) After the formation of a cooperative high school by 2  
14 or more school districts under Section 10-22.22c of this Code,  
15 a computation shall be made to determine the difference between  
16 the salaries effective in each of the previously existing high  
17 schools on June 30 prior to the formation of the cooperative  
18 high school. For the first 4 years after the formation of the  
19 cooperative high school, a supplementary State aid  
20 reimbursement shall be paid to the cooperative high school  
21 equal to the difference between the sum of the salaries earned  
22 by each of the certificated members of the cooperative high  
23 school while employed in one of the previously existing high  
24 schools during the year immediately preceding the formation of  
25 the cooperative high school and the sum of the salaries those  
26 certificated members would have been paid during the year

1 immediately prior to the formation of the cooperative high  
2 school if placed on the salary schedule of the previously  
3 existing high school with the highest salary schedule.

4 (5.10) After the annexation of territory detached from  
5 another school district whereby the enrollment of the annexing  
6 district increases by 90% or more as a result of the  
7 annexation, a computation shall be made to determine the  
8 difference between the salaries effective in the district  
9 gaining territory and the district losing territory as they  
10 each were constituted on June 30 preceding the date when the  
11 change of boundaries attributable to the annexation became  
12 effective for all purposes as determined under Section 7-9 of  
13 this Code. For the first 4 years after the annexation, a  
14 supplementary State aid reimbursement shall be paid to the  
15 annexing district equal to the difference between the sum of  
16 the salaries earned by each of the certificated members of the  
17 annexing district as constituted after the annexation while  
18 employed in the district gaining territory or the district  
19 losing territory during the year immediately preceding the  
20 annexation and the sum of the salaries those certificated  
21 members would have been paid during such immediately preceding  
22 year if placed on the salary schedule of whichever of the  
23 district gaining territory or district losing territory had the  
24 highest salary schedule during the immediately preceding year.  
25 To be eligible for supplementary State aid reimbursement under  
26 this Section, the intergovernmental agreement to be submitted

1 pursuant to Section 7-14A of this Code must show that staff  
2 members were transferred from the control of the district  
3 losing territory to the control of the district gaining  
4 territory in the annexation. The changes to this Section made  
5 by Public Act 95-707 are intended to be retroactive and  
6 applicable to any annexation taking effect on or after July 1,  
7 2004. For annexations that are eligible for payments under this  
8 paragraph (5.10) and that are effective on or after July 1,  
9 2004, but before January 11, 2008 (the effective date of Public  
10 Act 95-707), the first required yearly payment under this  
11 paragraph (5.10) shall be paid in the fiscal year of January  
12 11, 2008 (the effective date of Public Act 95-707). Subsequent  
13 required yearly payments shall be paid in subsequent fiscal  
14 years until the payment obligation under this paragraph (5.10)  
15 is complete.

16 (5.15) After the deactivation of a school facility in  
17 accordance with Section 10-22.22b of this Code, a computation  
18 shall be made to determine the difference between the salaries  
19 effective in the sending school district and each receiving  
20 school district on June 30 prior to the deactivation of the  
21 school facility. For the lesser of the first 4 years after the  
22 deactivation of the school facility or the length of the  
23 deactivation agreement, including any renewals of the original  
24 deactivation agreement, a supplementary State aid  
25 reimbursement shall be paid to each receiving district equal to  
26 the difference between the sum of the salaries earned by each

1 of the certificated members transferred to that receiving  
2 district as a result of the deactivation while employed in the  
3 sending district during the year immediately preceding the  
4 deactivation and the sum of the salaries those certificated  
5 members would have been paid during the year immediately  
6 preceding the deactivation if placed on the salary schedule of  
7 the sending or receiving district with the highest salary  
8 schedule.

9 (6) The supplementary State aid reimbursement under this  
10 subsection (b) shall be treated as separate from all other  
11 payments made pursuant to Section 18-8.05 of this Code. In the  
12 case of the formation of a new district or cooperative high  
13 school or a deactivation, reimbursement shall begin during the  
14 first year of operation of the new district or cooperative high  
15 school or the first year of the deactivation, and in the case  
16 of an annexation of the territory of one or more school  
17 districts by one or more other school districts or the  
18 annexation of territory detached from a school district whereby  
19 the enrollment of the annexing district increases by 90% or  
20 more as a result of the annexation, reimbursement shall begin  
21 during the first year when the change in boundaries  
22 attributable to the annexation becomes effective for all  
23 purposes as determined pursuant to Section 7-9 of this Code,  
24 except that for an annexation of territory detached from a  
25 school district that is effective on or after July 1, 2004, but  
26 before January 11, 2008 (the effective date of Public Act

1 95-707), whereby the enrollment of the annexing district  
2 increases by 90% or more as a result of the annexation,  
3 reimbursement shall begin during the fiscal year of January 11,  
4 2008 (the effective date of Public Act 95-707). Each year that  
5 the new, annexing, or receiving district or cooperative high  
6 school, as the case may be, is entitled to receive  
7 reimbursement, the number of eligible certified members who are  
8 employed on October 1 in the district or cooperative high  
9 school shall be certified to the State Board of Education on  
10 prescribed forms by October 15 and payment shall be made on or  
11 before November 15 of that year.

12 (c) (1) For the first year after the formation of a combined  
13 school district, as defined in Section 11E-20 of this Code or a  
14 unit district, as defined in Section 11E-25 of this Code, a  
15 computation shall be made totaling each previously existing  
16 district's audited fund balances in the educational fund,  
17 working cash fund, operations and maintenance fund, and  
18 transportation fund for the year ending June 30 prior to the  
19 referendum for the creation of the new district. The new  
20 district shall be paid supplementary State aid equal to the sum  
21 of the differences between the deficit of the previously  
22 existing district with the smallest deficit and the deficits of  
23 each of the other previously existing districts.

24 (2) For the first year after the annexation of all of the  
25 territory of one or more entire school districts by another  
26 school district, as defined in Article 7 of this Code,

1 computations shall be made, for the year ending June 30 prior  
2 to the date that the change of boundaries attributable to the  
3 annexation is allowed by the affirmative decision issued by the  
4 regional board of school trustees under Section 7-6 of this  
5 Code, notwithstanding any effort to seek administrative review  
6 of the decision, totaling the annexing district's and totaling  
7 each annexed district's audited fund balances in their  
8 respective educational, working cash, operations and  
9 maintenance, and transportation funds. The annexing district  
10 as constituted after the annexation shall be paid supplementary  
11 State aid equal to the sum of the differences between the  
12 deficit of whichever of the annexing or annexed districts as  
13 constituted prior to the annexation had the smallest deficit  
14 and the deficits of each of the other districts as constituted  
15 prior to the annexation.

16 (3) For the first year after the annexation of all of the  
17 territory of one or more entire school districts by 2 or more  
18 other school districts, as defined by Article 7 of this Code,  
19 computations shall be made, for the year ending June 30 prior  
20 to the date that the change of boundaries attributable to the  
21 annexation is allowed by the affirmative decision of the  
22 regional board of school trustees under Section 7-6 of this  
23 Code, notwithstanding any action for administrative review of  
24 the decision, totaling each annexing and annexed district's  
25 audited fund balances in their respective educational, working  
26 cash, operations and maintenance, and transportation funds.



1 The annexing districts as constituted after the annexation  
2 shall be paid supplementary State aid, allocated as provided in  
3 this paragraph (3), in an aggregate amount equal to the sum of  
4 the differences between the deficit of whichever of the  
5 annexing or annexed districts as constituted prior to the  
6 annexation had the smallest deficit and the deficits of each of  
7 the other districts as constituted prior to the annexation. The  
8 aggregate amount of the supplementary State aid payable under  
9 this paragraph (3) shall be allocated between or among the  
10 annexing districts as follows:

11 (A) the regional superintendent of schools for each  
12 educational service region in which an annexed district is  
13 located prior to the annexation shall certify to the State  
14 Board of Education, on forms that it shall provide for that  
15 purpose, the value of all taxable property in each annexed  
16 district, as last equalized or assessed by the Department  
17 of Revenue prior to the annexation, and the equalized  
18 assessed value of each part of the annexed district that  
19 was annexed to or included as a part of an annexing  
20 district;

21 (B) using equalized assessed values as certified by the  
22 regional superintendent of schools under clause (A) of this  
23 paragraph (3), the combined audited fund balance deficit of  
24 each annexed district as determined under this Section  
25 shall be apportioned between or among the annexing  
26 districts in the same ratio as the equalized assessed value

1 of that part of the annexed district that was annexed to or  
2 included as a part of an annexing district bears to the  
3 total equalized assessed value of the annexed district; and

4 (C) the aggregate supplementary State aid payment  
5 under this paragraph (3) shall be allocated between or  
6 among, and shall be paid to, the annexing districts in the  
7 same ratio as the sum of the combined audited fund balance  
8 deficit of each annexing district as constituted prior to  
9 the annexation, plus all combined audited fund balance  
10 deficit amounts apportioned to that annexing district  
11 under clause (B) of this subsection, bears to the aggregate  
12 of the combined audited fund balance deficits of all of the  
13 annexing and annexed districts as constituted prior to the  
14 annexation.

15 (4) For the new elementary districts and new high school  
16 district formed through a school district conversion, as  
17 defined in Section 11E-15 of this Code or the new elementary  
18 district or districts and new combined high school - unit  
19 district formed through a multi-unit conversion, as defined in  
20 subsection (b) of Section 11E-30 of this Code, a computation  
21 shall be made totaling each previously existing district's  
22 audited fund balances in the educational fund, working cash  
23 fund, operations and maintenance fund, and transportation fund  
24 for the year ending June 30 prior to the referendum  
25 establishing the new districts. In the first year of the new  
26 districts, the State shall make a one-time supplementary

1 payment equal to the sum of the differences between the deficit  
2 of the previously existing district with the smallest deficit  
3 and the deficits of each of the other previously existing  
4 districts. A district with a combined balance among the 4 funds  
5 that is positive shall be considered to have a deficit of zero.  
6 The supplementary payment shall be allocated among the newly  
7 formed high school and elementary districts in the manner  
8 provided by the petition for the formation of the districts, in  
9 the form in which the petition is approved by the regional  
10 superintendent of schools or State Superintendent of Education  
11 under Section 11E-50 of this Code.

12 (5) For each newly created partial elementary unit  
13 district, as defined in subsection (a) or (c) of Section 11E-30  
14 of this Code, a computation shall be made totaling the audited  
15 fund balances of each previously existing district that formed  
16 the new partial elementary unit district in the educational  
17 fund, working cash fund, operations and maintenance fund, and  
18 transportation fund for the year ending June 30 prior to the  
19 referendum for the formation of the partial elementary unit  
20 district. In the first year of the new partial elementary unit  
21 district, the State shall make a one-time supplementary payment  
22 to the new district equal to the sum of the differences between  
23 the deficit of the previously existing district with the  
24 smallest deficit and the deficits of each of the other  
25 previously existing districts. A district with a combined  
26 balance among the 4 funds that is positive shall be considered

1 to have a deficit of zero.

2 (6) For an elementary opt-in as defined in subsection (d)  
3 of Section 11E-30 of this Code, the deficit fund balance  
4 incentive shall be computed in accordance with paragraph (5) of  
5 this subsection (c) as if the opted-in elementary was included  
6 in the optional elementary unit district at the optional  
7 elementary unit district's original effective date. If the  
8 calculation in this paragraph (6) is less than that calculated  
9 in paragraph (5) of this subsection (c) at the optional  
10 elementary unit district's original effective date, then no  
11 adjustments may be made. If the calculation in this paragraph  
12 (6) is more than that calculated in paragraph (5) of this  
13 subsection (c) at the optional elementary unit district's  
14 original effective date, then the excess must be paid as  
15 follows:

16 (A) If the effective date for the elementary opt-in is  
17 one year after the effective date for the optional  
18 elementary unit district, 100% of the calculated excess  
19 shall be paid to the optional elementary unit district in  
20 the first year after the effective date of the elementary  
21 opt-in.

22 (B) If the effective date for the elementary opt-in is  
23 2 years after the effective date for the optional  
24 elementary unit district, 75% of the calculated excess  
25 shall be paid to the optional elementary unit district in  
26 the first year after the effective date of the elementary

1 opt-in.

2 (C) If the effective date for the elementary opt-in is  
3 3 years after the effective date for the optional  
4 elementary unit district, 50% of the calculated excess  
5 shall be paid to the optional elementary unit district in  
6 the first year after the effective date of the elementary  
7 opt-in.

8 (D) If the effective date for the elementary opt-in is  
9 4 years after the effective date for the optional  
10 elementary unit district, 25% of the calculated excess  
11 shall be paid to the optional elementary unit district in  
12 the first year after the effective date of the elementary  
13 opt-in.

14 (E) If the effective date for the elementary opt-in is  
15 5 years after the effective date for the optional  
16 elementary unit district, the optional elementary unit  
17 district is not eligible for any additional incentives due  
18 to the elementary opt-in.

19 (6.5) For the first year after the annexation of territory  
20 detached from another school district whereby the enrollment of  
21 the annexing district increases by 90% or more as a result of  
22 the annexation, a computation shall be made totaling the  
23 audited fund balances of the district gaining territory and the  
24 audited fund balances of the district losing territory in the  
25 educational fund, working cash fund, operations and  
26 maintenance fund, and transportation fund for the year ending

1 June 30 prior to the date that the change of boundaries  
2 attributable to the annexation is allowed by the affirmative  
3 decision of the regional board of school trustees under Section  
4 7-6 of this Code, notwithstanding any action for administrative  
5 review of the decision. The annexing district as constituted  
6 after the annexation shall be paid supplementary State aid  
7 equal to the difference between the deficit of whichever  
8 district included in this calculation as constituted prior to  
9 the annexation had the smallest deficit and the deficit of each  
10 other district included in this calculation as constituted  
11 prior to the annexation, multiplied by the ratio of equalized  
12 assessed value of the territory detached to the total equalized  
13 assessed value of the district losing territory. The regional  
14 superintendent of schools for the educational service region in  
15 which a district losing territory is located prior to the  
16 annexation shall certify to the State Board of Education the  
17 value of all taxable property in the district losing territory  
18 and the value of all taxable property in the territory being  
19 detached, as last equalized or assessed by the Department of  
20 Revenue prior to the annexation. 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 fund balances were  
24 transferred from the district losing territory to the district  
25 gaining territory in the annexation. The changes to this  
26 Section made by Public Act 95-707 are intended to be

1 retroactive and applicable to any annexation taking effect on  
2 or after July 1, 2004. For annexations that are eligible for  
3 payments under this paragraph (6.5) and that are effective on  
4 or after July 1, 2004, but before January 11, 2008 (the  
5 effective date of Public Act 95-707), the required payment  
6 under this paragraph (6.5) shall be paid in the fiscal year of  
7 January 11, 2008 (the effective date of Public Act 95-707).

8 (7) For purposes of any calculation required under  
9 paragraph (1), (2), (3), (4), (5), (6), or (6.5) of this  
10 subsection (c), a district with a combined fund balance that is  
11 positive shall be considered to have a deficit of zero. For  
12 purposes of determining each district's audited fund balances  
13 in its educational fund, working cash fund, operations and  
14 maintenance fund, and transportation fund for the specified  
15 year ending June 30, as provided in paragraphs (1), (2), (3),  
16 (4), (5), (6), and (6.5) of this subsection (c), the balance of  
17 each fund shall be deemed decreased by an amount equal to the  
18 amount of the annual property tax theretofore levied in the  
19 fund by the district for collection and payment to the district  
20 during the calendar year in which the June 30 fell, but only to  
21 the extent that the tax so levied in the fund actually was  
22 received by the district on or before or comprised a part of  
23 the fund on such June 30. For purposes of determining each  
24 district's audited fund balances, a calculation shall be made  
25 for each fund to determine the average for the 3 years prior to  
26 the specified year ending June 30, as provided in paragraphs

1 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c),  
2 of the district's expenditures in the categories "purchased  
3 services", "supplies and materials", and "capital outlay", as  
4 those categories are defined in rules of the State Board of  
5 Education. If this 3-year average is less than the district's  
6 expenditures in these categories for the specified year ending  
7 June 30, as provided in paragraphs (1), (2), (3), (4), (5),  
8 (6), and (6.5) of this subsection (c), then the 3-year average  
9 shall be used in calculating the amounts payable under this  
10 Section in place of the amounts shown in these categories for  
11 the specified year ending June 30, as provided in paragraphs  
12 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c).  
13 Any deficit because of State aid not yet received may not be  
14 considered in determining the June 30 deficits. The same basis  
15 of accounting shall be used by all previously existing  
16 districts and by all annexing or annexed districts, as  
17 constituted prior to the annexation, in making any computation  
18 required under paragraphs (1), (2), (3), (4), (5), (6), and  
19 (6.5) of this subsection (c).

20 (8) The supplementary State aid payments under this  
21 subsection (c) shall be treated as separate from all other  
22 payments made pursuant to Section 18-8.05 of this Code.

23 (d)(1) Following the formation of a combined school  
24 district, as defined in Section 11E-20 of this Code, a new unit  
25 district, as defined in Section 11E-25 of this Code, a new  
26 elementary district or districts and a new high school district



1 formed through a school district conversion, as defined in  
 2 Section 11E-15 of this Code, a new partial elementary unit  
 3 district, as defined in Section 11E-30 of this Code, or a new  
 4 elementary district or districts formed through a multi-unit  
 5 conversion, as defined in subsection (b) of Section 11E-30 of  
 6 this Code, or the annexation of all of the territory of one or  
 7 more entire school districts by one or more other school  
 8 districts, as defined in Article 7 of this Code, a  
 9 supplementary State aid reimbursement shall be paid for the  
 10 number of school years determined under the following table to  
 11 each new or annexing district equal to the sum of \$4,000 for  
 12 each certified employee who is employed by the district on a  
 13 full-time basis for the regular term of the school year:

14	Reorganized District's Rank	Reorganized District's Rank		
15	by type of district (unit,	in Average Daily Attendance		
16	high school, elementary)	By Quintile		
17	in Equalized Assessed Value			
18	Per Pupil by Quintile			
19			3rd, 4th,	
20		1st	2nd	or 5th
21		Quintile	Quintile	Quintile
22	1st Quintile	1 year	1 year	1 year
23	2nd Quintile	1 year	2 years	2 years
24	3rd Quintile	2 years	3 years	3 years
25	4th Quintile	2 years	3 years	3 years

1                   5th Quintile                   2 years           3 years           3 years

2       The State Board of Education shall make a one-time calculation  
3       of a reorganized district's quintile ranks. The average daily  
4       attendance used in this calculation shall be the best 3 months'  
5       average daily attendance for the district's first year. The  
6       equalized assessed value per pupil shall be the district's real  
7       property equalized assessed value used in calculating the  
8       district's first-year general State aid claim, under Section  
9       18-8.05 of this Code, or first-year evidence-based funding  
10      claim, under Section 18-8.15 of this Code, as applicable,  
11      divided by the best 3 months' average daily attendance.

12           No annexing or resulting school district shall be entitled  
13      to supplementary State aid under this subsection (d) unless the  
14      district acquires at least 30% of the average daily attendance  
15      of the district from which the territory is being detached or  
16      divided.

17           If a district results from multiple reorganizations that  
18      would otherwise qualify the district for multiple payments  
19      under this subsection (d) in any year, then the district shall  
20      receive a single payment only for that year based solely on the  
21      most recent reorganization.

22           (2) For an elementary opt-in, as defined in subsection (d)  
23      of Section 11E-30 of this Code, the full-time certified staff  
24      incentive shall be computed in accordance with paragraph (1) of  
25      this subsection (d), equal to the sum of \$4,000 for each

1 certified employee of the elementary district that opts-in who  
2 is employed by the optional elementary unit district on a  
3 full-time basis for the regular term of the school year. The  
4 calculation from this paragraph (2) must be paid as follows:

5 (A) If the effective date for the elementary opt-in is  
6 one year after the effective date for the optional  
7 elementary unit district, 100% of the amount calculated in  
8 this paragraph (2) shall be paid to the optional elementary  
9 unit district for the number of years calculated in  
10 paragraph (1) of this subsection (d) at the optional  
11 elementary unit district's original effective date,  
12 starting in the second year after the effective date of the  
13 elementary opt-in.

14 (B) If the effective date for the elementary opt-in is  
15 2 years after the effective date for the optional  
16 elementary unit district, 75% of the amount calculated in  
17 this paragraph (2) shall be paid to the optional elementary  
18 unit district for the number of years calculated in  
19 paragraph (1) of this subsection (d) at the optional  
20 elementary unit district's original effective date,  
21 starting in the second year after the effective date of the  
22 elementary opt-in.

23 (C) If the effective date for the elementary opt-in is  
24 3 years after the effective date for the optional  
25 elementary unit district, 50% of the amount calculated in  
26 this paragraph (2) shall be paid to the optional elementary

1 unit district for the number of years calculated in  
2 paragraph (1) of this subsection (d) at the optional  
3 elementary unit district's original effective date,  
4 starting in the second year after the effective date of the  
5 elementary opt-in.

6 (D) If the effective date for the elementary opt-in is  
7 4 years after the effective date for the optional  
8 elementary unit district, 25% of the amount calculated in  
9 this paragraph (2) shall be paid to the optional elementary  
10 unit district for the number of years calculated in  
11 paragraph (1) of this subsection (d) at the optional  
12 elementary unit district's original effective date,  
13 starting in the second year after the effective date of the  
14 elementary 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 (2.5) Following the formation of a cooperative high school  
21 by 2 or more school districts under Section 10-22.22c of this  
22 Code, a supplementary State aid reimbursement shall be paid for  
23 3 school years to the cooperative high school equal to the sum  
24 of \$4,000 for each certified employee who is employed by the  
25 cooperative high school on a full-time basis for the regular  
26 term of any such school year. If a cooperative high school

1 results from multiple agreements that would otherwise qualify  
2 the cooperative high school for multiple payments under this  
3 Section in any year, the cooperative high school shall receive  
4 a single payment for that year based solely on the most recent  
5 agreement.

6 (2.10) Following the annexation of territory detached from  
7 another school district whereby the enrollment of the annexing  
8 district increases 90% or more as a result of the annexation, a  
9 supplementary State aid reimbursement shall be paid to the  
10 annexing district equal to the sum of \$4,000 for each certified  
11 employee who is employed by the annexing district on a  
12 full-time basis and shall be calculated in accordance with  
13 subsection (a) of this Section. To be eligible for  
14 supplementary State aid reimbursement under this Section, the  
15 intergovernmental agreement to be submitted pursuant to  
16 Section 7-14A of this Code must show that certified staff  
17 members were transferred from the control of the district  
18 losing territory to the control of the district gaining  
19 territory in the annexation. The changes to this Section made  
20 by Public Act 95-707 are intended to be retroactive and  
21 applicable to any annexation taking effect on or after July 1,  
22 2004. For annexations that are eligible for payments under this  
23 paragraph (2.10) and that are effective on or after July 1,  
24 2004, but before January 11, 2008 (the effective date of Public  
25 Act 95-707), the first required yearly payment under this  
26 paragraph (2.10) shall be paid in the second fiscal year after

1 January 11, 2008 (the effective date of Public Act 95-707). Any  
2 subsequent required yearly payments shall be paid in subsequent  
3 fiscal years until the payment obligation under this paragraph  
4 (2.10) is complete.

5 (2.15) Following the deactivation of a school facility in  
6 accordance with Section 10-22.22b of this Code, a supplementary  
7 State aid reimbursement shall be paid for the lesser of 3  
8 school years or the length of the deactivation agreement,  
9 including any renewals of the original deactivation agreement,  
10 to each receiving school district equal to the sum of \$4,000  
11 for each certified employee who is employed by that receiving  
12 district on a full-time basis for the regular term of any such  
13 school year who was originally transferred to the control of  
14 that receiving district as a result of the deactivation.  
15 Receiving districts are eligible for payments under this  
16 paragraph (2.15) based on the certified employees transferred  
17 to that receiving district as a result of the deactivation and  
18 are not required to receive at least 30% of the deactivating  
19 district's average daily attendance as required under  
20 paragraph (1) of this subsection (d) to be eligible for  
21 payments.

22 (3) The supplementary State aid reimbursement payable  
23 under this subsection (d) shall be separate from and in  
24 addition to all other payments made to the district pursuant to  
25 any other Section of this Article.

26 (4) During May of each school year for which a

1 supplementary State aid reimbursement is to be paid to a new,  
2 annexing, or receiving school district or cooperative high  
3 school pursuant to this subsection (d), the school board or  
4 governing board shall certify to the State Board of Education,  
5 on forms furnished to the school board or governing board by  
6 the State Board of Education for purposes of this subsection  
7 (d), the number of certified employees for which the district  
8 or cooperative high school is entitled to reimbursement under  
9 this Section, together with the names, certificate numbers, and  
10 positions held by the certified employees.

11 (5) Upon certification by the State Board of Education to  
12 the State Comptroller of the amount of the supplementary State  
13 aid reimbursement to which a school district or cooperative  
14 high school is entitled under this subsection (d), the State  
15 Comptroller shall draw his or her warrant upon the State  
16 Treasurer for the payment thereof to the school district or  
17 cooperative high school and shall promptly transmit the payment  
18 to the school district or cooperative high school through the  
19 appropriate school treasurer.

20 (Source: P.A. 95-331, eff. 8-21-07; 95-707, eff. 1-11-08;  
21 95-903, eff. 8-25-08; 96-328, eff. 8-11-09.)

22 (105 ILCS 5/13A-8)

23 Sec. 13A-8. Funding.

24 (a) The State of Illinois shall provide funding for the  
25 alternative school programs within each educational service

1 region and within the Chicago public school system by line item  
2 appropriation made to the State Board of Education for that  
3 purpose. This money, when appropriated, shall be provided to  
4 the regional superintendent and to the Chicago Board of  
5 Education, who shall establish a budget, including salaries,  
6 for their alternative school programs. Each program shall  
7 receive funding in the amount of \$30,000 plus an amount based  
8 on the ratio of the region's or Chicago's best 3 months'  
9 average daily attendance in grades pre-kindergarten through 12  
10 to the statewide totals of these amounts. For purposes of this  
11 calculation, the best 3 months' average daily attendance for  
12 each region or Chicago shall be calculated by adding to the  
13 best 3 months' average daily attendance the number of  
14 low-income students identified in the most recently available  
15 federal census multiplied by one-half times the percentage of  
16 the region's or Chicago's low-income students to the State's  
17 total low-income students. The State Board of Education shall  
18 retain up to 1.1% of the appropriation to be used to provide  
19 technical assistance, professional development, and  
20 evaluations for the programs.

21 (a-5) Notwithstanding any other provisions of this  
22 Section, for the 1998-1999 fiscal year, the total amount  
23 distributed under subsection (a) for an alternative school  
24 program shall be not less than the total amount that was  
25 distributed under that subsection for that alternative school  
26 program for the 1997-1998 fiscal year. If an alternative school



1 program is to receive a total distribution under subsection (a)  
2 for the 1998-1999 fiscal year that is less than the total  
3 distribution that the program received under that subsection  
4 for the 1997-1998 fiscal year, that alternative school program  
5 shall also receive, from a separate appropriation made for  
6 purposes of this subsection (a-5), a supplementary payment  
7 equal to the amount by which its total distribution under  
8 subsection (a) for the 1997-1998 fiscal year exceeds the amount  
9 of the total distribution that the alternative school program  
10 receives under that subsection for the 1998-1999 fiscal year.  
11 If the amount appropriated for supplementary payments to  
12 alternative school programs under this subsection (a-5) is  
13 insufficient for that purpose, those supplementary payments  
14 shall be prorated among the alternative school programs  
15 entitled to receive those supplementary payments according to  
16 the aggregate amount of the appropriation made for purposes of  
17 this subsection (a-5).

18 (b) An alternative school program shall be entitled to  
19 receive general State aid as calculated in subsection (K) of  
20 Section 18-8.05 or evidence-based funding as calculated in  
21 subsection (g) of Section 18-8.15 upon filing a claim as  
22 provided therein. Any time that a student who is enrolled in an  
23 alternative school program spends in work-based learning,  
24 community service, or a similar alternative educational  
25 setting shall be included in determining the student's minimum  
26 number of clock hours of daily school work that constitute a

1 day of attendance for purposes of calculating general State aid  
2 or evidence-based funding.

3 (c) An alternative school program may receive additional  
4 funding from its school districts in such amount as may be  
5 agreed upon by the parties and necessary to support the  
6 program. In addition, an alternative school program is  
7 authorized to accept and expend gifts, legacies, and grants,  
8 including but not limited to federal grants, from any source  
9 for purposes directly related to the conduct and operation of  
10 the program.

11 (Source: P.A. 89-383, eff. 8-18-95; 89-629, eff. 8-9-96;  
12 89-636, eff. 8-9-96; 90-14, eff. 7-1-97; 90-283, eff. 7-31-97;  
13 90-802, eff. 12-15-98.)

14 (105 ILCS 5/13B-20.20)

15 Sec. 13B-20.20. Enrollment in other programs. High school  
16 equivalency testing preparation programs are not eligible for  
17 funding under this Article. A student may enroll in a program  
18 approved under Section 18-8.05 or 18-8.15 of this Code, as  
19 appropriate, or attend both the alternative learning  
20 opportunities program and the regular school program to enhance  
21 student performance and facilitate on-time graduation.

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

23 (105 ILCS 5/13B-45)

24 Sec. 13B-45. Days and hours of attendance. An alternative

1 learning opportunities program shall provide students with at  
2 least the minimum number of days of pupil attendance required  
3 under Section 10-19 of this Code and the minimum number of  
4 daily hours of school work required under Section 18-8.05 or  
5 18-8.15 of this Code, provided that the State Board may approve  
6 exceptions to these requirements if the program meets all of  
7 the following conditions:

8 (1) The district plan submitted under Section  
9 13B-25.15 of this Code establishes that a program providing  
10 the required minimum number of days of attendance or daily  
11 hours of school work would not serve the needs of the  
12 program's students.

13 (2) Each day of attendance shall provide no fewer than  
14 3 clock hours of school work, as defined under paragraph  
15 (1) of subsection (F) of Section 18-8.05 of this Code.

16 (3) Each day of attendance that provides fewer than 5  
17 clock hours of school work shall also provide supplementary  
18 services, including without limitation work-based  
19 learning, student assistance programs, counseling, case  
20 management, health and fitness programs, or life-skills or  
21 conflict resolution training, in order to provide a total  
22 daily program to the student of 5 clock hours. A program  
23 may claim general State aid or evidence-based funding for  
24 up to 2 hours of the time each day that a student is  
25 receiving supplementary services.

26 (4) Each program shall provide no fewer than 174 days

1 of actual pupil attendance during the school term; however,  
2 approved evening programs that meet the requirements of  
3 Section 13B-45 of this Code may offer less than 174 days of  
4 actual pupil attendance during the school term.

5 (Source: P.A. 92-42, eff. 1-1-02.)

6 (105 ILCS 5/13B-50)

7 Sec. 13B-50. Eligibility to receive general State aid or  
8 evidence-based funding. In order to receive general State aid  
9 or evidence-based funding, alternative learning opportunities  
10 programs must meet the requirements for claiming general State  
11 aid as specified in Section 18-8.05 of this Code or  
12 evidence-based funding as specified in Section 18-8.15 of this  
13 Code, as applicable, with the exception of the length of the  
14 instructional day, which may be less than 5 hours of school  
15 work if the program meets the criteria set forth under Sections  
16 13B-50.5 and 13B-50.10 of this Code and if the program is  
17 approved by the State Board.

18 (Source: P.A. 92-42, eff. 1-1-02.)

19 (105 ILCS 5/13B-50.10)

20 Sec. 13B-50.10. Additional criteria for general State aid  
21 or evidence-based funding. In order to claim general State aid  
22 or evidence-based funding, an alternative learning  
23 opportunities program must meet the following criteria:

24 (1) Teacher professional development plans should include

1 education in the instruction of at-risk students.

2 (2) Facilities must meet the health, life, and safety  
3 requirements in this Code.

4 (3) The program must comply with all other State and  
5 federal laws applicable to education providers.

6 (Source: P.A. 92-42, eff. 1-1-02.)

7 (105 ILCS 5/13B-50.15)

8 Sec. 13B-50.15. Level of funding. Approved alternative  
9 learning opportunities programs are entitled to claim general  
10 State aid or evidence-based funding, subject to Sections  
11 13B-50, 13B-50.5, and 13B-50.10 of this Code. Approved programs  
12 operated by regional offices of education are entitled to  
13 receive general State aid at the foundation level of support. A  
14 school district or consortium must ensure that an approved  
15 program receives supplemental general State aid,  
16 transportation reimbursements, and special education  
17 resources, if appropriate, for students enrolled in the  
18 program.

19 (Source: P.A. 92-42, eff. 1-1-02.)

20 (105 ILCS 5/14-7.02b)

21 Sec. 14-7.02b. Funding for children requiring special  
22 education services. Payments to school districts for children  
23 requiring special education services documented in their  
24 individualized education program regardless of the program

1 from which these services are received, excluding children  
2 claimed under Sections 14-7.02 and 14-7.03 of this Code, shall  
3 be made in accordance with this Section. Funds received under  
4 this Section may be used only for the provision of special  
5 educational facilities and services as defined in Section  
6 14-1.08 of this Code.

7 The appropriation for fiscal year 2005 through fiscal year  
8 2017 ~~and thereafter~~ shall be based upon the IDEA child count of  
9 all students in the State, excluding students claimed under  
10 Sections 14-7.02 and 14-7.03 of this Code, on December 1 of the  
11 fiscal year 2 years preceding, multiplied by 17.5% of the  
12 general State aid foundation level of support established for  
13 that fiscal year under Section 18-8.05 of this Code.

14 Beginning with fiscal year 2005 and through fiscal year  
15 2007, individual school districts shall not receive payments  
16 under this Section totaling less than they received under the  
17 funding authorized under Section 14-7.02a of this Code during  
18 fiscal year 2004, pursuant to the provisions of Section  
19 14-7.02a as they were in effect before the effective date of  
20 this amendatory Act of the 93rd General Assembly. This base  
21 level funding shall be computed first.

22 Beginning with fiscal year 2008 through fiscal year 2017  
23 ~~and each fiscal year thereafter~~, individual school districts  
24 must not receive payments under this Section totaling less than  
25 they received in fiscal year 2007. This funding shall be  
26 computed last and shall be a separate calculation from any

1 other calculation set forth in this Section. This amount is  
2 exempt from the requirements of Section 1D-1 of this Code.

3 Through fiscal year 2017, an ~~An~~ amount equal to 85% of the  
4 funds remaining in the appropriation shall be allocated to  
5 school districts based upon the district's average daily  
6 attendance reported for purposes of Section 18-8.05 of this  
7 Code for the preceding school year. Fifteen percent of the  
8 funds remaining in the appropriation shall be allocated to  
9 school districts based upon the district's low income eligible  
10 pupil count used in the calculation of general State aid under  
11 Section 18-8.05 of this Code for the same fiscal year. One  
12 hundred percent of the funds computed and allocated to  
13 districts under this Section shall be distributed and paid to  
14 school districts.

15 For individual students with disabilities whose program  
16 costs exceed 4 times the district's per capita tuition rate as  
17 calculated under Section 10-20.12a of this Code, the costs in  
18 excess of 4 times the district's per capita tuition rate shall  
19 be paid by the State Board of Education from unexpended IDEA  
20 discretionary funds originally designated for room and board  
21 reimbursement pursuant to Section 14-8.01 of this Code. The  
22 amount of tuition for these children shall be determined by the  
23 actual cost of maintaining classes for these children, using  
24 the per capita cost formula set forth in Section 14-7.01 of  
25 this Code, with the program and cost being pre-approved by the  
26 State Superintendent of Education. Reimbursement for

1 individual students with disabilities whose program costs  
2 exceed 4 times the district's per capita tuition rate shall be  
3 claimed beginning with costs encumbered for the 2004-2005  
4 school year and thereafter.

5 The State Board of Education shall prepare vouchers equal  
6 to one-fourth the amount allocated to districts, for  
7 transmittal to the State Comptroller on the 30th day of  
8 September, December, and March, respectively, and the final  
9 voucher, no later than June 20. The Comptroller shall make  
10 payments pursuant to this Section to school districts as soon  
11 as possible after receipt of vouchers. If the money  
12 appropriated from the General Assembly for such purposes for  
13 any year is insufficient, it shall be apportioned on the basis  
14 of the payments due to school districts.

15 Nothing in this Section shall be construed to decrease or  
16 increase the percentage of all special education funds that are  
17 allocated annually under Article 1D of this Code or to alter  
18 the requirement that a school district provide special  
19 education services.

20 Nothing in this amendatory Act of the 93rd General Assembly  
21 shall eliminate any reimbursement obligation owed as of the  
22 effective date of this amendatory Act of the 93rd General  
23 Assembly to a school district with in excess of 500,000  
24 inhabitants.

25 Except for reimbursement for individual students with  
26 disabilities whose program costs exceed 4 times the district's



1 per capita tuition rate, no funding shall be provided to school  
2 districts under this Section after fiscal year 2017.

3 In fiscal year 2018 and each fiscal year thereafter, all  
4 funding received by a school district from the State pursuant  
5 to Section 18-8.15 of this Code that is attributable to  
6 students requiring special education services must be used for  
7 special education services authorized under this Code.

8 (Source: P.A. 93-1022, eff. 8-24-08; 95-705, eff. 1-8-08.)

9 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

10 Sec. 14-13.01. Reimbursement payable by State; amounts for  
11 personnel and transportation.

12 (a) Through fiscal year 2017, for ~~For~~ staff working on  
13 behalf of children who have not been identified as eligible for  
14 special education and for eligible children with physical  
15 disabilities, including all eligible children whose placement  
16 has been determined under Section 14-8.02 in hospital or home  
17 instruction, 1/2 of the teacher's salary but not more than  
18 \$1,000 annually per child or \$9,000 per teacher, whichever is  
19 less.

20 (a-5) A child qualifies for home or hospital instruction if  
21 it is anticipated that, due to a medical condition, the child  
22 will be unable to attend school, and instead must be instructed  
23 at home or in the hospital, for a period of 2 or more  
24 consecutive weeks or on an ongoing intermittent basis. For  
25 purposes of this Section, "ongoing intermittent basis" means

1 that the child's medical condition is of such a nature or  
2 severity that it is anticipated that the child will be absent  
3 from school due to the medical condition for periods of at  
4 least 2 days at a time multiple times during the school year  
5 totaling at least 10 days or more of absences. There shall be  
6 no requirement that a child be absent from school a minimum  
7 number of days before the child qualifies for home or hospital  
8 instruction. In order to establish eligibility for home or  
9 hospital services, a student's parent or guardian must submit  
10 to the child's school district of residence a written statement  
11 from a physician licensed to practice medicine in all of its  
12 branches stating the existence of such medical condition, the  
13 impact on the child's ability to participate in education, and  
14 the anticipated duration or nature of the child's absence from  
15 school. Home or hospital instruction may commence upon receipt  
16 of a written physician's statement in accordance with this  
17 Section, but instruction shall commence not later than 5 school  
18 days after the school district receives the physician's  
19 statement. Special education and related services required by  
20 the child's IEP or services and accommodations required by the  
21 child's federal Section 504 plan must be implemented as part of  
22 the child's home or hospital instruction, unless the IEP team  
23 or federal Section 504 plan team determines that modifications  
24 are necessary during the home or hospital instruction due to  
25 the child's condition.

26 (a-10) Through fiscal year 2017, eligible ~~Eligible~~

1 children to be included in any reimbursement under this  
2 paragraph must regularly receive a minimum of one hour of  
3 instruction each school day, or in lieu thereof of a minimum of  
4 5 hours of instruction in each school week in order to qualify  
5 for full reimbursement under this Section. If the attending  
6 physician for such a child has certified that the child should  
7 not receive as many as 5 hours of instruction in a school week,  
8 however, reimbursement under this paragraph on account of that  
9 child shall be computed proportionate to the actual hours of  
10 instruction per week for that child divided by 5.

11 (a-15) The State Board of Education shall establish rules  
12 governing the required qualifications of staff providing home  
13 or hospital instruction.

14 (b) For children described in Section 14-1.02, 80% of the  
15 cost of transportation approved as a related service in the  
16 Individualized Education Program for each student in order to  
17 take advantage of special educational facilities.  
18 Transportation costs shall be determined in the same fashion as  
19 provided in Section 29-5 of this Code. For purposes of this  
20 subsection (b), the dates for processing claims specified in  
21 Section 29-5 shall apply.

22 (c) Through fiscal year 2017, for ~~For~~ each qualified  
23 worker, the annual sum of \$9,000.

24 (d) Through fiscal year 2017, for ~~For~~ one full time  
25 qualified director of the special education program of each  
26 school district which maintains a fully approved program of

1 special education the annual sum of \$9,000. Districts  
2 participating in a joint agreement special education program  
3 shall not receive such reimbursement if reimbursement is made  
4 for a director of the joint agreement program.

5 (e) (Blank).

6 (f) (Blank).

7 (g) Through fiscal year 2017, for ~~For~~ readers, working with  
8 blind or partially seeing children 1/2 of their salary but not  
9 more than \$400 annually per child. Readers may be employed to  
10 assist such children and shall not be required to be certified  
11 but prior to employment shall meet standards set up by the  
12 State Board of Education.

13 (h) Through fiscal year 2017, for ~~For~~ non-certified  
14 employees, as defined by rules promulgated by the State Board  
15 of Education, who deliver services to students with IEPs, 1/2  
16 of the salary paid or \$3,500 per employee, whichever is less.

17 (i) The State Board of Education shall set standards and  
18 prescribe rules for determining the allocation of  
19 reimbursement under this section on less than a full time basis  
20 and for less than a school year.

21 When any school district eligible for reimbursement under  
22 this Section operates a school or program approved by the State  
23 Superintendent of Education for a number of days in excess of  
24 the adopted school calendar but not to exceed 235 school days,  
25 such reimbursement shall be increased by 1/180 of the amount or  
26 rate paid hereunder for each day such school is operated in

1 excess of 180 days per calendar year.

2 Notwithstanding any other provision of law, any school  
3 district receiving a payment under this Section or under  
4 Section 14-7.02, 14-7.02b, or 29-5 of this Code may classify  
5 all or a portion of the funds that it receives in a particular  
6 fiscal year or from evidence-based funding ~~general State aid~~  
7 pursuant to Section 18-8.15 ~~18-8.05~~ of this Code as funds  
8 received in connection with any funding program for which it is  
9 entitled to receive funds from the State in that fiscal year  
10 (including, without limitation, any funding program referenced  
11 in this Section), regardless of the source or timing of the  
12 receipt. The district may not classify more funds as funds  
13 received in connection with the funding program than the  
14 district is entitled to receive in that fiscal year for that  
15 program. Any classification by a district must be made by a  
16 resolution of its board of education. The resolution must  
17 identify the amount of any payments or evidence-based funding  
18 ~~general State aid~~ to be classified under this paragraph and  
19 must specify the funding program to which the funds are to be  
20 treated as received in connection therewith. This resolution is  
21 controlling as to the classification of funds referenced  
22 therein. A certified copy of the resolution must be sent to the  
23 State Superintendent of Education. The resolution shall still  
24 take effect even though a copy of the resolution has not been  
25 sent to the State Superintendent of Education in a timely  
26 manner. No classification under this paragraph by a district

1 shall affect the total amount or timing of money the district  
2 is entitled to receive under this Code. No classification under  
3 this paragraph by a district shall in any way relieve the  
4 district from or affect any requirements that otherwise would  
5 apply with respect to that funding program, including any  
6 accounting of funds by source, reporting expenditures by  
7 original source and purpose, reporting requirements, or  
8 requirements of providing services.

9 No funding shall be provided to school districts under this  
10 Section after fiscal year 2017. In fiscal year 2018 and each  
11 fiscal year thereafter, all funding received by a school  
12 district from the State pursuant to Section 18-8.15 of this  
13 Code that is attributable to personnel reimbursements for  
14 special education pupils must be used for special education  
15 services authorized under this Code.

16 (Source: P.A. 96-257, eff. 8-11-09; 97-123, eff. 7-14-11.)

17 (105 ILCS 5/14C-1) (from Ch. 122, par. 14C-1)

18 Sec. 14C-1. The General Assembly finds that there are large  
19 numbers of children in this State who come from environments  
20 where the primary language is other than English. Experience  
21 has shown that public school classes in which instruction is  
22 given only in English are often inadequate for the education of  
23 children whose native tongue is another language. The General  
24 Assembly believes that a program of transitional bilingual  
25 education can meet the needs of these children and facilitate

1 their integration into the regular public school curriculum.  
2 Therefore, pursuant to the policy of this State to ensure equal  
3 educational opportunity to every child, and in recognition of  
4 the educational needs of English learners, it is the purpose of  
5 this Act to provide for the establishment of transitional  
6 bilingual education programs in the public schools, to provide  
7 supplemental financial assistance through fiscal year 2017 to  
8 help local school districts meet the extra costs of such  
9 programs, and to allow this State through the State Board of  
10 Education to directly or indirectly provide technical  
11 assistance and professional development to support  
12 transitional bilingual education or a transitional program of  
13 instruction ~~programs~~ statewide through contractual services by  
14 a not-for-profit entity for technical assistance, professional  
15 development, and other support to school districts and  
16 educators for services for English learner pupils. In no case  
17 may aggregate funding for contractual services by a  
18 not-for-profit entity for support to school districts and  
19 educators for services for English learner pupils be less than  
20 the aggregate amount expended for such purposes in Fiscal Year  
21 2017. Not-for-profit entities providing support to school  
22 districts and educators for services for English learner pupils  
23 must have experience providing those services in a school  
24 district having a population exceeding 500,000; one or more  
25 school districts in any of the counties of Lake, McHenry,  
26 DuPage, Kane, and Will; and one or more school districts

1 elsewhere in this State. Funding for not-for-profit entities  
2 providing support to school districts and educators for  
3 services for English learner pupils may be increased subject to  
4 an agreement with the State Board of Education. Funding for  
5 not-for-profit entities providing support to school districts  
6 and educators for services for English learner pupils shall  
7 come from funds allocated pursuant to Section 18-8.15 of this  
8 Code.

9 (Source: P.A. 99-30, eff. 7-10-15.)

10 (105 ILCS 5/14C-12) (from Ch. 122, par. 14C-12)

11 Sec. 14C-12. Account of expenditures; Cost report;  
12 Reimbursement. Each school district with at least one English  
13 learner shall keep an accurate, detailed and separate account  
14 of all monies paid out by it for the programs in transitional  
15 bilingual education required or permitted by this Article,  
16 including transportation costs, and shall annually report  
17 thereon for the school year ending June 30 indicating the  
18 average per pupil expenditure. Through fiscal year 2017, each  
19 ~~Each~~ school district shall be reimbursed for the amount by  
20 which such costs exceed the average per pupil expenditure by  
21 such school district for the education of children of  
22 comparable age who are not in any special education program. No  
23 funding shall be provided to school districts under this  
24 Section after fiscal year 2017. In fiscal year 2018 and each  
25 fiscal year thereafter, all funding received by a school



1 district from the State pursuant to Section 18-8.15 of this  
2 Code that is attributable to instructions, supports, and  
3 interventions for English learner pupils must be used for  
4 programs and services authorized under this Article. At least  
5 60% of transitional bilingual education funding received from  
6 the State must be used for the instructional costs of programs  
7 and services authorized under this Article ~~transitional~~  
8 ~~bilingual education.~~

9 Applications for preapproval ~~for reimbursement~~ for costs  
10 of transitional bilingual education programs must be submitted  
11 to the State Superintendent of Education at least 60 days  
12 before a transitional bilingual education program is started,  
13 unless a justifiable exception is granted by the State  
14 Superintendent of Education. Applications shall set forth a  
15 plan for transitional bilingual education established and  
16 maintained in accordance with this Article.

17 Through fiscal year 2017, reimbursement ~~Reimbursement~~  
18 claims for transitional bilingual education programs shall be  
19 made as follows:

20 Each school district shall claim reimbursement on a current  
21 basis for the first 3 quarters of the fiscal year and file a  
22 final adjusted claim for the school year ended June 30  
23 preceding computed in accordance with rules prescribed by the  
24 State Superintendent's Office. The State Superintendent of  
25 Education before approving any such claims shall determine  
26 their accuracy and whether they are based upon services and

1 facilities provided under approved programs. Upon approval he  
2 shall transmit to the Comptroller the vouchers showing the  
3 amounts due for school district reimbursement claims. Upon  
4 receipt of the final adjusted claims the State Superintendent  
5 of Education shall make a final determination of the accuracy  
6 of such claims. If the money appropriated by the General  
7 Assembly for such purpose for any year is insufficient, it  
8 shall be apportioned on the basis of the claims approved.

9 Failure on the part of the school district to prepare and  
10 certify the final adjusted claims due under this Section may  
11 constitute a forfeiture by the school district of its right to  
12 be reimbursed by the State under this Section.

13 (Source: P.A. 96-1170, eff. 1-1-11.)

14 (105 ILCS 5/17-1) (from Ch. 122, par. 17-1)

15 Sec. 17-1. Annual Budget. The board of education of each  
16 school district under 500,000 inhabitants shall, within or  
17 before the first quarter of each fiscal year, adopt and file  
18 with the State Board of Education an annual balanced budget  
19 which it deems necessary to defray all necessary expenses and  
20 liabilities of the district, and in such annual budget shall  
21 specify the objects and purposes of each item and amount needed  
22 for each object or purpose.

23 The budget shall be entered upon a School District Budget  
24 form prepared and provided by the State Board of Education and  
25 therein shall contain a statement of the cash on hand at the

1 beginning of the fiscal year, an estimate of the cash expected  
2 to be received during such fiscal year from all sources, an  
3 estimate of the expenditures contemplated for such fiscal year,  
4 and a statement of the estimated cash expected to be on hand at  
5 the end of such year. The estimate of taxes to be received may  
6 be based upon the amount of actual cash receipts that may  
7 reasonably be expected by the district during such fiscal year,  
8 estimated from the experience of the district in prior years  
9 and with due regard for other circumstances that may  
10 substantially affect such receipts. Nothing in this Section  
11 shall be construed as requiring any district to change or  
12 preventing any district from changing from a cash basis of  
13 financing to a surplus or deficit basis of financing; or as  
14 requiring any district to change or preventing any district  
15 from changing its system of accounting. The budget shall  
16 conform to the requirements adopted by the State Board of  
17 Education pursuant to Section 2-3.28 of this Code.

18 To the extent that a school district's budget is not  
19 balanced, the district shall also adopt and file with the State  
20 Board of Education a deficit reduction plan to balance the  
21 district's budget within 3 years. The deficit reduction plan  
22 must be filed at the same time as the budget, but the State  
23 Superintendent of Education may extend this deadline if the  
24 situation warrants.

25 If, as the result of an audit performed in compliance with  
26 Section 3-7 of this Code, the resulting Annual Financial Report

1 required to be submitted pursuant to Section 3-15.1 of this  
2 Code reflects a deficit as defined for purposes of the  
3 preceding paragraph, then the district shall, within 30 days  
4 after acceptance of such audit report, submit a deficit  
5 reduction plan.

6 The board of education of each district shall fix a fiscal  
7 year therefor. If the beginning of the fiscal year of a  
8 district is subsequent to the time that the tax levy due to be  
9 made in such fiscal year shall be made, then such annual budget  
10 shall be adopted prior to the time such tax levy shall be made.  
11 The failure by a board of education of any district to adopt an  
12 annual budget, or to comply in any respect with the provisions  
13 of this Section, shall not affect the validity of any tax levy  
14 of the district otherwise in conformity with the law. With  
15 respect to taxes levied either before, on, or after the  
16 effective date of this amendatory Act of the 91st General  
17 Assembly, (i) a tax levy is made for the fiscal year in which  
18 the levy is due to be made regardless of which fiscal year the  
19 proceeds of the levy are expended or are intended to be  
20 expended, and (ii) except as otherwise provided by law, a board  
21 of education's adoption of an annual budget in conformity with  
22 this Section is not a prerequisite to the adoption of a valid  
23 tax levy and is not a limit on the amount of the levy.

24 Such budget shall be prepared in tentative form by some  
25 person or persons designated by the board, and in such  
26 tentative form shall be made conveniently available to public

1 inspection for at least 30 days prior to final action thereon.  
2 At least 1 public hearing shall be held as to such budget prior  
3 to final action thereon. Notice of availability for public  
4 inspection and of such public hearing shall be given by  
5 publication in a newspaper published in such district, at least  
6 30 days prior to the time of such hearing. If there is no  
7 newspaper published in such district, notice of such public  
8 hearing shall be given by posting notices thereof in 5 of the  
9 most public places in such district. It shall be the duty of  
10 the secretary of such board to make such tentative budget  
11 available to public inspection, and to arrange for such public  
12 hearing. The board may from time to time make transfers between  
13 the various items in any fund not exceeding in the aggregate  
14 10% of the total of such fund as set forth in the budget. The  
15 board may from time to time amend such budget by the same  
16 procedure as is herein provided for its original adoption.

17 Beginning July 1, 1976, the board of education, or regional  
18 superintendent, or governing board responsible for the  
19 administration of a joint agreement shall, by September 1 of  
20 each fiscal year thereafter, adopt an annual budget for the  
21 joint agreement in the same manner and subject to the same  
22 requirements as are provided in this Section.

23 The State Board of Education shall exercise powers and  
24 duties relating to budgets as provided in Section 2-3.27 of  
25 this Code and shall require school districts to submit their  
26 annual budgets, deficit reduction plans, and other financial

1 information, including revenue and expenditure reports and  
2 borrowing and interfund transfer plans, in such form and within  
3 the timelines designated by the State Board of Education.

4 By fiscal year 1982 all school districts shall use the  
5 Program Budget Accounting System.

6 In the case of a school district receiving emergency State  
7 financial assistance under Article 1B, the school board shall  
8 also be subject to the requirements established under Article  
9 1B with respect to the annual budget.

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

11 (105 ILCS 5/17-1.2)

12 Sec. 17-1.2. Post annual budget on web site. If a school  
13 district has an Internet web site, the school district shall  
14 post its current annual budget, itemized by receipts and  
15 expenditures, on the district's Internet web site. The budget  
16 shall include information conforming to the rules adopted by  
17 the State Board of Education pursuant to Section 2-3.28 of this  
18 Code. The school district shall notify the parents or guardians  
19 of its students that the budget has been posted on the  
20 district's web site and what the web site's address is.

21 (Source: P.A. 92-438, eff. 1-1-02.)

22 (105 ILCS 5/17-1.5)

23 Sec. 17-1.5. Limitation of administrative costs.

24 (a) It is the purpose of this Section to establish

1 limitations on the growth of administrative expenditures in  
2 order to maximize the proportion of school district resources  
3 available for the instructional program, building maintenance,  
4 and safety services for the students of each district.

5 (b) Definitions. For the purposes of this Section:

6 "Administrative expenditures" mean the annual expenditures  
7 of school districts properly attributable to expenditure  
8 functions defined by the rules of the State Board of Education  
9 as: 2320 (Executive Administration Services); 2330 (Special  
10 Area Administration Services); 2490 (Other Support Services -  
11 School Administration); 2510 (Direction of Business Support  
12 Services); 2570 (Internal Services); and 2610 (Direction of  
13 Central Support Services); provided, however, that  
14 "administrative expenditures" shall not include early  
15 retirement or other pension system obligations required by  
16 State law.

17 "School district" means all school districts having a  
18 population of less than 500,000.

19 (c) For the 1998-99 school year and each school year  
20 thereafter, each school district shall undertake budgetary and  
21 expenditure control actions so that the increase in  
22 administrative expenditures for that school year over the prior  
23 school year does not exceed 5%. School districts with  
24 administrative expenditures per pupil in the 25th percentile  
25 and below for all districts of the same type, as defined by the  
26 State Board of Education, may waive the limitation imposed

1 under this Section for any year following a public hearing and  
2 with the affirmative vote of at least two-thirds of the members  
3 of the school board of the district. Any district waiving the  
4 limitation shall notify the State Board within 45 days of such  
5 action.

6 (d) School districts shall file with the State Board of  
7 Education by November 15, 1998 and by each November 15th  
8 thereafter a one-page report that lists (i) the actual  
9 administrative expenditures for the prior year from the  
10 district's audited Annual Financial Report, and (ii) the  
11 projected administrative expenditures for the current year  
12 from the budget adopted by the school board pursuant to Section  
13 17-1 of this Code.

14 If a school district that is ineligible to waive the  
15 limitation imposed by subsection (c) of this Section by board  
16 action exceeds the limitation solely because of circumstances  
17 beyond the control of the district and the district has  
18 exhausted all available and reasonable remedies to comply with  
19 the limitation, the district may request a waiver pursuant to  
20 Section 2-3.25g. The waiver application shall specify the  
21 amount, nature, and reason for the relief requested, as well as  
22 all remedies the district has exhausted to comply with the  
23 limitation. Any emergency relief so requested shall apply only  
24 to the specific school year for which the request is made. The  
25 State Board of Education shall analyze all such waivers  
26 submitted and shall recommend that the General Assembly



1 disapprove any such waiver requested that is not due solely to  
2 circumstances beyond the control of the district and for which  
3 the district has not exhausted all available and reasonable  
4 remedies to comply with the limitation. The State  
5 Superintendent shall have no authority to impose any sanctions  
6 pursuant to this Section for any expenditures for which a  
7 waiver has been requested until such waiver has been reviewed  
8 by the General Assembly.

9 If the report and information required under this  
10 subsection (d) are not provided by the school district in a  
11 timely manner, or are subsequently determined by the State  
12 Superintendent of Education to be incomplete or inaccurate, the  
13 State Superintendent shall notify the district in writing of  
14 reporting deficiencies. The school district shall, within 60  
15 days of the notice, address the reporting deficiencies  
16 identified.

17 (e) If the State Superintendent determines that a school  
18 district has failed to comply with the administrative  
19 expenditure limitation imposed in subsection (c) of this  
20 Section, the State Superintendent shall notify the district of  
21 the violation and direct the district to undertake corrective  
22 action to bring the district's budget into compliance with the  
23 administrative expenditure limitation. The district shall,  
24 within 60 days of the notice, provide adequate assurance to the  
25 State Superintendent that appropriate corrective actions have  
26 been or will be taken. If the district fails to provide

1 adequate assurance or fails to undertake the necessary  
2 corrective actions, the State Superintendent may impose  
3 progressive sanctions against the district that may culminate  
4 in withholding all subsequent payments of general State aid due  
5 the district under Section 18-8.05 of this Code or  
6 evidence-based funding due the district under Section 18-8.15  
7 of this Code until the assurance is provided or the corrective  
8 actions taken.

9 (f) The State Superintendent shall publish a list each year  
10 of the school districts that violate the limitation imposed by  
11 subsection (c) of this Section and a list of the districts that  
12 waive the limitation by board action as provided in subsection  
13 (c) of this Section.

14 (Source: P.A. 90-548, eff. 1-1-98; 90-653, eff. 7-29-98.)

15 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

16 Sec. 17-2.11. School board power to levy a tax or to borrow  
17 money and issue bonds for fire prevention, safety, energy  
18 conservation, accessibility, school security, and specified  
19 repair purposes.

20 (a) Whenever, as a result of any lawful order of any  
21 agency, other than a school board, having authority to enforce  
22 any school building code applicable to any facility that houses  
23 students, or any law or regulation for the protection and  
24 safety of the environment, pursuant to the Environmental  
25 Protection Act, any school district having a population of less

1 than 500,000 inhabitants is required to alter or reconstruct  
2 any school building or permanent, fixed equipment; the district  
3 may, by proper resolution, levy a tax for the purpose of making  
4 such alteration or reconstruction, based on a survey report by  
5 an architect or engineer licensed in this State, upon all of  
6 the taxable property of the district at the value as assessed  
7 by the Department of Revenue and at a rate not to exceed 0.05%  
8 per year for a period sufficient to finance such alteration or  
9 reconstruction, upon the following conditions:

10 (1) When there are not sufficient funds available in  
11 the operations and maintenance fund of the school district,  
12 the school facility occupation tax fund of the district, or  
13 the fire prevention and safety fund of the district, as  
14 determined by the district on the basis of rules adopted by  
15 the State Board of Education, to make such alteration or  
16 reconstruction or to purchase and install such permanent,  
17 fixed equipment so ordered or determined as necessary.  
18 Appropriate school district records must be made available  
19 to the State Superintendent of Education, upon request, to  
20 confirm this insufficiency.

21 (2) When a certified estimate of an architect or  
22 engineer licensed in this State stating the estimated  
23 amount necessary to make the alteration or reconstruction  
24 or to purchase and install the equipment so ordered has  
25 been secured by the school district, and the estimate has  
26 been approved by the regional superintendent of schools

1           having jurisdiction over the district and the State  
2           Superintendent of Education. Approval must not be granted  
3           for any work that has already started without the prior  
4           express authorization of the State Superintendent of  
5           Education. If the estimate is not approved or is denied  
6           approval by the regional superintendent of schools within 3  
7           months after the date on which it is submitted to him or  
8           her, the school board of the district may submit the  
9           estimate directly to the State Superintendent of Education  
10          for approval or denial.

11          In the case of an emergency situation, where the estimated  
12          cost to effectuate emergency repairs is less than the amount  
13          specified in Section 10-20.21 of this Code, the school district  
14          may proceed with such repairs prior to approval by the State  
15          Superintendent of Education, but shall comply with the  
16          provisions of subdivision (2) of this subsection (a) as soon  
17          thereafter as may be as well as Section 10-20.21 of this Code.  
18          If the estimated cost to effectuate emergency repairs is  
19          greater than the amount specified in Section 10-20.21 of this  
20          Code, then the school district shall proceed in conformity with  
21          Section 10-20.21 of this Code and with rules established by the  
22          State Board of Education to address such situations. The rules  
23          adopted by the State Board of Education to deal with these  
24          situations shall stipulate that emergency situations must be  
25          expedited and given priority consideration. For purposes of  
26          this paragraph, an emergency is a situation that presents an

1 imminent and continuing threat to the health and safety of  
2 students or other occupants of a facility, requires complete or  
3 partial evacuation of a building or part of a building, or  
4 consumes one or more of the 5 emergency days built into the  
5 adopted calendar of the school or schools or would otherwise be  
6 expected to cause such school or schools to fall short of the  
7 minimum school calendar requirements.

8 (b) Whenever any such district determines that it is  
9 necessary for energy conservation purposes that any school  
10 building or permanent, fixed equipment should be altered or  
11 reconstructed and that such alterations or reconstruction will  
12 be made with funds not necessary for the completion of approved  
13 and recommended projects contained in any safety survey report  
14 or amendments thereto authorized by Section 2-3.12 of this Act;  
15 the district may levy a tax or issue bonds as provided in  
16 subsection (a) of this Section.

17 (c) Whenever any such district determines that it is  
18 necessary for accessibility purposes and to comply with the  
19 school building code that any school building or equipment  
20 should be altered or reconstructed and that such alterations or  
21 reconstruction will be made with funds not necessary for the  
22 completion of approved and recommended projects contained in  
23 any safety survey report or amendments thereto authorized under  
24 Section 2-3.12 of this Act, the district may levy a tax or  
25 issue bonds as provided in subsection (a) of this Section.

26 (d) Whenever any such district determines that it is

1 necessary for school security purposes and the related  
2 protection and safety of pupils and school personnel that any  
3 school building or property should be altered or reconstructed  
4 or that security systems and equipment (including but not  
5 limited to intercom, early detection and warning, access  
6 control and television monitoring systems) should be purchased  
7 and installed, and that such alterations, reconstruction or  
8 purchase and installation of equipment will be made with funds  
9 not necessary for the completion of approved and recommended  
10 projects contained in any safety survey report or amendment  
11 thereto authorized by Section 2-3.12 of this Act and will deter  
12 and prevent unauthorized entry or activities upon school  
13 property by unknown or dangerous persons, assure early  
14 detection and advance warning of any such actual or attempted  
15 unauthorized entry or activities and help assure the continued  
16 safety of pupils and school staff if any such unauthorized  
17 entry or activity is attempted or occurs; the district may levy  
18 a tax or issue bonds as provided in subsection (a) of this  
19 Section.

20 (e) If a school district does not need funds for other fire  
21 prevention and safety projects, including the completion of  
22 approved and recommended projects contained in any safety  
23 survey report or amendments thereto authorized by Section  
24 2-3.12 of this Act, and it is determined after a public hearing  
25 (which is preceded by at least one published notice (i)  
26 occurring at least 7 days prior to the hearing in a newspaper

1 of general circulation within the school district and (ii)  
2 setting forth the time, date, place, and general subject matter  
3 of the hearing) that there is a substantial, immediate, and  
4 otherwise unavoidable threat to the health, safety, or welfare  
5 of pupils due to disrepair of school sidewalks, playgrounds,  
6 parking lots, or school bus turnarounds and repairs must be  
7 made; then the district may levy a tax or issue bonds as  
8 provided in subsection (a) of this Section.

9 (f) For purposes of this Section a school district may  
10 replace a school building or build additions to replace  
11 portions of a building when it is determined that the  
12 effectuation of the recommendations for the existing building  
13 will cost more than the replacement costs. Such determination  
14 shall be based on a comparison of estimated costs made by an  
15 architect or engineer licensed in the State of Illinois. The  
16 new building or addition shall be equivalent in area (square  
17 feet) and comparable in purpose and grades served and may be on  
18 the same site or another site. Such replacement may only be  
19 done upon order of the regional superintendent of schools and  
20 the approval of the State Superintendent of Education.

21 (g) The filing of a certified copy of the resolution  
22 levying the tax when accompanied by the certificates of the  
23 regional superintendent of schools and State Superintendent of  
24 Education shall be the authority of the county clerk to extend  
25 such tax.

26 (h) The county clerk of the county in which any school

1 district levying a tax under the authority of this Section is  
2 located, in reducing raised levies, shall not consider any such  
3 tax as a part of the general levy for school purposes and shall  
4 not include the same in the limitation of any other tax rate  
5 which may be extended.

6 Such tax shall be levied and collected in like manner as  
7 all other taxes of school districts, subject to the provisions  
8 contained in this Section.

9 (i) The tax rate limit specified in this Section may be  
10 increased to .10% upon the approval of a proposition to effect  
11 such increase by a majority of the electors voting on that  
12 proposition at a regular scheduled election. Such proposition  
13 may be initiated by resolution of the school board and shall be  
14 certified by the secretary to the proper election authorities  
15 for submission in accordance with the general election law.

16 (j) When taxes are levied by any school district for fire  
17 prevention, safety, energy conservation, and school security  
18 purposes as specified in this Section, and the purposes for  
19 which the taxes have been levied are accomplished and paid in  
20 full, and there remain funds on hand in the Fire Prevention and  
21 Safety Fund from the proceeds of the taxes levied, including  
22 interest earnings thereon, the school board by resolution shall  
23 use such excess and other board restricted funds, excluding  
24 bond proceeds and earnings from such proceeds, as follows:

25 (1) for other authorized fire prevention, safety,  
26 energy conservation, required safety inspections, school



1 security purposes, sampling for lead in drinking water in  
2 schools, and for repair and mitigation due to lead levels  
3 in the drinking water supply; or

4 (2) for transfer to the Operations and Maintenance Fund  
5 for the purpose of abating an equal amount of operations  
6 and maintenance purposes taxes.

7 Notwithstanding subdivision (2) of this subsection (j) and  
8 subsection (k) of this Section, through June 30, 2020 ~~2019~~, the  
9 school board may, by proper resolution following a public  
10 hearing set by the school board or the president of the school  
11 board (that is preceded (i) by at least one published notice  
12 over the name of the clerk or secretary of the board, occurring  
13 at least 7 days and not more than 30 days prior to the hearing,  
14 in a newspaper of general circulation within the school  
15 district and (ii) by posted notice over the name of the clerk  
16 or secretary of the board, at least 48 hours before the  
17 hearing, at the principal office of the school board or at the  
18 building where the hearing is to be held if a principal office  
19 does not exist, with both notices setting forth the time, date,  
20 place, and subject matter of the hearing), transfer surplus  
21 life safety taxes and interest earnings thereon to the  
22 Operations and Maintenance Fund for building repair work.

23 (k) If any transfer is made to the Operation and  
24 Maintenance Fund, the secretary of the school board shall  
25 within 30 days notify the county clerk of the amount of that  
26 transfer and direct the clerk to abate the taxes to be extended

1 for the purposes of operations and maintenance authorized under  
2 Section 17-2 of this Act by an amount equal to such transfer.

3 (l) If the proceeds from the tax levy authorized by this  
4 Section are insufficient to complete the work approved under  
5 this Section, the school board is authorized to sell bonds  
6 without referendum under the provisions of this Section in an  
7 amount that, when added to the proceeds of the tax levy  
8 authorized by this Section, will allow completion of the  
9 approved work.

10 (m) Any bonds issued pursuant to this Section shall bear  
11 interest at a rate not to exceed the maximum rate authorized by  
12 law at the time of the making of the contract, shall mature  
13 within 20 years from date, and shall be signed by the president  
14 of the school board and the treasurer of the school district.

15 (n) In order to authorize and issue such bonds, the school  
16 board shall adopt a resolution fixing the amount of bonds, the  
17 date thereof, the maturities thereof, rates of interest  
18 thereof, place of payment and denomination, which shall be in  
19 denominations of not less than \$100 and not more than \$5,000,  
20 and provide for the levy and collection of a direct annual tax  
21 upon all the taxable property in the school district sufficient  
22 to pay the principal and interest on such bonds to maturity.  
23 Upon the filing in the office of the county clerk of the county  
24 in which the school district is located of a certified copy of  
25 the resolution, it is the duty of the county clerk to extend  
26 the tax therefor in addition to and in excess of all other

1 taxes heretofore or hereafter authorized to be levied by such  
2 school district.

3 (o) After the time such bonds are issued as provided for by  
4 this Section, if additional alterations or reconstructions are  
5 required to be made because of surveys conducted by an  
6 architect or engineer licensed in the State of Illinois, the  
7 district may levy a tax at a rate not to exceed .05% per year  
8 upon all the taxable property of the district or issue  
9 additional bonds, whichever action shall be the most feasible.

10 (p) This Section is cumulative and constitutes complete  
11 authority for the issuance of bonds as provided in this Section  
12 notwithstanding any other statute or law to the contrary.

13 (q) With respect to instruments for the payment of money  
14 issued under this Section either before, on, or after the  
15 effective date of Public Act 86-004 (June 6, 1989), it is, and  
16 always has been, the intention of the General Assembly (i) that  
17 the Omnibus Bond Acts are, and always have been, supplementary  
18 grants of power to issue instruments in accordance with the  
19 Omnibus Bond Acts, regardless of any provision of this Act that  
20 may appear to be or to have been more restrictive than those  
21 Acts, (ii) that the provisions of this Section are not a  
22 limitation on the supplementary authority granted by the  
23 Omnibus Bond Acts, and (iii) that instruments issued under this  
24 Section within the supplementary authority granted by the  
25 Omnibus Bond Acts are not invalid because of any provision of  
26 this Act that may appear to be or to have been more restrictive

1 than those Acts.

2 (r) When the purposes for which the bonds are issued have  
3 been accomplished and paid for in full and there remain funds  
4 on hand from the proceeds of the bond sale and interest  
5 earnings therefrom, the board shall, by resolution, use such  
6 excess funds in accordance with the provisions of Section  
7 10-22.14 of this Act.

8 (s) Whenever any tax is levied or bonds issued for fire  
9 prevention, safety, energy conservation, and school security  
10 purposes, such proceeds shall be deposited and accounted for  
11 separately within the Fire Prevention and Safety Fund.

12 (Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14;  
13 99-143, eff. 7-27-15; 99-713, eff. 8-5-16; 99-922, eff.  
14 1-17-17.)

15 (105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)  
16 Sec. 17-2A. Interfund transfers.

17 (a) The school board of any district having a population of  
18 less than 500,000 inhabitants may, by proper resolution  
19 following a public hearing set by the school board or the  
20 president of the school board (that is preceded (i) by at least  
21 one published notice over the name of the clerk or secretary of  
22 the board, occurring at least 7 days and not more than 30 days  
23 prior to the hearing, in a newspaper of general circulation  
24 within the school district and (ii) by posted notice over the  
25 name of the clerk or secretary of the board, at least 48 hours

1 before the hearing, at the principal office of the school board  
2 or at the building where the hearing is to be held if a  
3 principal office does not exist, with both notices setting  
4 forth the time, date, place, and subject matter of the  
5 hearing), transfer money from (1) the Educational Fund to the  
6 Operations and Maintenance Fund or the Transportation Fund, (2)  
7 the Operations and Maintenance Fund to the Educational Fund or  
8 the Transportation Fund, (3) the Transportation Fund to the  
9 Educational Fund or the Operations and Maintenance Fund, or (4)  
10 the Tort Immunity Fund to the Operations and Maintenance Fund  
11 of said district, provided that, except during the period from  
12 July 1, 2003 through June 30, 2020 ~~2019~~, such transfer is made  
13 solely for the purpose of meeting one-time, non-recurring  
14 expenses. Except during the period from July 1, 2003 through  
15 June 30, 2020 ~~2019~~ and except as otherwise provided in  
16 subsection (b) of this Section, any other permanent interfund  
17 transfers authorized by any provision or judicial  
18 interpretation of this Code for which the transferee fund is  
19 not precisely and specifically set forth in the provision of  
20 this Code authorizing such transfer shall be made to the fund  
21 of the school district most in need of the funds being  
22 transferred, as determined by resolution of the school board.

23 (b) (Blank).

24 (c) Notwithstanding subsection (a) of this Section or any  
25 other provision of this Code to the contrary, the school board  
26 of any school district (i) that is subject to the Property Tax

1 Extension Limitation Law, (ii) that is an elementary district  
2 servicing students in grades K through 8, (iii) whose territory  
3 is in one county, (iv) that is eligible for Section 7002  
4 Federal Impact Aid, and (v) that has no more than \$81,000 in  
5 funds remaining from refinancing bonds that were refinanced a  
6 minimum of 5 years prior to January 20, 2017 (the effective  
7 date of Public Act 99-926) ~~this amendatory Act of the 99th~~  
8 ~~General Assembly~~ may make a one-time transfer of the funds  
9 remaining from the refinancing bonds to the Operations and  
10 Maintenance Fund of the district by proper resolution following  
11 a public hearing set by the school board or the president of  
12 the school board, with notice as provided in subsection (a) of  
13 this Section, so long as the district meets the qualifications  
14 set forth in this subsection (c) on January 20, 2017 (the  
15 effective date of Public Act 99-926) ~~this amendatory Act of the~~  
16 ~~99th General Assembly~~.

17 (Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14; 99-713,  
18 eff. 8-5-16; 99-922, eff. 1-17-17; 99-926, eff. 1-20-17;  
19 revised 1-23-17.)

20 (105 ILCS 5/17-3.6 new)

21 Sec. 17-3.6. Educational purposes tax rate for school  
22 districts subject to Property Tax Extension Limitation Law.  
23 Notwithstanding the provisions, requirements, or limitations  
24 of this Code or any other law, any tax levied for educational  
25 purposes by a school district subject to the Property Tax

1 Extension Limitation Law for the 2016 levy year or any  
2 subsequent levy year may be extended at a rate exceeding the  
3 rate established for educational purposes by referendum or this  
4 Code, provided that the rate does not cause the school district  
5 to exceed the limiting rate applicable to the school district  
6 under the Property Tax Extension Limitation Law for that levy  
7 year.

8 (105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

9 Sec. 18-4.3. Summer school grants. Through fiscal year  
10 2017, grants ~~Grants~~ shall be determined for pupil attendance in  
11 summer schools conducted under Sections 10-22.33A and 34-18 and  
12 approved under Section 2-3.25 in the following manner.

13 The amount of grant for each accredited summer school  
14 attendance pupil shall be obtained by dividing the total amount  
15 of apportionments determined under Section 18-8.05 by the  
16 actual number of pupils in average daily attendance used for  
17 such apportionments. The number of credited summer school  
18 attendance pupils shall be determined (a) by counting clock  
19 hours of class instruction by pupils enrolled in grades 1  
20 through 12 in approved courses conducted at least 60 clock  
21 hours in summer sessions; (b) by dividing such total of clock  
22 hours of class instruction by 4 to produce days of credited  
23 pupil attendance; (c) by dividing such days of credited pupil  
24 attendance by the actual number of days in the regular term as  
25 used in computation in the general apportionment in Section

1 18-8.05; and (d) by multiplying by 1.25.

2 The amount of the grant for a summer school program  
3 approved by the State Superintendent of Education for children  
4 with disabilities, as defined in Sections 14-1.02 through  
5 14-1.07, shall be determined in the manner contained above  
6 except that average daily membership shall be utilized in lieu  
7 of average daily attendance.

8 In the case of an apportionment based on summer school  
9 attendance or membership pupils, the claim therefor shall be  
10 presented as a separate claim for the particular school year in  
11 which such summer school session ends. On or before November 1  
12 of each year the superintendent of each eligible school  
13 district shall certify to the State Superintendent of Education  
14 the claim of the district for the summer session just ended.  
15 Failure on the part of the school board to so certify shall  
16 constitute a forfeiture of its right to such payment. The State  
17 Superintendent of Education shall transmit to the Comptroller  
18 no later than December 15th of each year vouchers for payment  
19 of amounts due school districts for summer school. The State  
20 Superintendent of Education shall direct the Comptroller to  
21 draw his warrants for payments thereof by the 30th day of  
22 December. If the money appropriated by the General Assembly for  
23 such purpose for any year is insufficient, it shall be  
24 apportioned on the basis of claims approved.

25 However, notwithstanding the foregoing provisions, for  
26 each fiscal year the money appropriated by the General Assembly



1 for the purposes of this Section shall only be used for grants  
2 for approved summer school programs for those children with  
3 disabilities served pursuant to Section 14-7.02 or 14-7.02b of  
4 this Code.

5 No 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 summer school for special  
10 education pupils must be used for special education services  
11 authorized under this Code.

12 (Source: P.A. 93-1022, eff. 8-24-04.)

13 (105 ILCS 5/18-8.05)

14 Sec. 18-8.05. Basis for apportionment of general State  
15 financial aid and supplemental general State aid to the common  
16 schools for the 1998-1999 through the 2016-2017 ~~and subsequent~~  
17 school years.

18 (A) General Provisions.

19 (1) The provisions of this Section relating to the  
20 calculation and apportionment of general State financial aid  
21 and supplemental general State aid apply to the 1998-1999  
22 through the 2016-2017 ~~and subsequent~~ school years. The system  
23 of general State financial aid provided for in this Section is  
24 designed to assure that, through a combination of State

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

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

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

25 (a) Any school district which fails for any given  
26 school year to maintain school as required by law, or to

1 maintain a recognized school is not eligible to file for  
2 such school year any claim upon the Common School Fund. In  
3 case of nonrecognition of one or more attendance centers in  
4 a school district otherwise operating recognized schools,  
5 the claim of the district shall be reduced in the  
6 proportion which the Average Daily Attendance in the  
7 attendance center or centers bear to the Average Daily  
8 Attendance in the school district. A "recognized school"  
9 means any public school which meets the standards as  
10 established for recognition by the State Board of  
11 Education. A school district or attendance center not  
12 having recognition status at the end of a school term is  
13 entitled to receive State aid payments due upon a legal  
14 claim which was filed while it was recognized.

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

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

23 (d) (Blank).

24 (4) Except as provided in subsections (H) and (L), the  
25 board of any district receiving any of the grants provided for  
26 in this Section may apply those funds to any fund so received

1 for which that board is authorized to make expenditures by law.

2 School districts are not required to exert a minimum  
3 Operating Tax Rate in order to qualify for assistance under  
4 this Section.

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

7 (a) "Average Daily Attendance": A count of pupil  
8 attendance in school, averaged as provided for in  
9 subsection (C) and utilized in deriving per pupil financial  
10 support levels.

11 (b) "Available Local Resources": A computation of  
12 local financial support, calculated on the basis of Average  
13 Daily Attendance and derived as provided pursuant to  
14 subsection (D).

15 (c) "Corporate Personal Property Replacement Taxes":  
16 Funds paid to local school districts pursuant to "An Act in  
17 relation to the abolition of ad valorem personal property  
18 tax and the replacement of revenues lost thereby, and  
19 amending and repealing certain Acts and parts of Acts in  
20 connection therewith", certified August 14, 1979, as  
21 amended (Public Act 81-1st S.S.-1).

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

24 (e) "Operating Tax Rate": All school district property  
25 taxes extended for all purposes, except Bond and Interest,  
26 Summer School, Rent, Capital Improvement, and Vocational

1 Education Building purposes.

2 (B) Foundation Level.

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

13 (2) For the 1998-1999 school year, the Foundation Level of  
14 support is \$4,225. For the 1999-2000 school year, the  
15 Foundation Level of support is \$4,325. For the 2000-2001 school  
16 year, the Foundation Level of support is \$4,425. For the  
17 2001-2002 school year and 2002-2003 school year, the Foundation  
18 Level of support is \$4,560. For the 2003-2004 school year, the  
19 Foundation Level of support is \$4,810. For the 2004-2005 school  
20 year, the Foundation Level of support is \$4,964. For the  
21 2005-2006 school year, the Foundation Level of support is  
22 \$5,164. For the 2006-2007 school year, the Foundation Level of  
23 support is \$5,334. For the 2007-2008 school year, the  
24 Foundation Level of support is \$5,734. For the 2008-2009 school  
25 year, the Foundation Level of support is \$5,959.

1           (3) For the 2009-2010 school year and each school year  
2 thereafter, the Foundation Level of support is \$6,119 or such  
3 greater amount as may be established by law by the General  
4 Assembly.

5           (C) Average Daily Attendance.

6           (1) For purposes of calculating general State aid pursuant  
7 to subsection (E), an Average Daily Attendance figure shall be  
8 utilized. The Average Daily Attendance figure for formula  
9 calculation purposes shall be the monthly average of the actual  
10 number of pupils in attendance of each school district, as  
11 further averaged for the best 3 months of pupil attendance for  
12 each school district. In compiling the figures for the number  
13 of pupils in attendance, school districts and the State Board  
14 of Education shall, for purposes of general State aid funding,  
15 conform attendance figures to the requirements of subsection  
16 (F).

17           (2) The Average Daily Attendance figures utilized in  
18 subsection (E) shall be the requisite attendance data for the  
19 school year immediately preceding the school year for which  
20 general State aid is being calculated or the average of the  
21 attendance data for the 3 preceding school years, whichever is  
22 greater. The Average Daily Attendance figures utilized in  
23 subsection (H) shall be the requisite attendance data for the  
24 school year immediately preceding the school year for which  
25 general State aid is being calculated.

1 (D) Available Local Resources.

2 (1) For purposes of calculating general State aid pursuant  
3 to subsection (E), a representation of Available Local  
4 Resources per pupil, as that term is defined and determined in  
5 this subsection, shall be utilized. Available Local Resources  
6 per pupil shall include a calculated dollar amount representing  
7 local school district revenues from local property taxes and  
8 from Corporate Personal Property Replacement Taxes, expressed  
9 on the basis of pupils in Average Daily Attendance. Calculation  
10 of Available Local Resources shall exclude any tax amnesty  
11 funds received as a result of Public Act 93-26.

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

18 (3) For school districts maintaining grades kindergarten  
19 through 12, local property tax revenues per pupil shall be  
20 calculated as the product of the applicable equalized assessed  
21 valuation for the district multiplied by 3.00%, and divided by  
22 the district's Average Daily Attendance figure. For school  
23 districts maintaining grades kindergarten through 8, local  
24 property tax revenues per pupil shall be calculated as the  
25 product of the applicable equalized assessed valuation for the

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

7 For partial elementary unit districts created pursuant to  
8 Article 11E of this Code, local property tax revenues per pupil  
9 shall be calculated as the product of the equalized assessed  
10 valuation for property within the partial elementary unit  
11 district for elementary purposes, as defined in Article 11E of  
12 this Code, multiplied by 2.06% and divided by the district's  
13 Average Daily Attendance figure, plus the product of the  
14 equalized assessed valuation for property within the partial  
15 elementary unit district for high school purposes, as defined  
16 in Article 11E of this Code, multiplied by 0.94% and divided by  
17 the district's Average Daily Attendance figure.

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



1 general State aid.

2 (E) Computation of General State Aid.

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

6 (2) For any school district for which Available Local  
7 Resources per pupil is less than the product of 0.93 times the  
8 Foundation Level, general State aid for that district shall be  
9 calculated as an amount equal to the Foundation Level minus  
10 Available Local Resources, multiplied by the Average Daily  
11 Attendance of the school district.

12 (3) For any school district for which Available Local  
13 Resources per pupil is equal to or greater than the product of  
14 0.93 times the Foundation Level and less than the product of  
15 1.75 times the Foundation Level, the general State aid per  
16 pupil shall be a decimal proportion of the Foundation Level  
17 derived using a linear algorithm. Under this linear algorithm,  
18 the calculated general State aid per pupil shall decline in  
19 direct linear fashion from 0.07 times the Foundation Level for  
20 a school district with Available Local Resources equal to the  
21 product of 0.93 times the Foundation Level, to 0.05 times the  
22 Foundation Level for a school district with Available Local  
23 Resources equal to the product of 1.75 times the Foundation  
24 Level. The allocation of general State aid for school districts  
25 subject to this paragraph 3 shall be the calculated general

1 State aid per pupil figure multiplied by the Average Daily  
2 Attendance of the school district.

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

8 (5) The amount of general State aid allocated to a school  
9 district for the 1999-2000 school year meeting the requirements  
10 set forth in paragraph (4) of subsection (G) shall be increased  
11 by an amount equal to the general State aid that would have  
12 been received by the district for the 1998-1999 school year by  
13 utilizing the Extension Limitation Equalized Assessed  
14 Valuation as calculated in paragraph (4) of subsection (G) less  
15 the general State aid allotted for the 1998-1999 school year.  
16 This amount shall be deemed a one time increase, and shall not  
17 affect any future general State aid allocations.

18 (F) Compilation of Average Daily Attendance.

19 (1) Each school district shall, by July 1 of each year,  
20 submit to the State Board of Education, on forms prescribed by  
21 the State Board of Education, attendance figures for the school  
22 year that began in the preceding calendar year. The attendance  
23 information so transmitted shall identify the average daily  
24 attendance figures for each month of the school year. Beginning  
25 with the general State aid claim form for the 2002-2003 school

1 year, districts shall calculate Average Daily Attendance as  
2 provided in subdivisions (a), (b), and (c) of this paragraph  
3 (1).

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

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

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

24 Except as otherwise provided in this Section, days of  
25 attendance by pupils shall be counted only for sessions of not  
26 less than 5 clock hours of school work per day under direct

1 supervision of: (i) teachers, or (ii) non-teaching personnel or  
2 volunteer personnel when engaging in non-teaching duties and  
3 supervising in those instances specified in subsection (a) of  
4 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils  
5 of legal school age and in kindergarten and grades 1 through  
6 12. Days of attendance by pupils through verified participation  
7 in an e-learning program approved by the State Board of  
8 Education under Section 10-20.56 of the Code shall be  
9 considered as full days of attendance for purposes of this  
10 Section.

11 Days of attendance by tuition pupils shall be accredited  
12 only to the districts that pay the tuition to a recognized  
13 school.

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

17 (a) Pupils regularly enrolled in a public school for  
18 only a part of the school day may be counted on the basis  
19 of  $1/6$  day for every class hour of instruction of 40  
20 minutes or more attended pursuant to such enrollment,  
21 unless a pupil is enrolled in a block-schedule format of 80  
22 minutes or more of instruction, in which case the pupil may  
23 be counted on the basis of the proportion of minutes of  
24 school work completed each day to the minimum number of  
25 minutes that school work is required to be held that day.

26 (b) (Blank).

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

6           (d) A session of 3 or more clock hours may be counted  
7           as a day of attendance (1) when the remainder of the school  
8           day or at least 2 hours in the evening of that day is  
9           utilized for an in-service training program for teachers,  
10          up to a maximum of 5 days per school year, provided a  
11          district conducts an in-service training program for  
12          teachers in accordance with Section 10-22.39 of this Code;  
13          or, in lieu of 4 such days, 2 full days may be used, in  
14          which event each such day may be counted as a day required  
15          for a legal school calendar pursuant to Section 10-19 of  
16          this Code; (1.5) when, of the 5 days allowed under item  
17          (1), a maximum of 4 days are used for parent-teacher  
18          conferences, or, in lieu of 4 such days, 2 full days are  
19          used, in which case each such day may be counted as a  
20          calendar day required under Section 10-19 of this Code,  
21          provided that the full-day, parent-teacher conference  
22          consists of (i) a minimum of 5 clock hours of  
23          parent-teacher conferences, (ii) both a minimum of 2 clock  
24          hours of parent-teacher conferences held in the evening  
25          following a full day of student attendance, as specified in  
26          subsection (F)(1)(c), and a minimum of 3 clock hours of

1 parent-teacher conferences held on the day immediately  
2 following evening parent-teacher conferences, or (iii)  
3 multiple parent-teacher conferences held in the evenings  
4 following full days of student attendance, as specified in  
5 subsection (F)(1)(c), in which the time used for the  
6 parent-teacher conferences is equivalent to a minimum of 5  
7 clock hours; and (2) when days in addition to those  
8 provided in items (1) and (1.5) are scheduled by a school  
9 pursuant to its school improvement plan adopted under  
10 Article 34 or its revised or amended school improvement  
11 plan adopted under Article 2, provided that (i) such  
12 sessions of 3 or more clock hours are scheduled to occur at  
13 regular intervals, (ii) the remainder of the school days in  
14 which such sessions occur are utilized for in-service  
15 training programs or other staff development activities  
16 for teachers, and (iii) a sufficient number of minutes of  
17 school work under the direct supervision of teachers are  
18 added to the school days between such regularly scheduled  
19 sessions to accumulate not less than the number of minutes  
20 by which such sessions of 3 or more clock hours fall short  
21 of 5 clock hours. Any full days used for the purposes of  
22 this paragraph shall not be considered for computing  
23 average daily attendance. Days scheduled for in-service  
24 training programs, staff development activities, or  
25 parent-teacher conferences may be scheduled separately for  
26 different grade levels and different attendance centers of

1 the district.

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

8 (f) A session of at least 4 clock hours may be counted  
9 as a day of attendance for first grade pupils, and pupils  
10 in full day kindergartens, and a session of 2 or more hours  
11 may be counted as 1/2 day of attendance by pupils in  
12 kindergartens which provide only 1/2 day of attendance.

13 (g) For children with disabilities who are below the  
14 age of 6 years and who cannot attend 2 or more clock hours  
15 because of their disability or immaturity, a session of not  
16 less than one clock hour may be counted as 1/2 day of  
17 attendance; however for such children whose educational  
18 needs so require a session of 4 or more clock hours may be  
19 counted as a full day of attendance.

20 (h) A recognized kindergarten which provides for only  
21 1/2 day of attendance by each pupil shall not have more  
22 than 1/2 day of attendance counted in any one day. However,  
23 kindergartens may count 2 1/2 days of attendance in any 5  
24 consecutive school days. When a pupil attends such a  
25 kindergarten for 2 half days on any one school day, the  
26 pupil shall have the following day as a day absent from

1 school, unless the school district obtains permission in  
2 writing from the State Superintendent of Education.  
3 Attendance at kindergartens which provide for a full day of  
4 attendance by each pupil shall be counted the same as  
5 attendance by first grade pupils. Only the first year of  
6 attendance in one kindergarten shall be counted, except in  
7 case of children who entered the kindergarten in their  
8 fifth year whose educational development requires a second  
9 year of kindergarten as determined under the rules and  
10 regulations of the State Board of Education.

11 (i) On the days when the assessment that includes a  
12 college and career ready determination is administered  
13 under subsection (c) of Section 2-3.64a-5 of this Code, the  
14 day of attendance for a pupil whose school day must be  
15 shortened to accommodate required testing procedures may  
16 be less than 5 clock hours and shall be counted towards the  
17 176 days of actual pupil attendance required under Section  
18 10-19 of this Code, provided that a sufficient number of  
19 minutes of school work in excess of 5 clock hours are first  
20 completed on other school days to compensate for the loss  
21 of school work on the examination days.

22 (j) Pupils enrolled in a remote educational program  
23 established under Section 10-29 of this Code may be counted  
24 on the basis of one-fifth day of attendance for every clock  
25 hour of instruction attended in the remote educational  
26 program, provided that, in any month, the school district



1           may not claim for a student enrolled in a remote  
2           educational program more days of attendance than the  
3           maximum number of days of attendance the district can claim  
4           (i) for students enrolled in a building holding year-round  
5           classes if the student is classified as participating in  
6           the remote educational program on a year-round schedule or  
7           (ii) for students enrolled in a building not holding  
8           year-round classes if the student is not classified as  
9           participating in the remote educational program on a  
10          year-round schedule.

11         (G) Equalized Assessed Valuation Data.

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

22           The Department of Revenue shall add to the equalized  
23         assessed value of all taxable property of each school district  
24         situated entirely or partially within a county that is or was  
25         subject to the provisions of Section 15-176 or 15-177 of the

1 Property Tax Code (a) an amount equal to the total amount by  
2 which the homestead exemption allowed under Section 15-176 or  
3 15-177 of the Property Tax Code for real property situated in  
4 that school district exceeds the total amount that would have  
5 been allowed in that school district if the maximum reduction  
6 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in  
7 all other counties in tax year 2003 or (ii) \$5,000 in all  
8 counties in tax year 2004 and thereafter and (b) an amount  
9 equal to the aggregate amount for the taxable year of all  
10 additional exemptions under Section 15-175 of the Property Tax  
11 Code for owners with a household income of \$30,000 or less. The  
12 county clerk of any county that is or was subject to the  
13 provisions of Section 15-176 or 15-177 of the Property Tax Code  
14 shall annually calculate and certify to the Department of  
15 Revenue for each school district all homestead exemption  
16 amounts under Section 15-176 or 15-177 of the Property Tax Code  
17 and all amounts of additional exemptions under Section 15-175  
18 of the Property Tax Code for owners with a household income of  
19 \$30,000 or less. It is the intent of this paragraph that if the  
20 general homestead exemption for a parcel of property is  
21 determined under Section 15-176 or 15-177 of the Property Tax  
22 Code rather than Section 15-175, then the calculation of  
23 Available Local Resources shall not be affected by the  
24 difference, if any, between the amount of the general homestead  
25 exemption allowed for that parcel of property under Section  
26 15-176 or 15-177 of the Property Tax Code and the amount that

1 would have been allowed had the general homestead exemption for  
2 that parcel of property been determined under Section 15-175 of  
3 the Property Tax Code. It is further the intent of this  
4 paragraph that if additional exemptions are allowed under  
5 Section 15-175 of the Property Tax Code for owners with a  
6 household income of less than \$30,000, then the calculation of  
7 Available Local Resources shall not be affected by the  
8 difference, if any, because of those additional exemptions.

9 This equalized assessed valuation, as adjusted further by  
10 the requirements of this subsection, shall be utilized in the  
11 calculation of Available Local Resources.

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

14 (a) For the purposes of calculating State aid under  
15 this Section, with respect to any part of a school district  
16 within a redevelopment project area in respect to which a  
17 municipality has adopted tax increment allocation  
18 financing pursuant to the Tax Increment Allocation  
19 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11  
20 of the Illinois Municipal Code or the Industrial Jobs  
21 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the  
22 Illinois Municipal Code, no part of the current equalized  
23 assessed valuation of real property located in any such  
24 project area which is attributable to an increase above the  
25 total initial equalized assessed valuation of such  
26 property shall be used as part of the equalized assessed

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

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

25 (3) For the 1999-2000 school year and each school year  
26 thereafter, if a school district meets all of the criteria of

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

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

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

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

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

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

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

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

26 "Operating Tax Rate": The operating tax rate as defined

1 in subsection (A).

2 If a school district is subject to property tax extension  
3 limitations as imposed under the Property Tax Extension  
4 Limitation Law, the State Board of Education shall calculate  
5 the Extension Limitation Equalized Assessed Valuation of that  
6 district. For the 1999-2000 school year, the Extension  
7 Limitation Equalized Assessed Valuation of a school district as  
8 calculated by the State Board of Education shall be equal to  
9 the product of the district's 1996 Equalized Assessed Valuation  
10 and the district's Extension Limitation Ratio. Except as  
11 otherwise provided in this paragraph for a school district that  
12 has approved or does approve an increase in its limiting rate,  
13 for the 2000-2001 school year and each school year thereafter,  
14 the Extension Limitation Equalized Assessed Valuation of a  
15 school district as calculated by the State Board of Education  
16 shall be equal to the product of the Equalized Assessed  
17 Valuation last used in the calculation of general State aid and  
18 the district's Extension Limitation Ratio. If the Extension  
19 Limitation Equalized Assessed Valuation of a school district as  
20 calculated under this subsection (G)(3) is less than the  
21 district's equalized assessed valuation as calculated pursuant  
22 to subsections (G)(1) and (G)(2), then for purposes of  
23 calculating the district's general State aid for the Budget  
24 Year pursuant to subsection (E), that Extension Limitation  
25 Equalized Assessed Valuation shall be utilized to calculate the  
26 district's Available Local Resources under subsection (D). For

1 the 2009-2010 school year and each school year thereafter, if a  
2 school district has approved or does approve an increase in its  
3 limiting rate, pursuant to Section 18-190 of the Property Tax  
4 Code, affecting the Base Tax Year, the Extension Limitation  
5 Equalized Assessed Valuation of the school district, as  
6 calculated by the State Board of Education, shall be equal to  
7 the product of the Equalized Assessed Valuation last used in  
8 the calculation of general State aid times an amount equal to  
9 one plus the percentage increase, if any, in the Consumer Price  
10 Index for all Urban Consumers for all items published by the  
11 United States Department of Labor for the 12-month calendar  
12 year preceding the Base Tax Year, plus the Equalized Assessed  
13 Valuation of new property, annexed property, and recovered tax  
14 increment value and minus the Equalized Assessed Valuation of  
15 disconnected property. New property and recovered tax  
16 increment value shall have the meanings set forth in the  
17 Property Tax Extension Limitation Law.

18 Partial elementary unit districts created in accordance  
19 with Article 11E of this Code shall not be eligible for the  
20 adjustment in this subsection (G)(3) until the fifth year  
21 following the effective date of the reorganization.

22 (3.5) For the 2010-2011 school year and each school year  
23 thereafter, if a school district's boundaries span multiple  
24 counties, then the Department of Revenue shall send to the  
25 State Board of Education, for the purpose of calculating  
26 general State aid, the limiting rate and individual rates by

1 purpose for the county that contains the majority of the school  
2 district's Equalized Assessed Valuation.

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

23 (5) For school districts having a majority of their  
24 equalized assessed valuation in any county except Cook, DuPage,  
25 Kane, Lake, McHenry, or Will, if the amount of general State  
26 aid allocated to the school district for the 1999-2000 school



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

9 (H) Supplemental General State Aid.

10 (1) In addition to the general State aid a school district  
11 is allotted pursuant to subsection (E), qualifying school  
12 districts shall receive a grant, paid in conjunction with a  
13 district's payments of general State aid, for supplemental  
14 general State aid based upon the concentration level of  
15 children from low-income households within the school  
16 district. Supplemental State aid grants provided for school  
17 districts under this subsection shall be appropriated for  
18 distribution to school districts as part of the same line item  
19 in which the general State financial aid of school districts is  
20 appropriated under this Section.

21 (1.5) This paragraph (1.5) applies only to those school  
22 years preceding the 2003-2004 school year. For purposes of this  
23 subsection (H), the term "Low-Income Concentration Level"  
24 shall be the low-income eligible pupil count from the most  
25 recently available federal census divided by the Average Daily

1 Attendance of the school district. If, however, (i) the  
2 percentage decrease from the 2 most recent federal censuses in  
3 the low-income eligible pupil count of a high school district  
4 with fewer than 400 students exceeds by 75% or more the  
5 percentage change in the total low-income eligible pupil count  
6 of contiguous elementary school districts, whose boundaries  
7 are coterminous with the high school district, or (ii) a high  
8 school district within 2 counties and serving 5 elementary  
9 school districts, whose boundaries are coterminous with the  
10 high school district, has a percentage decrease from the 2 most  
11 recent federal censuses in the low-income eligible pupil count  
12 and there is a percentage increase in the total low-income  
13 eligible pupil count of a majority of the elementary school  
14 districts in excess of 50% from the 2 most recent federal  
15 censuses, then the high school district's low-income eligible  
16 pupil count from the earlier federal census shall be the number  
17 used as the low-income eligible pupil count for the high school  
18 district, for purposes of this subsection (H). The changes made  
19 to this paragraph (1) by Public Act 92-28 shall apply to  
20 supplemental general State aid grants for school years  
21 preceding the 2003-2004 school year that are paid in fiscal  
22 year 1999 or thereafter and to any State aid payments made in  
23 fiscal year 1994 through fiscal year 1998 pursuant to  
24 subsection 1(n) of Section 18-8 of this Code (which was  
25 repealed on July 1, 1998), and any high school district that is  
26 affected by Public Act 92-28 is entitled to a recomputation of

1 its supplemental general State aid grant or State aid paid in  
2 any of those fiscal years. This recomputation shall not be  
3 affected by any other funding.

4 (1.10) This paragraph (1.10) applies to the 2003-2004  
5 school year and each school year thereafter through the  
6 2016-2017 school year. For purposes of this subsection (H), the  
7 term "Low-Income Concentration Level" shall, for each fiscal  
8 year, be the low-income eligible pupil count as of July 1 of  
9 the immediately preceding fiscal year (as determined by the  
10 Department of Human Services based on the number of pupils who  
11 are eligible for at least one of the following low income  
12 programs: Medicaid, the Children's Health Insurance Program,  
13 TANF, or Food Stamps, excluding pupils who are eligible for  
14 services provided by the Department of Children and Family  
15 Services, averaged over the 2 immediately preceding fiscal  
16 years for fiscal year 2004 and over the 3 immediately preceding  
17 fiscal years for each fiscal year thereafter) divided by the  
18 Average Daily Attendance of the school district.

19 (2) Supplemental general State aid pursuant to this  
20 subsection (H) shall be provided as follows for the 1998-1999,  
21 1999-2000, and 2000-2001 school years only:

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

26 (b) For any school district with a Low Income

1 Concentration Level of at least 35% and less than 50%, the  
2 grant for the 1998-1999 school year shall be \$1,100  
3 multiplied by the low income eligible pupil count.

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

8 (d) For any school district with a Low Income  
9 Concentration Level of 60% or more, the grant for the  
10 1998-99 school year shall be \$1,900 multiplied by the low  
11 income eligible pupil count.

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

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

20 (2.5) Supplemental general State aid pursuant to this  
21 subsection (H) shall be provided as follows for the 2002-2003  
22 school year:

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

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

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

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

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

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

21           (2.10) Except as otherwise provided, supplemental general  
22 State aid pursuant to this subsection (H) shall be provided as  
23 follows for the 2003-2004 school year and each school year  
24 thereafter:

25           (a) For any school district with a Low Income  
26 Concentration Level of 15% or less, the grant for each

1 school year shall be \$355 multiplied by the low income  
2 eligible pupil count.

3 (b) For any school district with a Low Income  
4 Concentration Level greater than 15%, the grant for each  
5 school year shall be \$294.25 added to the product of \$2,700  
6 and the square of the Low Income Concentration Level, all  
7 multiplied by the low income eligible pupil count.

8 For the 2003-2004 school year and each school year  
9 thereafter through the 2008-2009 school year only, the grant  
10 shall be no less than the grant for the 2002-2003 school year.  
11 For the 2009-2010 school year only, the grant shall be no less  
12 than the grant for the 2002-2003 school year multiplied by  
13 0.66. For the 2010-2011 school year only, the grant shall be no  
14 less than the grant for the 2002-2003 school year multiplied by  
15 0.33. Notwithstanding the provisions of this paragraph to the  
16 contrary, if for any school year supplemental general State aid  
17 grants are prorated as provided in paragraph (1) of this  
18 subsection (H), then the grants under this paragraph shall be  
19 prorated.

20 For the 2003-2004 school year only, the grant shall be no  
21 greater than the grant received during the 2002-2003 school  
22 year added to the product of 0.25 multiplied by the difference  
23 between the grant amount calculated under subsection (a) or (b)  
24 of this paragraph (2.10), whichever is applicable, and the  
25 grant received during the 2002-2003 school year. For the  
26 2004-2005 school year only, the grant shall be no greater than

1 the grant received during the 2002-2003 school year added to  
2 the product of 0.50 multiplied by the difference between the  
3 grant amount calculated under subsection (a) or (b) of this  
4 paragraph (2.10), whichever is applicable, and the grant  
5 received during the 2002-2003 school year. For the 2005-2006  
6 school year only, the grant shall be no greater than the grant  
7 received during the 2002-2003 school year added to the product  
8 of 0.75 multiplied by the difference between the grant amount  
9 calculated under subsection (a) or (b) of this paragraph  
10 (2.10), whichever is applicable, and the grant received during  
11 the 2002-2003 school year.

12 (3) School districts with an Average Daily Attendance of  
13 more than 1,000 and less than 50,000 that qualify for  
14 supplemental general State aid pursuant to this subsection  
15 shall submit a plan to the State Board of Education prior to  
16 October 30 of each year for the use of the funds resulting from  
17 this grant of supplemental general State aid for the  
18 improvement of instruction in which priority is given to  
19 meeting the education needs of disadvantaged children. Such  
20 plan shall be submitted in accordance with rules and  
21 regulations promulgated by the State Board of Education.

22 (4) School districts with an Average Daily Attendance of  
23 50,000 or more that qualify for supplemental general State aid  
24 pursuant to this subsection shall be required to distribute  
25 from funds available pursuant to this Section, no less than  
26 \$261,000,000 in accordance with the following requirements:

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

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

16           (c) Each attendance center shall be provided by the  
17 school district a distribution of noncategorical funds and  
18 other categorical funds to which an attendance center is  
19 entitled under law in order that the general State aid and  
20 supplemental general State aid provided by application of  
21 this subsection supplements rather than supplants the  
22 noncategorical funds and other categorical funds provided  
23 by the school district to the attendance centers.

24           (d) Any funds made available under this subsection that  
25 by reason of the provisions of this subsection are not  
26 required to be allocated and provided to attendance centers



1           may be used and appropriated by the board of the district  
2           for any lawful school purpose.

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

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

1 within 15 days of the notification of rejection and then  
2 submit a modified plan within 30 days after the date of the  
3 written notice of intent to modify. Districts may amend  
4 approved plans pursuant to rules promulgated by the State  
5 Board of Education.

6 Upon notification by the State Board of Education that  
7 the district has not submitted a plan prior to July 15 or a  
8 modified plan within the time period specified herein, the  
9 State aid funds affected by that plan or modified plan  
10 shall be withheld by the State Board of Education until a  
11 plan or modified plan is submitted.

12 If the district fails to distribute State aid to  
13 attendance centers in accordance with an approved plan, the  
14 plan for the following year shall allocate funds, in  
15 addition to the funds otherwise required by this  
16 subsection, to those attendance centers which were  
17 underfunded during the previous year in amounts equal to  
18 such underfunding.

19 For purposes of determining compliance with this  
20 subsection in relation to the requirements of attendance  
21 center funding, each district subject to the provisions of  
22 this subsection shall submit as a separate document by  
23 December 1 of each year a report of expenditure data for  
24 the prior year in addition to any modification of its  
25 current plan. If it is determined that there has been a  
26 failure to comply with the expenditure provisions of this

1 subsection regarding contravention or supplanting, the  
2 State Superintendent of Education shall, within 60 days of  
3 receipt of the report, notify the district and any affected  
4 local school council. The district shall within 45 days of  
5 receipt of that notification inform the State  
6 Superintendent of Education of the remedial or corrective  
7 action to be taken, whether by amendment of the current  
8 plan, if feasible, or by adjustment in the plan for the  
9 following year. Failure to provide the expenditure report  
10 or the notification of remedial or corrective action in a  
11 timely manner shall result in a withholding of the affected  
12 funds.

13 The State Board of Education shall promulgate rules and  
14 regulations to implement the provisions of this  
15 subsection. No funds shall be released under this  
16 subdivision (H) (4) to any district that has not submitted a  
17 plan that has been approved by the State Board of  
18 Education.

19 (I) (Blank).

20 (J) (Blank).

21 (K) Grants to Laboratory and Alternative Schools.

22 In calculating the amount to be paid to the governing board  
23 of a public university that operates a laboratory school under

1 this Section or to any alternative school that is operated by a  
2 regional superintendent of schools, the State Board of  
3 Education shall require by rule such reporting requirements as  
4 it deems necessary.

5 As used in this Section, "laboratory school" means a public  
6 school which is created and operated by a public university and  
7 approved by the State Board of Education. The governing board  
8 of a public university which receives funds from the State  
9 Board under this subsection (K) or subsection (g) of Section  
10 18-8.15 of this Code may not increase the number of students  
11 enrolled in its laboratory school from a single district, if  
12 that district is already sending 50 or more students, except  
13 under a mutual agreement between the school board of a  
14 student's district of residence and the university which  
15 operates the laboratory school. A laboratory school may not  
16 have more than 1,000 students, excluding students with  
17 disabilities in a special education program.

18 As used in this Section, "alternative school" means a  
19 public school which is created and operated by a Regional  
20 Superintendent of Schools and approved by the State Board of  
21 Education. Such alternative schools may offer courses of  
22 instruction for which credit is given in regular school  
23 programs, courses to prepare students for the high school  
24 equivalency testing program or vocational and occupational  
25 training. A regional superintendent of schools may contract  
26 with a school district or a public community college district

1 to operate an alternative school. An alternative school serving  
2 more than one educational service region may be established by  
3 the regional superintendents of schools of the affected  
4 educational service regions. An alternative school serving  
5 more than one educational service region may be operated under  
6 such terms as the regional superintendents of schools of those  
7 educational service regions may agree.

8 Each laboratory and alternative school shall file, on forms  
9 provided by the State Superintendent of Education, an annual  
10 State aid claim which states the Average Daily Attendance of  
11 the school's students by month. The best 3 months' Average  
12 Daily Attendance shall be computed for each school. The general  
13 State aid entitlement shall be computed by multiplying the  
14 applicable Average Daily Attendance by the Foundation Level as  
15 determined under this Section.

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

17 (1) For a school district operating under the financial  
18 supervision of an Authority created under Article 34A, the  
19 general State aid otherwise payable to that district under this  
20 Section, but not the supplemental general State aid, shall be  
21 reduced by an amount equal to the budget for the operations of  
22 the Authority as certified by the Authority to the State Board  
23 of Education, and an amount equal to such reduction shall be  
24 paid to the Authority created for such district for its  
25 operating expenses in the manner provided in Section 18-11. The

1 remainder of general State school aid for any such district  
2 shall be paid in accordance with Article 34A when that Article  
3 provides for a disposition other than that provided by this  
4 Article.

5 (2) (Blank).

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

8 (M) (Blank). ~~Education Funding Advisory Board.~~

9 ~~The Education Funding Advisory Board, hereinafter in this~~  
10 ~~subsection (M) referred to as the "Board", is hereby created.~~  
11 ~~The Board shall consist of 5 members who are appointed by the~~  
12 ~~Governor, by and with the advice and consent of the Senate. The~~  
13 ~~members appointed shall include representatives of education,~~  
14 ~~business, and the general public. One of the members so~~  
15 ~~appointed shall be designated by the Governor at the time the~~  
16 ~~appointment is made as the chairperson of the Board. The~~  
17 ~~initial members of the Board may be appointed any time after~~  
18 ~~the effective date of this amendatory Act of 1997. The regular~~  
19 ~~term of each member of the Board shall be for 4 years from the~~  
20 ~~third Monday of January of the year in which the term of the~~  
21 ~~member's appointment is to commence, except that of the 5~~  
22 ~~initial members appointed to serve on the Board, the member who~~  
23 ~~is appointed as the chairperson shall serve for a term that~~  
24 ~~commences on the date of his or her appointment and expires on~~  
25 ~~the third Monday of January, 2002, and the remaining 4 members,~~

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

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

1       ~~The State Board of Education shall provide such staff~~  
2       ~~assistance to the Education Funding Advisory Board as is~~  
3       ~~reasonably required for the proper performance by the Board of~~  
4       ~~its responsibilities.~~

5       ~~For school years after the 2000-2001 school year, the~~  
6       ~~Education Funding Advisory Board, in consultation with the~~  
7       ~~State Board of Education, shall make recommendations as~~  
8       ~~provided in this subsection (M) to the General Assembly for the~~  
9       ~~foundation level under subdivision (B) (3) of this Section and~~  
10       ~~for the supplemental general State aid grant level under~~  
11       ~~subsection (H) of this Section for districts with high~~  
12       ~~concentrations of children from poverty. The recommended~~  
13       ~~foundation level shall be determined based on a methodology~~  
14       ~~which incorporates the basic education expenditures of~~  
15       ~~low-spending schools exhibiting high academic performance. The~~  
16       ~~Education Funding Advisory Board shall make such~~  
17       ~~recommendations to the General Assembly on January 1 of odd~~  
18       ~~numbered years, beginning January 1, 2001.~~

19       (N) (Blank).

20       (O) References.

21       (1) References in other laws to the various subdivisions of  
22       Section 18-8 as that Section existed before its repeal and  
23       replacement by this Section 18-8.05 shall be deemed to refer to  
24       the corresponding provisions of this Section 18-8.05, to the



1 extent that those references remain applicable.

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

5 (P) Public Act 93-838 and Public Act 93-808 make inconsistent  
6 changes to this Section. Under Section 6 of the Statute on  
7 Statutes there is an irreconcilable conflict between Public Act  
8 93-808 and Public Act 93-838. Public Act 93-838, being the last  
9 acted upon, is controlling. The text of Public Act 93-838 is  
10 the law regardless of the text of Public Act 93-808.

11 (Q) State Fiscal Year 2015 Payments.

12 For payments made for State fiscal year 2015, the State  
13 Board of Education shall, for each school district, calculate  
14 that district's pro-rata share of a minimum sum of \$13,600,000  
15 or additional amounts as needed from the total net General  
16 State Aid funding as calculated under this Section that shall  
17 be deemed attributable to the provision of special educational  
18 facilities and services, as defined in Section 14-1.08 of this  
19 Code, in a manner that ensures compliance with maintenance of  
20 State financial support requirements under the federal  
21 Individuals with Disabilities Education Act. Each school  
22 district must use such funds only for the provision of special  
23 educational facilities and services, as defined in Section  
24 14-1.08 of this Code, and must comply with any expenditure

1 verification procedures adopted by the State Board of  
2 Education.

3 (R) State Fiscal Year 2016 Payments.

4 For payments made for State fiscal year 2016, the State  
5 Board of Education shall, for each school district, calculate  
6 that district's pro rata share of a minimum sum of \$1 or  
7 additional amounts as needed from the total net General State  
8 Aid funding as calculated under this Section that shall be  
9 deemed attributable to the provision of special educational  
10 facilities and services, as defined in Section 14-1.08 of this  
11 Code, in a manner that ensures compliance with maintenance of  
12 State financial support requirements under the federal  
13 Individuals with Disabilities Education Act. Each school  
14 district must use such funds only for the provision of special  
15 educational facilities and services, as defined in Section  
16 14-1.08 of this Code, and must comply with any expenditure  
17 verification procedures adopted by the State Board of  
18 Education.

19 (Source: P.A. 98-972, eff. 8-15-14; 99-2, eff. 3-26-15; 99-194,  
20 eff. 7-30-15; 99-523, eff. 6-30-16.)

21 (105 ILCS 5/18-8.10)

22 Sec. 18-8.10. Fast growth grants.

23 (a) If there has been an increase in a school district's  
24 student population over the most recent 2 school years of (i)

1 over 1.5% in a district with over 10,000 pupils in average  
2 daily attendance (as defined in Section 18-8.05 or 18-8.15 of  
3 this Code) or (ii) over 7.5% in any other district, then the  
4 district is eligible for a grant under this Section, subject to  
5 appropriation.

6 (b) The State Board of Education shall determine a per  
7 pupil grant amount for each school district. The total grant  
8 amount for a district for any given school year shall equal the  
9 per pupil grant amount multiplied by the difference between the  
10 number of pupils in average daily attendance for the 2 most  
11 recent school years.

12 (c) Funds for grants under this Section must be  
13 appropriated to the State Board of Education in a separate line  
14 item for this purpose. If the amount appropriated in any fiscal  
15 year is insufficient to pay all grants for a school year, then  
16 the amount appropriated shall be prorated among eligible  
17 districts. As soon as possible after funds have been  
18 appropriated to the State Board of Education, the State Board  
19 of Education shall distribute the grants to eligible districts.

20 (d) If a school district intentionally reports incorrect  
21 average daily attendance numbers to receive a grant under this  
22 Section, then the district shall be denied State aid in the  
23 same manner as State aid is denied for intentional incorrect  
24 reporting of average daily attendance numbers under Section  
25 18-8.05 or 18-8.15 of this Code.

26 (Source: P.A. 93-1042, eff. 10-8-04.)

1 (105 ILCS 5/18-8.15 new)

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

4 (a) General provisions.

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

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

25 (B) ensure all students receive the education they need

1 to graduate from high school with the skills required to  
2 pursue post-secondary education and training for a  
3 rewarding career;

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

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

12 (2) The evidence-based funding formula under this Section  
13 shall be applied to all Organizational Units in this State. As  
14 further defined and described in this Section, there are 4  
15 major components of the evidence-based funding model:

16 (A) First, the model calculates a unique adequacy  
17 target for each Organizational Unit in this State that  
18 considers the costs to implement research-based  
19 activities, the unit's student demographics, and regional  
20 wage difference.

21 (B) Second, the model calculates each Organizational  
22 Unit's local capacity, or the amount each Organizational  
23 Unit is assumed to contribute towards its adequacy target  
24 from local resources.

25 (C) Third, the model calculates how much funding the  
26 State currently contributes to the Organizational Unit,

1 and adds that to the unit's local capacity to determine the  
2 unit's overall current adequacy of funding.

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

7 (3) An Organizational Unit receiving any funding under this  
8 Section may apply those funds to any fund so received for which  
9 that Organizational Unit is authorized to make expenditures by  
10 law.

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

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

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

17 "Adjusted Local Capacity Target" is defined in paragraph  
18 (3) of subsection (c) of this Section.

19 "Adjusted Operating Tax Rate" means a tax rate for all  
20 Organizational Units, for which the State Superintendent shall  
21 calculate and subtract for the Operating Tax Rate a  
22 transportation rate based on total expenses for transportation  
23 services under this Code, as reported on the most recent Annual  
24 Financial Report in Pupil Transportation Services, function  
25 2550 in both the Education and Transportation funds and  
26 functions 4110 and 4120 in the Transportation fund, less any

1 corresponding fiscal year State of Illinois scheduled payments  
2 excluding net adjustments for prior years for regular,  
3 vocational, or special education transportation reimbursement  
4 pursuant to Section 29-5 or subsection (b) of Section 14-13.01  
5 of this Code divided by the Adjusted EAV. If an Organizational  
6 Unit's corresponding fiscal year State of Illinois scheduled  
7 payments excluding net adjustments for prior years for regular,  
8 vocational, or special education transportation reimbursement  
9 pursuant to Section 29-5 or subsection (b) of Section 14-13.01  
10 of this Code exceed the total transportation expenses, as  
11 defined in this paragraph, no transportation rate shall be  
12 subtracted from the Operating Tax Rate.

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

15 "Alternative School" means a public school that is created  
16 and operated by a regional superintendent of schools and  
17 approved by the State Board.

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

20 "Assessment" means any of those benchmark, progress  
21 monitoring, formative, diagnostic, and other assessments, in  
22 addition to the State accountability assessment, that assist  
23 teachers' needs in understanding the skills and meeting the  
24 needs of the students they serve.

25 "Assistant principal" means a school administrator duly  
26 endorsed to be employed as an assistant principal in this

1 State.

2 "At-risk student" means a student who is at risk of not  
3 meeting the Illinois Learning Standards or not graduating from  
4 elementary or high school and who demonstrates a need for  
5 vocational support or social services beyond that provided by  
6 the regular school program. All students included in an  
7 Organizational Unit's Low-Income Count, as well as all EL and  
8 disabled students attending the Organizational Unit, shall be  
9 considered at-risk students under this Section.

10 "Average Student Enrollment" or "ASE" means, for an  
11 Organizational Unit in a given school year, the greater of the  
12 average number of students (grades K through 12) reported to  
13 the State Board as enrolled in the Organizational Unit on  
14 October 1 and March 1, plus the special education  
15 pre-kindergarten students with services of at least more than 2  
16 hours a day as reported to the State Board on December 1, in  
17 the immediately preceding school year or the average number of  
18 students (grades K through 12) reported to the State Board as  
19 enrolled in the Organizational Unit on October 1 and March 1,  
20 plus the special education pre-kindergarten students with  
21 services of at least more than 2 hours a day as reported to the  
22 State Board on December 1, for each of the immediately  
23 preceding 3 school years. For the purposes of this definition,  
24 "enrolled in the Organizational Unit" means the number of  
25 students reported to the State Board who are enrolled in  
26 schools within the Organizational Unit that the student attends



1 or would attend if not placed or transferred to another school  
2 or program to receive needed services. For the purposes of  
3 calculating "ASE", all students, grades K through 12, excluding  
4 those attending kindergarten for a half day, shall be counted  
5 as 1.0. All students attending kindergarten for a half day  
6 shall be counted as 0.5, unless in 2017 by June 15 or by March 1  
7 in subsequent years, the school district reports to the State  
8 Board of Education the intent to implement full-day  
9 kindergarten district-wide for all students, then all students  
10 attending kindergarten shall be counted as 1.0. Special  
11 education pre-kindergarten students shall be counted as 0.5  
12 each. If the State Board does not collect or has not collected  
13 both an October 1 and March 1 enrollment count by grade or a  
14 December 1 collection of special education pre-kindergarten  
15 students as of the effective date of this amendatory Act of the  
16 100th General Assembly, it shall establish such collection for  
17 all future years. For any year where a count by grade level was  
18 collected only once, that count shall be used as the single  
19 count available for computing a 3-year average ASE. School  
20 districts shall submit the data for the ASE calculation to the  
21 State Board within 45 days of the dates required in this  
22 Section for submission of enrollment data in order for it to be  
23 included in the ASE calculation.

24 "Base Funding Guarantee" is defined in paragraph (7) of  
25 subsection (g) of this Section.

26 "Base Funding Minimum" is defined in subsection (e) of this

1 Section.

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

4 "Base Tax Year's Extension" means the product of the  
5 equalized assessed valuation utilized by the county clerk in  
6 the Base Tax Year multiplied by the limiting rate as calculated  
7 by the county clerk and defined in PTELL.

8 "Bilingual Education Allocation" means the amount of an  
9 Organizational Unit's final Adequacy Target attributable to  
10 bilingual education divided by the Organizational Unit's final  
11 Adequacy Target, the product of which shall be multiplied by  
12 the amount of new funding received pursuant to this Section. An  
13 Organizational Unit's final Adequacy Target attributable to  
14 bilingual education shall include all additional investments  
15 in EL student's adequacy elements.

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

18 "Central office" means individual administrators and  
19 support service personnel charged with managing the  
20 instructional programs, business and operations, and security  
21 of the Organizational Unit.

22 "Comparable Wage Index" or "CWI" means a regional cost  
23 differentiation metric that measures systemic, regional  
24 variations in the salaries of college graduates who are not  
25 educators. The CWI utilized for this Section shall, for the  
26 first 3 years of Evidence-Based Funding implementation, be the

1 CWI initially developed by the National Center for Education  
2 Statistics, as most recently updated by Texas A & M University.  
3 In the fourth and subsequent years of Evidence-Based Funding  
4 implementation, the State Superintendent shall re-determine  
5 the CWI using a similar methodology to that identified in the  
6 Texas A & M University study, with adjustments made no less  
7 frequently than once every 5 years.

8 "Computer technology and equipment" means computers  
9 servers, notebooks, network equipment, copiers, printers,  
10 instructional software, security software, curriculum  
11 management courseware, and other similar materials and  
12 equipment.

13 "Core subject" means mathematics; science; reading,  
14 English, writing, and language arts; history and social  
15 studies; world languages; and subjects taught as Advanced  
16 Placement in high schools.

17 "Core teacher" means a regular classroom teacher in  
18 elementary schools and teachers of a core subject in middle and  
19 high schools.

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

23 "CPPRT" means corporate personal property replacement tax  
24 funds paid to an Organizational Unit during the calendar year  
25 one year before the calendar year in which a school year  
26 begins, pursuant to "An Act in relation to the abolition of ad

1 valorem personal property tax and the replacement of revenues  
2 lost thereby, and amending and repealing certain Acts and parts  
3 of Acts in connection therewith", certified August 14, 1979, as  
4 amended (Public Act 81-1st S.S.-1).

5 "EAV" means equalized assessed valuation as defined in  
6 paragraph (2) of subsection (d) of this Section and calculated  
7 in accordance with paragraph (3) of subsection (d) of this  
8 Section.

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

14 "EIS Data" means the employment information system data  
15 maintained by the State Board on educators within  
16 Organizational Units.

17 "Employee benefits" means health, dental, and vision  
18 insurance offered to employees of an Organizational Unit, the  
19 costs associated with statutorily required payment of the  
20 normal cost of the Organizational Unit's teacher pensions,  
21 Social Security employer contributions, and Illinois Municipal  
22 Retirement Fund employer contributions.

23 "English learner" or "EL" means a child included in the  
24 definition of "English learners" under Section 14C-2 of this  
25 Code participating in a program of transitional bilingual  
26 education or a transitional program of instruction meeting the

1 requirements and program application procedures of Article 14C  
2 of this Code. For the purposes of collecting the number of EL  
3 students enrolled, the same collection and calculation  
4 methodology as defined above for "ASE" shall apply to English  
5 learners.

6 "Essential Elements" means those elements, resources, and  
7 educational programs that have been identified through  
8 academic research as necessary to improve student success,  
9 improve academic performance, close achievement gaps, and  
10 provide for other per student costs related to the delivery and  
11 leadership of the Organizational Unit, as well as the  
12 maintenance and operations of the unit, and which are specified  
13 in paragraph (2) of subsection (b) of this Section.

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

16 "Extended day" means academic and enrichment programs  
17 provided to students outside the regular school day before and  
18 after school or during non-instructional times during the  
19 school day.

20 "Extension Limitation Ratio" means a numerical ratio in  
21 which the numerator is the Base Tax Year's Extension and the  
22 denominator is the Preceding Tax Year's Extension.

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

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

1       "Full-time equivalent" or "FTE" means the full-time  
2 equivalency compensation for staffing the relevant position at  
3 an Organizational Unit.

4       "Funding Gap" is defined in paragraph (1) of subsection  
5 (g).

6       "Guidance counselor" means a licensed guidance counselor  
7 who provides guidance and counseling support for students  
8 within an Organizational Unit.

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

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

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

1       "Instructional materials" means relevant instructional  
2 materials for student instruction, including, but not limited  
3 to, textbooks, consumable workbooks, laboratory equipment,  
4 library books, and other similar materials.

5       "Laboratory School" means a public school that is created  
6 and operated by a public university and approved by the State  
7 Board.

8       "Librarian" means a teacher with an endorsement as a  
9 library information specialist or another individual whose  
10 primary responsibility is overseeing library resources within  
11 an Organizational Unit.

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

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

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

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

20       "Low-Income Count" means, for an Organizational Unit in a  
21 fiscal year, the higher of the average number of students for  
22 the prior school year or the immediately preceding 3 school  
23 years who, as of July 1 of the immediately preceding fiscal  
24 year (as determined by the Department of Human Services), are  
25 eligible for at least one of the following low income programs:  
26 Medicaid, the Children's Health Insurance Program, TANF, or

1 Food Stamps, excluding pupils who are eligible for services  
2 provided by the Department of Children and Family Services.  
3 Until such time that grade level low-income populations become  
4 available, grade level low-income populations shall be  
5 determined by applying the low-income percentage to total  
6 student enrollments by grade level. The low-income percentage  
7 is determined by dividing the Low-Income Count by the Average  
8 Student Enrollment.

9 "Maintenance and operations" means custodial services,  
10 facility and ground maintenance, facility operations, facility  
11 security, routine facility repairs, and other similar services  
12 and functions.

13 "Minimum Funding Level" is defined in paragraph (6) of  
14 subsection (g) of this Section.

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

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

23 "Nurse" means an individual licensed as a certified school  
24 nurse, in accordance with the rules established for nursing  
25 services by the State Board, who is an employee of and is  
26 available to provide health care-related services for students



1 of an Organizational Unit.

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

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

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

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

16 "Preceding Tax Year" means the property tax levy year  
17 immediately preceding the Base Tax Year.

18 "Preceding Tax Year's Extension" means the product of the  
19 equalized assessed valuation utilized by the county clerk in  
20 the Preceding Tax Year multiplied by the Operating Tax Rate.

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

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

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

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

10       "Prototypical" means 450 special education  
11       pre-kindergarten and kindergarten through grade 5 students for  
12       an elementary school, 450 grade 6 through 8 students for a  
13       middle school, and 600 grade 9 through 12 students for a high  
14       school.

15       "PTELL" means the Property Tax Extension Limitation Law.

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

18       "Pupil support staff" means a nurse, psychologist, social  
19       worker, family liaison personnel, or other staff member who  
20       provides support to at-risk or struggling students.

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

23       "Regionalization Factor" means, for a particular  
24       Organizational Unit, the figure derived by dividing the  
25       Organizational Unit CWI by the Statewide Weighted CWI.

26       "School site staff" means the primary school secretary and

1 any additional clerical personnel assigned to a school.

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

4 "Special Education Allocation" means the amount of an  
5 Organizational Unit's final Adequacy Target attributable to  
6 special education divided by the Organizational Unit's final  
7 Adequacy Target, the product of which shall be multiplied by  
8 the amount of new funding received pursuant to this Section. An  
9 Organizational Unit's final Adequacy Target attributable to  
10 special education shall include all special education  
11 investment adequacy elements.

12 "Specialist teacher" means a teacher who provides  
13 instruction in subject areas not included in core subjects,  
14 including, but not limited to, art, music, physical education,  
15 health, driver education, career-technical education, and such  
16 other subject areas as may be mandated by State law or provided  
17 by an Organizational Unit.

18 "Specially Funded Unit" means an Alternative School, safe  
19 school, Department of Juvenile Justice school, special  
20 education cooperative or entity recognized by the State Board  
21 as a special education cooperative, State-approved charter  
22 school, or alternative learning opportunities program that  
23 received direct funding from the State Board during the  
24 2016-2017 school year through any of the funding sources  
25 included within the calculation of the Base Funding Minimum or  
26 Glenwood Academy.

1       "Supplemental Grant Funding" means supplemental general  
2       State aid funding received by an Organization Unit during the  
3       2016-2017 school year pursuant to subsection (H) of Section  
4       18-8.05 of this Code.

5       "State Adequacy Level" is the sum of the Adequacy Targets  
6       of all Organizational Units.

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

8       "State Superintendent" means the State Superintendent of  
9       Education.

10       "Statewide Weighted CWI" means a figure determined by  
11       multiplying each Organizational Unit CWI times the ASE for that  
12       Organizational Unit creating a weighted value, summing all  
13       Organizational Unit's weighted values, and dividing by the  
14       total ASE of all Organizational Units, thereby creating an  
15       average weighted index.

16       "Student activities" means non-credit producing  
17       after-school programs, including, but not limited to, clubs,  
18       bands, sports, and other activities authorized by the school  
19       board of the Organizational Unit.

20       "Substitute teacher" means an individual teacher or  
21       teaching assistant who is employed by an Organizational Unit  
22       and is temporarily serving the Organizational Unit on a per  
23       diem or per period-assignment basis replacing another staff  
24       member.

25       "Summer school" means academic and enrichment programs  
26       provided to students during the summer months outside of the

1 regular school year.

2 "Supervisory aide" means a non-licensed staff member who  
3 helps in supervising students of an Organizational Unit, but  
4 does so outside of the classroom, in situations such as, but  
5 not limited to, monitoring hallways and playgrounds,  
6 supervising lunchrooms, or supervising students when being  
7 transported in buses serving the Organizational Unit.

8 "Target Ratio" is defined in paragraph (4) of subsection  
9 (g).

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

12 "Tier 1 Aggregate Funding", "Tier 2 Aggregate Funding",  
13 "Tier 3 Aggregate Funding", and "Tier 4 Aggregate Funding" are  
14 defined in paragraph (1) of subsection (g).

15 (b) Adequacy Target calculation.

16 (1) Each Organizational Unit's Adequacy Target is the sum  
17 of the Organizational Unit's cost of providing Essential  
18 Elements, as calculated in accordance with this subsection (b),  
19 with the salary amounts in the Essential Elements multiplied by  
20 a Regionalization Factor calculated pursuant to paragraph (3)  
21 of this subsection (b).

22 (2) The Essential Elements are attributable on a pro-rata  
23 basis related to defined subgroups of the ASE of each  
24 Organizational Unit as specified in this paragraph (2), with  
25 investments and FTE positions pro-rata funded based on ASE  
26 counts in excess or less than the thresholds set forth in this

1 paragraph (2). The method for calculating attributable  
2 pro-rata costs and the defined subgroups thereto are as  
3 follows:

4 (A) Core class size investments. Each Organizational  
5 Unit shall receive the funding required to support that  
6 number of FTE core teacher positions as is needed to keep  
7 the respective class sizes of the Organizational Unit to  
8 the following maximum numbers:

9 (1) For grades kindergarten through 3, the  
10 Organizational Unit shall receive funding required to  
11 support one FTE core teacher position for every 15  
12 Low-Income Count students in those grades and one FTE  
13 core teacher position for every 20 non-Low-Income  
14 Count students in those grades.

15 (2) For grades 4 through 12, the Organizational  
16 Unit shall receive funding required to support one FTE  
17 core teacher position for every 20 Low-Income Count  
18 students in those grades and one FTE core teacher  
19 position for every 25 non-Low-Income Count students in  
20 those grades.

21 The number of non-Low-Income Count students in a grade  
22 shall be determined by subtracting the Low-Income students  
23 in that grade from the ASE of the Organizational Unit for  
24 that grade.

25 (B) Specialist teacher investments. Each  
26 Organizational Unit shall receive the funding needed to

1 cover that number of FTE specialist teacher positions that  
2 correspond to the following percentages:

3 (i) if the Organizational Unit operates an  
4 elementary or middle school, then 20.00% of the number  
5 of the Organizational Unit's core teachers, as  
6 determined under subparagraph (A) of this paragraph  
7 (2); and

8 (ii) if such Organizational Unit operates a high  
9 school, then 33.33% of the number of the Organizational  
10 Unit's core teachers.

11 (C) Instructional facilitator investments. Each  
12 Organizational Unit shall receive the funding needed to  
13 cover one FTE instructional facilitator position for every  
14 200 combined ASE of pre-kindergarten children with  
15 disabilities and all kindergarten through grade 12  
16 students of the Organizational Unit.

17 (D) Core intervention teacher (tutor) investments.  
18 Each Organizational Unit shall receive the funding needed  
19 to cover one FTE teacher position for each prototypical  
20 elementary, middle, and high school.

21 (E) Substitute teacher investments. Each  
22 Organizational Unit shall receive the funding needed to  
23 cover substitute teacher costs that is equal to 5.70% of  
24 the minimum pupil attendance days required under Section  
25 10-19 of this code for all full-time equivalent core,  
26 specialist, and intervention teachers, school nurses,



1 special education teachers and instructional assistants,  
2 instructional facilitators, and summer school and  
3 extended-day teacher positions, as determined under this  
4 paragraph (2), at a salary rate of 33.33% of the average  
5 salary for grade K through 12 teachers and 33.33% of the  
6 average salary of each instructional assistant position.

7 (F) Core guidance counselor investments. Each  
8 Organizational Unit shall receive the funding needed to  
9 cover one FTE guidance counselor for each 450 combined ASE  
10 of pre-kindergarten children with disabilities and all  
11 kindergarten through grade 5 students, plus one FTE  
12 guidance counselor for each 250 grades 6 through 8 ASE  
13 middle school students, plus one FTE guidance counselor for  
14 each 250 grades 9 through 12 ASE high school students.

15 (G) Nurse investments. Each Organizational Unit shall  
16 receive the funding needed to cover one FTE nurse for each  
17 750 combined ASE of pre-kindergarten children with  
18 disabilities and all kindergarten through grade 12  
19 students across all grade levels it serves.

20 (H) Supervisory aide investments. Each Organizational  
21 Unit shall receive the funding needed to cover one FTE for  
22 each 225 combined ASE of pre-kindergarten children with  
23 disabilities and all kindergarten through grade 5  
24 students, plus one FTE for each 225 ASE middle school  
25 students, plus one FTE for each 200 ASE high school  
26 students.

1           (I) Librarian investments. Each Organizational Unit  
2           shall receive the funding needed to cover one FTE librarian  
3           for each prototypical elementary school, middle school,  
4           and high school and one FTE aide or media technician for  
5           every 300 combined ASE of pre-kindergarten children with  
6           disabilities and all kindergarten through grade 12  
7           students.

8           (J) Principal investments. Each Organizational Unit  
9           shall receive the funding needed to cover one FTE principal  
10           position for each prototypical elementary school, plus one  
11           FTE principal position for each prototypical middle  
12           school, plus one FTE principal position for each  
13           prototypical high school.

14           (K) Assistant principal investments. Each  
15           Organizational Unit shall receive the funding needed to  
16           cover one FTE assistant principal position for each  
17           prototypical elementary school, plus one FTE assistant  
18           principal position for each prototypical middle school,  
19           plus one FTE assistant principal position for each  
20           prototypical high school.

21           (L) School site staff investments. Each Organizational  
22           Unit shall receive the funding needed for one FTE position  
23           for each 225 ASE of pre-kindergarten children with  
24           disabilities and all kindergarten through grade 5  
25           students, plus one FTE position for each 225 ASE middle  
26           school students, plus one FTE position for each 200 ASE

1 high school students.

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

4 (N) Professional development investments. Each  
5 Organizational Unit shall receive \$125 per student of the  
6 combined ASE of pre-kindergarten children with  
7 disabilities and all kindergarten through grade 12  
8 students for trainers and other professional  
9 development-related expenses for supplies and materials.

10 (O) Instructional material investments. Each  
11 Organizational Unit shall receive \$190 per student of the  
12 combined ASE of pre-kindergarten children with  
13 disabilities and all kindergarten through grade 12  
14 students to cover instructional material costs.

15 (P) Assessment investments. Each Organizational Unit  
16 shall receive \$25 per student of the combined ASE of  
17 pre-kindergarten children with disabilities and all  
18 kindergarten through grade 12 students student to cover  
19 assessment costs.

20 (Q) Computer technology and equipment investments.  
21 Each Organizational Unit shall receive \$285.50 per student  
22 of the combined ASE of pre-kindergarten children with  
23 disabilities and all kindergarten through grade 12  
24 students to cover computer technology and equipment costs.  
25 For the 2018-2019 school year and subsequent school years,  
26 Tier 1 and Tier 2 Organizational Units selected by the

1 State Board through a request for proposals process shall,  
2 upon the State Board's approval of an Organizational Unit's  
3 one-to-one computing technology plan, receive an  
4 additional \$285.50 per student of the combined ASE of  
5 pre-kindergarten children with disabilities and all  
6 kindergarten through grade 12 students to cover computer  
7 technology and equipment costs. The State Board may  
8 establish additional requirements for Organizational Unit  
9 expenditures of funds received pursuant to this  
10 subparagraph (Q). It is the intent of this amendatory Act  
11 of the 100th General Assembly that all Tier 1 and Tier 2  
12 districts that apply for the technology grant receive the  
13 addition to their Adequacy Target, subject to compliance  
14 with the requirements of the State Board.

15 (R) Student activities investments. Each  
16 Organizational Unit shall receive the following funding  
17 amounts to cover student activities: \$100 per kindergarten  
18 through grade 5 ASE student in elementary school, plus \$200  
19 per ASE student in middle school, plus \$675 per ASE student  
20 in high school.

21 (S) Maintenance and operations investments. Each  
22 Organizational Unit shall receive \$1,038 per student of the  
23 combined ASE of pre-kindergarten children with  
24 disabilities and all kindergarten through grade 12 for  
25 day-to-day maintenance and operations expenditures,  
26 including salary, supplies, and materials, as well as

1 purchased services, but excluding employee benefits. The  
2 proportion of salary for the application of a  
3 Regionalization Factor and the calculation of benefits is  
4 equal to \$352.92.

5 (T) Central office investments. Each Organizational  
6 Unit shall receive \$742 per student of the combined ASE of  
7 pre-kindergarten children with disabilities and all  
8 kindergarten through grade 12 students to cover central  
9 office operations, including administrators and classified  
10 personnel charged with managing the instructional  
11 programs, business and operations of the school district,  
12 and security personnel. The proportion of salary for the  
13 application of a Regionalization Factor and the  
14 calculation of benefits is equal to \$368.48.

15 (U) Employee benefit investments. Each Organizational  
16 Unit shall receive 30% of the total of all  
17 salary-calculated elements of the Adequacy Target,  
18 excluding substitute teachers and student activities  
19 investments, to cover benefit costs. For central office and  
20 maintenance and operations investments, the benefit  
21 calculation shall be based upon the salary proportion of  
22 each investment. If at any time the responsibility for  
23 funding the employer normal cost of teacher pensions is  
24 assigned to school districts, then that amount certified by  
25 the Teachers' Retirement System of the State of Illinois to  
26 be paid by the Organizational Unit for the preceding school

1 year shall be added to the benefit investment. For any  
2 fiscal year in which a school district organized under  
3 Article 34 of this Code is responsible for paying the  
4 employer normal cost of teacher pensions, then that amount  
5 of its employer normal cost plus the amount for retiree  
6 health insurance as certified by the Public School  
7 Teachers' Pension and Retirement Fund of Chicago to be paid  
8 by the school district for the preceding school year that  
9 is statutorily required to cover employer normal costs and  
10 the amount for retiree health insurance shall be added to  
11 the 30% specified in this subparagraph (U). The Public  
12 School Teachers' Pension and Retirement Fund of Chicago  
13 shall submit such information as the State Superintendent  
14 may require for the calculations set forth in this  
15 subparagraph (U).

16 (V) Additional investments in low-income students. In  
17 addition to and not in lieu of all other funding under this  
18 paragraph (2), each Organizational Unit shall receive  
19 funding based on the average teacher salary for grades K  
20 through 12 to cover the costs of: (i) one FTE intervention  
21 teacher (tutor) position for every 125 Low-Income Count  
22 students; (ii) one FTE pupil support staff position for  
23 every 125 Low-Income Count students; (iii) one FTE extended  
24 day teacher position for every 120 Low-Income Count  
25 students; and (iv) one FTE summer school teacher position  
26 for every 120 Low-Income Count students.

1           (W) Additional investments in EL students. In addition  
2           to and not in lieu of all other funding under this  
3           paragraph (2), each Organizational Unit shall receive  
4           funding based on the average teacher salary for grades K  
5           through 12 to cover the costs of:

6                   (i) one FTE intervention teacher (tutor) position  
7                   for every 125 EL students;

8                   (ii) one FTE pupil support staff position for every  
9                   125 EL students;

10                   (iii) one FTE extended day teacher position for  
11                   every 120 EL students;

12                   (iv) one FTE summer school teacher position for  
13                   every 120 EL students; and

14                   (v) one FTE core teacher position for every 100 EL  
15                   students.

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

20                   (i) one FTE teacher position for every 141 combined  
21                   ASE of pre-kindergarten children with disabilities and  
22                   all kindergarten through grade 12 students;

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

1           (iii) one FTE psychologist position for every  
2           1,000 combined ASE of pre-kindergarten children with  
3           disabilities and all kindergarten through grade 12  
4           students.

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

13           (A) Teacher for grades K through 8.

14           (B) Teacher for grades 9 through 12.

15           (C) Teacher for grades K through 12.

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

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

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

19           (G) Social worker.

20           (H) Psychologist.

21           (I) Librarian.

22           (J) Nurse.

23           (K) Principal.

24           (L) Assistant principal.

25           For the purposes of this paragraph (3), "teacher" includes core  
26           teachers, specialist and elective teachers, instructional



1 facilitators, tutors, special education teachers, pupil  
2 support staff teachers, English learner teachers, extended-day  
3 teachers, and summer school teachers. Where specific grade data  
4 is not required for the Essential Elements, the average salary  
5 for corresponding positions shall apply. For substitute  
6 teachers, the average teacher salary for grades K through 12  
7 shall apply.

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

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

13 (ii) on-instructional assistant, instructional  
14 assistant, library aide, library media tech, or  
15 supervisory aide: \$25,000.

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

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

23 (c) Local capacity calculation.

24 (1) Each Organizational Unit's Local Capacity represents  
25 an amount of funding it is assumed to contribute toward its  
26 Adequacy Target for purposes of the Evidence-Based Funding

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

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

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

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

25 (i) for Organizational Units serving grades  
26 kindergarten through 12 and Hybrid Districts, no

1 further adjustments shall be made;

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

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

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

13 (C) Local Capacity Percentage converts each  
14 Organizational Unit's Local Capacity Ratio to a normal  
15 curve equivalent score to determine each Organizational  
16 Unit's relative position to all other Organizational Units  
17 in this State. The Local Capacity Percentage normal curve  
18 equivalent score for each Organizational Unit shall be  
19 calculated using the standard normal distribution of the  
20 score in relation to the weighted mean and weighted  
21 standard deviation and Local Capacity Ratios of all  
22 Organizational Units. If the value assigned to any  
23 Organizational Unit is in excess of 90%, the value shall be  
24 adjusted to 90%. For Laboratory Schools, the Local Capacity  
25 Percentage shall be set at 10% in recognition of the  
26 absence of EAV and resources from the public university

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

16 (D) For a school district organized under Article 34 of  
17 this Code, the school district's Adjusted Local Capacity  
18 Target shall be reduced by the sum of the board of  
19 education's remaining contribution pursuant to paragraph  
20 (iv) of subsection (b) of Section 17-129 of the Illinois  
21 Pension Code, absent the fiscal year 2018 employer normal  
22 cost portion of the required contribution and the amount  
23 allowed pursuant to paragraph (3) of Section 17-142.1 of  
24 the Illinois Pension Code, in a given year.

25 (3) If an Organizational Unit's Real Receipts are more than  
26 its Local Capacity Target, then its Local Capacity shall equal

1 an Adjusted Local Capacity Target as calculated in accordance  
2 with this paragraph (3). The Adjusted Local Capacity Target is  
3 calculated as the sum of the Organizational Unit's Local  
4 Capacity Target and its Real Receipts Adjustment. The Real  
5 Receipts Adjustment equals the Organizational Unit's Real  
6 Receipts less its Local Capacity Target, with the resulting  
7 figure multiplied by the Local Capacity Percentage.

8 As used in this paragraph (3), "Real Percent of Adequacy"  
9 means the sum of an Organizational Unit's Real Receipts, CPPRT,  
10 and Base Funding Minimum, with the resulting figure divided by  
11 the Organizational Unit's Adequacy Target.

12 (d) Calculation of Real Receipts, EAV, and Adjusted EAV for  
13 purposes of the Local Capacity calculation.

14 (1) An Organizational Unit's Real Receipts are the product  
15 of its Applicable Tax Rate and its Adjusted EAV. An  
16 Organizational Unit's Applicable Tax Rate is its Adjusted  
17 Operating Tax Rate for property within the Organizational Unit.

18 (2) The State Superintendent shall calculate the Equalized  
19 Assessed Valuation, or EAV, of all taxable property of each  
20 Organizational Unit as of September 30 of the previous year in  
21 accordance with paragraph (3) of this subsection (d). The State  
22 Superintendent shall then determine the Adjusted EAV of each  
23 Organizational Unit in accordance with paragraph (4) of this  
24 subsection (d), which Adjusted EAV figure shall be used for the  
25 purposes of calculating Local Capacity.

26 (3) To calculate Real Receipts and EAV, the Department of

1 Revenue shall supply to the State Superintendent the value as  
2 equalized or assessed by the Department of Revenue of all  
3 taxable property of every Organizational Unit, together with  
4 (i) the applicable tax rate used in extending taxes for the  
5 funds of the Organizational Unit as of September 30 of the  
6 previous year and (ii) the limiting rate for all Organizational  
7 Units subject to property tax extension limitations as imposed  
8 under PTELL.

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

1       Section 15-176 or 15-177 of the Property Tax Code shall  
2       annually calculate and certify to the Department of Revenue  
3       for each Organizational Unit all homestead exemption  
4       amounts under Section 15-176 or 15-177 of the Property Tax  
5       Code and all amounts of additional exemptions under Section  
6       15-175 of the Property Tax Code for owners with a household  
7       income of \$30,000 or less. It is the intent of this  
8       subparagraph (A) that if the general homestead exemption  
9       for a parcel of property is determined under Section 15-176  
10       or 15-177 of the Property Tax Code rather than Section  
11       15-175, then the calculation of EAV shall not be affected  
12       by the difference, if any, between the amount of the  
13       general homestead exemption allowed for that parcel of  
14       property under Section 15-176 or 15-177 of the Property Tax  
15       Code and the amount that would have been allowed had the  
16       general homestead exemption for that parcel of property  
17       been determined under Section 15-175 of the Property Tax  
18       Code. It is further the intent of this subparagraph (A)  
19       that if additional exemptions are allowed under Section  
20       15-175 of the Property Tax Code for owners with a household  
21       income of less than \$30,000, then the calculation of EAV  
22       shall not be affected by the difference, if any, because of  
23       those additional exemptions.

24       (B) With respect to any part of an Organizational Unit  
25       within a redevelopment project area in respect to which a  
26       municipality has adopted tax increment allocation

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

16 (C) For Organizational Units that are Hybrid  
17 Districts, the State Superintendent shall use the lesser of  
18 the equalized assessed valuation for property within the  
19 partial elementary unit district for elementary purposes,  
20 as defined in Article 11E of this Code, or the equalized  
21 assessed valuation for property within the partial  
22 elementary unit district for high school purposes, as  
23 defined in Article 11E of this Code.

24 (4) An Organizational Unit's Adjusted EAV shall be the  
25 average of its EAV over the immediately preceding 3 years or  
26 its EAV in the immediately preceding year if the EAV in the



1 immediately preceding year has declined by 10% or more compared  
2 to the 3-year average. In the event of Organizational Unit  
3 reorganization, consolidation, or annexation, the  
4 Organizational Unit's Adjusted EAV for the first 3 years after  
5 such change shall be as follows: the most current EAV shall be  
6 used in the first year, the average of a 2-year EAV or its EAV  
7 in the immediately preceding year if the EAV declines by 10% or  
8 more compared to the 2-year average for the second year, and a  
9 3-year average EAV or its EAV in the immediately preceding year  
10 if the adjusted EAV declines by 10% or more compared to the  
11 3-year average for the third year.

12 "PTELL EAV" means a figure calculated by the State Board  
13 for Organizational Units subject to PTELL as described in this  
14 paragraph (4) for the purposes of calculating an Organizational  
15 Unit's Local Capacity Ratio. Except as otherwise provided in  
16 this paragraph (4), for an Organizational Unit that has  
17 approved or does approve an increase in its limiting rate, the  
18 PTELL EAV of an Organizational Unit shall be equal to the  
19 product of the equalized assessed valuation last used in the  
20 calculation of general State aid under Section 18-8.05 of this  
21 Code or Evidence-Based Funding under this Section and the  
22 Organizational Unit's Extension Limitation Ratio. If an  
23 Organizational Unit has approved or does approve an increase in  
24 its limiting rate, pursuant to Section 18-190 of the Property  
25 Tax Code, affecting the Base Tax Year, the PTELL EAV shall be  
26 equal to the product of the equalized assessed valuation last

1 used in the calculation of general State aid under Section  
2 18-8.05 of this Code or Evidence-Based Funding under this  
3 Section multiplied by an amount equal to one plus the  
4 percentage increase, if any, in the Consumer Price Index for  
5 All Urban Consumers for all items published by the United  
6 States Department of Labor for the 12-month calendar year  
7 preceding the Base Tax Year, plus the equalized assessed  
8 valuation of new property, annexed property, and recovered tax  
9 increment value and minus the equalized assessed valuation of  
10 disconnected property.

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

14 (e) Base Funding Minimum calculation.

15 (1) For the 2017-2018 school year, the Base Funding Minimum  
16 of an Organizational Unit, other than a Specially Funded Unit,  
17 shall be the amount of State funds distributed to the  
18 Organizational Unit during the 2016-2017 school year prior to  
19 any adjustments and specified appropriation amounts described  
20 in this paragraph (1) from the following Sections, as  
21 calculated by the State Superintendent: Section 18-8.05 of this  
22 Code (general State aid); Section 5 of Article 224 of Public  
23 Act 99-524 (equity grants); Section 14-7.02b of this Code  
24 (funding for children requiring special education services);  
25 Section 14-13.01 of this Code (special education facilities and  
26 staffing), except for reimbursement of the cost of

1 transportation pursuant to Section 14-13.01; Section 14C-12 of  
2 this Code (English learners); and Section 18-4.3 of this Code  
3 (summer school), based on an appropriation level of  
4 \$13,121,600. For a school district organized under Article 34  
5 of this Code, the Base Funding Minimum also includes (i) the  
6 funds allocated to the school district pursuant to Section 1D-1  
7 of this Code attributable to funding programs authorized by the  
8 Sections of this Code listed in the preceding sentence; (ii)  
9 the difference between (I) the funds allocated to the school  
10 district pursuant to Section 1D-1 of this Code attributable to  
11 the funding programs authorized by Section 14-7.02 (non-public  
12 special education reimbursement), subsection (b) of Section  
13 14-13.01 (special education transportation), Section 29-5  
14 (transportation), Section 2-3.80 (agricultural education),  
15 Section 2-3.66 (truants' alternative education), Section  
16 2-3.62 (educational service centers), and Section 14-7.03  
17 (special education - orphanage) of this Code and Section 15 of  
18 the Childhood Hunger Relief Act (free breakfast program) and  
19 (II) the school district's actual expenditures for its  
20 non-public special education, special education  
21 transportation, transportation programs, agricultural  
22 education, truants' alternative education, services that would  
23 otherwise be performed by a regional office of education,  
24 special education orphanage expenditures, and free breakfast,  
25 as most recently calculated and reported pursuant to subsection  
26 (f) of Section 1D-1 of this Code; and (iii) in the year that a

1 school district must initially pay for employer normal cost, or  
2 in the 2017-2018 school year if the district is required to pay  
3 for employer normal cost, an amount equal to the employer  
4 normal cost portion of the required contribution, as certified  
5 by the Public School Teachers' Pension and Retirement Fund of  
6 Chicago, plus the amount allowed pursuant to paragraph (3) of  
7 Section 17-142.1 of the Illinois Pension Code, to defray health  
8 insurance costs for the Public School Teachers' Pension and  
9 Retirement Fund of Chicago in fiscal year 2018 or, in the event  
10 a school district is responsible for the entirety of its normal  
11 pension cost, a normal cost amount as certified by the  
12 Teachers' Retirement System of the State of Illinois in the  
13 prior fiscal year. For Specially Funded Units, the Base Funding  
14 Minimum shall be the total amount of State funds allotted to  
15 the Specially Funded Unit during the 2016-2017 school year. The  
16 Base Funding Minimum for Glenwood Academy shall be \$625,500.

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

22 (f) Percent of Adequacy and Final Resources calculation.

23 (1) The Evidence-Based Funding formula establishes a  
24 Percent of Adequacy for each Organizational Unit in order to  
25 place such units into tiers for the purposes of the funding  
26 distribution system described in subsection (g) of this

1 Section. Initially, an Organizational Unit's Preliminary  
2 Resources and Preliminary Percent of Adequacy are calculated  
3 pursuant to paragraph (2) of this subsection (f). Then, an  
4 Organizational Unit's Final Resources and Final Percent of  
5 Adequacy are calculated to account for the Organizational  
6 Unit's poverty concentration levels pursuant to paragraphs (3)  
7 and (4) of this subsection (f).

8 (2) An Organizational Unit's Preliminary Resources are  
9 equal to the sum of its Local Capacity Target, CPPRT, and Base  
10 Funding Minimum. An Organizational Unit's Preliminary Percent  
11 of Adequacy is the lesser of (i) its Preliminary Resources  
12 divided by its Adequacy Target or (ii) 100%.

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

21 (4) An Organizational Unit's Final Percent of Adequacy is  
22 its Final Resources divided by its Adequacy Target. A  
23 Organizational Unit's Adjusted Base Funding Minimum is equal to  
24 its Base Funding Minimum less its Supplemental Grant Funding,  
25 with the resulting figure added to the product of its  
26 Supplemental Grant Funding and Preliminary Percent of

1 Adequacy.

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

3 (1) In each school year under the Evidence-Based Funding  
4 formula, each Organizational Unit receives funding equal to the  
5 sum of its Base Funding Minimum and the unit's allocation of  
6 New State Funds determined pursuant to this subsection (g). To  
7 allocate New State Funds, the Evidence-Based Funding formula  
8 distribution system first places all Organizational Units into  
9 one of 4 tiers in accordance with paragraph (3) of this  
10 subsection (g), based on the Organizational Unit's Final  
11 Percent of Adequacy. New State Funds are allocated to each of  
12 the 4 tiers as follows: Tier 1 Aggregate Funding equals 50% of  
13 all New State Funds, Tier 2 Aggregate Funding equals 49% of all  
14 New State Funds, Tier 3 Aggregate Funding equals 0.9% of all  
15 New State Funds, and Tier 4 Aggregate Funding equals 0.1% of  
16 all New State Funds. Each Organizational Unit within Tier 1 or  
17 Tier 2 receives an allocation of New State Funds equal to its  
18 tier Funding Gap, as defined in the following sentence,  
19 multiplied by the tier's Allocation Rate determined pursuant to  
20 paragraph (4) of this subsection (g). For Tier 1, an  
21 Organizational Unit's Funding Gap equals the tier's Target  
22 Ratio, as specified in paragraph (5) of this subsection (g),  
23 multiplied by the Organizational Unit's Adequacy Target, with  
24 the resulting amount reduced by the Organizational Unit's Final  
25 Resources. For Tier 2, an Organizational Unit's Funding Gap  
26 equals the tier's Target Ratio, as described in paragraph (5)

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

11 (2) To ensure equitable distribution of dollars for all  
12 Tier 2 Organizational Units, no Tier 2 Organizational Unit  
13 shall receive fewer dollars per ASE than any Tier 3  
14 Organizational Unit. Each Tier 2 and Tier 3 Organizational Unit  
15 shall have its funding allocation divided by its ASE. Any Tier  
16 2 Organizational Unit with a funding allocation per ASE below  
17 the greatest Tier 3 allocation per ASE shall get a funding  
18 allocation equal to the greatest Tier 3 funding allocation per  
19 ASE multiplied by the Organizational Unit's ASE. Each Tier 2  
20 Organizational Unit's Tier 2 funding allocation shall be  
21 multiplied by the percentage calculated by dividing the  
22 original Tier 2 Aggregate Funding by the sum of all Tier 2  
23 Organizational Unit's Tier 2 funding allocation after  
24 adjusting districts' funding below Tier 3 levels.

25 (3) Organizational Units are placed into one of 4 tiers as  
26 follows:

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

7           (B) Tier 2 consists of all Tier 1 Units and all other  
8           Organizational Units, except for Specially Funded Units,  
9           with a Percent of Adequacy of less than 0.90.

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

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

16           (4) The Allocation Rates for Tiers 1 through 4 is  
17           determined as follows:

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

19           (B) The Tier 2 Allocation Rate is the result of the  
20           following equation: Tier 2 Aggregate Funding, divided by  
21           the sum of the Funding Gaps for all Tier 2 Organizational  
22           Units, unless the result of such equation is higher than  
23           1.0. If the result of such equation is higher than 1.0,  
24           then the Tier 2 Allocation Rate is 1.0.

25           (C) The Tier 3 Allocation Rate is the result of the  
26           following equation: Tier 3 Aggregate Funding, divided by



1 the sum of the Adequacy Targets of all Tier 3  
2 Organizational Units.

3 (D) The Tier 4 Allocation Rate is the result of the  
4 following equation: Tier 4 Aggregate Funding, divided by  
5 the sum of the Adequacy Targets of all Tier 4  
6 Organizational Units.

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

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

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

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

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

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

20 (8) If any Specially Funded Units, excluding Glenwood  
21 Academy, recognized by the State Board do not qualify for  
22 direct funding following the implementation of this amendatory  
23 Act of the 100th General Assembly from any of the funding  
24 sources included within the definition of Base Funding Minimum,  
25 the unqualified portion of the Base Funding Minimum shall be  
26 transferred to one or more appropriate Organizational Units as

1 determined by the State Superintendent based on the prior year  
2 ASE of the Organizational Units.

3 (9) The Minimum Funding Level is intended to establish a  
4 target for State funding that will keep pace with inflation and  
5 continue to advance equity through the Evidence-Based Funding  
6 formula. The Minimum Funding Level is equal to the sum of 1% of  
7 the State Adequacy Level, plus \$93,000,000. If New State Funds  
8 are less than the Minimum Funding Level, than funding for tiers  
9 shall be reduced in the following manner:

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

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

18 (C) Next, Tier 2 funding shall be reduced by an amount  
19 equal to the difference between the Minimum Funding level  
20 and new State Funds and the reduction Tier 4 and Tier 3.  
21 Finally, Tier 1 funding shall be reduced by an amount equal  
22 to the difference between the Minimum Funding level and New  
23 State Funds and the reduction in Tier 2, 3, and 4 funding.  
24 In addition, the Allocation Rate for Tier 1 shall be  
25 reduced to a percentage equal to 50%, multiplied by the  
26 result of New State Funds divided by the Minimum Funding

1       Level.

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

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

1 to account for the rounding of percentages to the nearest tenth  
2 of a percentage and dollar amounts to the nearest whole dollar.

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

5 (1) The State Superintendent shall, in accordance with  
6 appropriations made by the General Assembly, meet the funding  
7 obligations created under this Section.

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

19 (3) Annually, the State Superintendent shall calculate and  
20 report to each Organizational Unit the unit's aggregate  
21 financial adequacy amount, which shall be the sum of the  
22 Adequacy Target for each Organizational Unit. The State  
23 Superintendent shall calculate and report separately for each  
24 Organizational Unit the unit's total State funds allocated for  
25 its students with disabilities. The State Superintendent shall  
26 calculate and report separately for each Organizational Unit

1 the amount of funding and applicable FTE calculated for each  
2 Essential Element of the unit's Adequacy Target.

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

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

18 (6) Any school district that fails, for any given school  
19 year, to maintain school as required by law or to maintain a  
20 recognized school is not eligible to receive Evidence-Based  
21 Funding. In case of non-recognition of one or more attendance  
22 centers in a school district otherwise operating recognized  
23 schools, the claim of the district shall be reduced in the  
24 proportion that the enrollment in the attendance center or  
25 centers bears to the enrollment of the school district.  
26 "Recognized school" means any public school that meets the

1 standards for recognition by the State Board. A school district  
2 or attendance center not having recognition status at the end  
3 of a school term is entitled to receive State aid payments due  
4 upon a legal claim that was filed while it was recognized.

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

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

20 (9) All Organizational Units in this State must submit  
21 annual spending plans by the end of September of each year to  
22 the State Board as part of the annual budget process, which  
23 shall describe how each Organizational Unit will utilize the  
24 Base Minimum Funding and Evidence-Based funding it receives  
25 from this State under this Section with specific identification  
26 of the intended utilization of Low-Income, EL, and special

1 education resources. Additionally, the annual spending plans  
2 of each Organizational Unit shall describe how the  
3 Organizational Unit expects to achieve student growth and how  
4 the Organizational Unit will achieve State education goals, as  
5 defined by the State Board. The State Superintendent may, from  
6 time to time, identify additional requisites for  
7 Organizational Units to satisfy when compiling the annual  
8 spending plans required under this subsection (h). The format  
9 and scope of annual spending plans shall be developed by the  
10 State Superintendent in conjunction with the Professional  
11 Review Panel.

12 (10) No later than January 1, 2018, the State  
13 Superintendent shall develop a 5-year strategic plan for all  
14 Organizational Units to help in planning for adequacy funding  
15 under this Section. The State Superintendent shall submit the  
16 plan to the Governor and the General Assembly, as provided in  
17 Section 3.1 of the General Assembly Organization Act. The plan  
18 shall include recommendations for:

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

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

24 (C) application and enhancement of the current  
25 financial accountability measures, the approved State plan  
26 to comply with the federal Every Student Succeeds Act, and

1 the Illinois Balanced Accountability Measures in relation  
2 to student growth and elements of the Evidence-Based  
3 Funding model; and

4 (D) implementation of an effective school adequacy  
5 funding system based on projected and recommended funding  
6 levels from the General Assembly.

7 (i) Professional Review Panel.

8 (1) A Professional Review Panel is created to study and  
9 review the implementation and effect of the Evidence-Based  
10 Funding model under this Section and to recommend continual  
11 recalibration and future study topics and modifications to the  
12 Evidence-Based Funding model. The Panel shall elect a  
13 chairperson and vice chairperson by a majority vote of the  
14 Panel and shall advance recommendations based on a majority  
15 vote of the Panel. A minority opinion may also accompany any  
16 recommendation of the majority of the Panel. The Panel shall be  
17 appointed by the State Superintendent, except as otherwise  
18 provided in paragraph (2) of this subsection (i) and include  
19 the following members:

20 (A) Two appointees that represent district  
21 superintendents, recommended by a statewide organization  
22 that represents district superintendents.

23 (B) Two appointees that represent school boards,  
24 recommended by a statewide organization that represents  
25 school boards.

26 (C) Two appointees from districts that represent



1 school business officials, recommended by a statewide  
2 organization that represents school business officials.

3 (D) Two appointees that represent school principals,  
4 recommended by a statewide organization that represents  
5 school principals.

6 (E) Two appointees that represent teachers,  
7 recommended by a statewide organization that represents  
8 teachers.

9 (F) Two appointees that represent teachers,  
10 recommended by another statewide organization that  
11 represents teachers.

12 (G) Two appointees that represent regional  
13 superintendents of schools, recommended by organizations  
14 that represent regional superintendents.

15 (H) Two independent experts selected solely by the  
16 State Superintendent.

17 (I) Two independent experts recommended by public  
18 universities in this State.

19 (J) One member recommended by a statewide organization  
20 that represents parents.

21 (K) Two representatives recommended by collective  
22 impact organizations that represent major metropolitan  
23 areas or geographic areas in Illinois.

24 (L) One member from a statewide organization focused on  
25 research-based education policy to support a school system  
26 that prepares all students for college, a career, and

1 democratic citizenship.

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

4 The State Superintendent shall ensure that the membership of  
5 the Panel includes representatives from school districts and  
6 communities reflecting the geographic, socio-economic, racial,  
7 and ethnic diversity of this State. The State Superintendent  
8 shall additionally ensure that the membership of the Panel  
9 includes representatives with expertise in bilingual education  
10 and special education. Staff from the State Board shall staff  
11 the Panel.

12 (2) In addition to those Panel members appointed by the  
13 State Superintendent, 4 members of the General Assembly shall  
14 be appointed as follows: one member of the House of  
15 Representatives appointed by the Speaker of the House of  
16 Representatives, one member of the Senate appointed by the  
17 President of the Senate, one member of the House of  
18 Representatives appointed by the Minority Leader of the House  
19 of Representatives, and one member of the Senate appointed by  
20 the Minority Leader of the Senate. There shall be one  
21 additional member appointed by the Governor. All members  
22 appointed by legislative leaders or the Governor shall be  
23 non-voting, ex officio members.

24 (3) On an annual basis, the State Superintendent shall  
25 recalibrate the following per pupil elements of the Adequacy  
26 Target and applied to the formulas, based on the Panel's study

1 of average expenses as reported in the most recent annual  
2 financial report:

3 (A) gifted under subparagraph (M) of paragraph (2) of  
4 subsection (b) of this Section;

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

7 (C) assessment under subparagraph (P) of paragraph (2)  
8 of subsection (b) of this Section;

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

11 (E) maintenance and operations under subparagraph (S)  
12 of paragraph (2) of subsection (b) of this Section; and

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

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

19 (A) The format and scope of annual spending plans  
20 referenced in paragraph (9) of subsection (h) of this  
21 Section.

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

25 (C) Maintenance and operations. Within 5 years after  
26 the implementation of this Section, the Panel shall make

1 recommendations for the further study of maintenance and  
2 operations costs, including capital maintenance costs, and  
3 recommend any additional reporting data required from  
4 Organizational Units.

5 (D) "At-risk student" definition. Within 5 years after  
6 the implementation of this Section, the Panel shall make  
7 recommendations for the further study and determination of  
8 an "at-risk student" definition. Within 5 years after the  
9 implementation of this Section, the Panel shall evaluate  
10 and make recommendations regarding adequate funding for  
11 poverty concentration under the Evidence-Based Funding  
12 model.

13 (E) Benefits. Within 5 years after the implementation  
14 of this Section, the Panel shall make recommendations for  
15 further study of benefit costs.

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

23 (G) Local Capacity Target. Within 3 years after the  
24 implementation of this Section, the Panel shall make  
25 recommendations for any additional data desired to analyze  
26 possible modifications to the Local Capacity Target, to be

1 based on measures in addition to solely EAV and to be  
2 completed within 5 years after implementation of this  
3 Section.

4 (H) Funding for Alternative Schools, Laboratory  
5 Schools, safe schools, and alternative learning  
6 opportunities programs. By the beginning of the 2021-2022  
7 school year, the Panel shall study and make recommendations  
8 regarding the funding levels for Alternative Schools,  
9 Laboratory Schools, safe schools, and alternative learning  
10 opportunities programs in this State.

11 (I) Funding for college and career acceleration  
12 strategies. By the beginning of the 2021-2022 school year,  
13 the Panel shall study and make recommendations regarding  
14 funding levels to support college and career acceleration  
15 strategies in high school that have been demonstrated to  
16 result in improved secondary and postsecondary outcomes,  
17 including Advanced Placement, dual-credit opportunities,  
18 and college and career pathway systems.

19 (J) Special education investments. By the beginning of  
20 the 2021-2022 school year, the Panel shall study and make  
21 recommendations on whether and how to account for  
22 disability types within the special education funding  
23 category.

24 (K) Early childhood investments. In collaboration with  
25 the Illinois Early Learning Council, the Panel shall  
26 include an analysis of what level of Preschool for All

1 Children funding would be necessary to serve all children  
2 ages 0 through 5 years in the highest-priority service  
3 tier, as specified in paragraph (4.5) of subsection (a) of  
4 Section 2-3.71 of this Code, and an analysis of the  
5 potential cost savings that that level of Preschool for All  
6 Children investment would have on the kindergarten through  
7 grade 12 system.

8 (5) Within 5 years after the implementation of this  
9 Section, the Panel shall complete an evaluative study of the  
10 entire Evidence-Based Funding model, including an assessment  
11 of whether or not the formula is achieving State goals. The  
12 Panel shall report to the State Board, the General Assembly,  
13 and the Governor on the findings of the study.

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

18 (j) References. Beginning July 1, 2017, references in other  
19 laws to general State aid funds or calculations under Section  
20 18-8.05 of this Code shall be deemed to be references to  
21 evidence-based model formula funds or calculations under this  
22 Section.

23 (105 ILCS 5/18-9) (from Ch. 122, par. 18-9)

24 Sec. 18-9. Requirement for special equalization and  
25 supplementary State aid. If property comprising an aggregate

1 assessed valuation equal to 6% or more of the total assessed  
2 valuation of all taxable property in a school district is owned  
3 by a person or corporation that is the subject of bankruptcy  
4 proceedings or that has been adjudged bankrupt and, as a result  
5 thereof, has not paid taxes on the property, then the district  
6 may amend its general State aid or evidence-based funding claim  
7 (i) back to the inception of the bankruptcy, not to exceed 6  
8 years, in which time those taxes were not paid and (ii) for  
9 each succeeding year that those taxes remain unpaid, by adding  
10 to the claim an amount determined by multiplying the assessed  
11 valuation of the property on which taxes have not been paid due  
12 to the bankruptcy by the lesser of the total tax rate for the  
13 district for the tax year for which the taxes are unpaid or the  
14 applicable rate used in calculating the district's general  
15 State aid under paragraph (3) of subsection (D) of Section  
16 18-8.05 of this Code or evidence-based funding under Section  
17 18-8.15 of this Code, as applicable. If at any time a district  
18 that receives additional State aid under this Section receives  
19 tax revenue from the property for the years that taxes were not  
20 paid, the district's next claim for State aid shall be reduced  
21 in an amount equal to the taxes paid on the property, not to  
22 exceed the additional State aid received under this Section.  
23 Claims under this Section shall be filed on forms prescribed by  
24 the State Superintendent of Education, and the State  
25 Superintendent of Education, upon receipt of a claim, shall  
26 adjust the claim in accordance with the provisions of this

1 Section. Supplementary State aid for each succeeding year under  
2 this Section shall be paid beginning with the first general  
3 State aid or evidence-based funding claim paid after the  
4 district has filed a completed claim in accordance with this  
5 Section.

6 (Source: P.A. 95-496, eff. 8-28-07.)

7 (105 ILCS 5/18-12) (from Ch. 122, par. 18-12)

8 Sec. 18-12. Dates for filing State aid claims. The school  
9 board of each school district, a regional office of education,  
10 a laboratory school, or a State-authorized charter school shall  
11 require teachers, principals, or superintendents to furnish  
12 from records kept by them such data as it needs in preparing  
13 and certifying to the State Superintendent of Education its  
14 report of claims provided in Section 18-8.05 of this Code. The  
15 claim shall be based on the latest available equalized assessed  
16 valuation and tax rates, as provided in Section 18-8.05 or  
17 18-8.15, shall use the average daily attendance as determined  
18 by the method outlined in Section 18-8.05 or 18-8.15, and shall  
19 be certified and filed with the State Superintendent of  
20 Education by June 21 for districts and State-authorized charter  
21 schools with an official school calendar end date before June  
22 15 or within 2 weeks following the official school calendar end  
23 date for districts, regional offices of education, laboratory  
24 schools, or State-authorized charter schools with a school year  
25 end date of June 15 or later. Failure to so file by these



1 deadlines constitutes a forfeiture of the right to receive  
2 payment by the State until such claim is filed. The State  
3 Superintendent of Education shall voucher for payment those  
4 claims to the State Comptroller as provided in Section 18-11.

5 Except as otherwise provided in this Section, if any school  
6 district fails to provide the minimum school term specified in  
7 Section 10-19, the State aid claim for that year shall be  
8 reduced by the State Superintendent of Education in an amount  
9 equivalent to 1/176 or .56818% for each day less than the  
10 number of days required by this Code.

11 If the State Superintendent of Education determines that  
12 the failure to provide the minimum school term was occasioned  
13 by an act or acts of God, or was occasioned by conditions  
14 beyond the control of the school district which posed a  
15 hazardous threat to the health and safety of pupils, the State  
16 aid claim need not be reduced.

17 If a school district is precluded from providing the  
18 minimum hours of instruction required for a full day of  
19 attendance due to an adverse weather condition or a condition  
20 beyond the control of the school district that poses a  
21 hazardous threat to the health and safety of students, then the  
22 partial day of attendance may be counted if (i) the school  
23 district has provided at least one hour of instruction prior to  
24 the closure of the school district, (ii) a school building has  
25 provided at least one hour of instruction prior to the closure  
26 of the school building, or (iii) the normal start time of the

1 school district is delayed.

2 If, prior to providing any instruction, a school district  
3 must close one or more but not all school buildings after  
4 consultation with a local emergency response agency or due to a  
5 condition beyond the control of the school district, then the  
6 school district may claim attendance for up to 2 school days  
7 based on the average attendance of the 3 school days  
8 immediately preceding the closure of the affected school  
9 building or, if approved by the State Board of Education,  
10 utilize the provisions of an e-learning program for the  
11 affected school building as prescribed in Section 10-20.56 of  
12 this Code. The partial or no day of attendance described in  
13 this Section and the reasons therefore shall be certified  
14 within a month of the closing or delayed start by the school  
15 district superintendent to the regional superintendent of  
16 schools for forwarding to the State Superintendent of Education  
17 for approval.

18 Other than the utilization of any e-learning days as  
19 prescribed in Section 10-20.56 of this Code, no exception to  
20 the requirement of providing a minimum school term may be  
21 approved by the State Superintendent of Education pursuant to  
22 this Section unless a school district has first used all  
23 emergency days provided for in its regular calendar.

24 If the State Superintendent of Education declares that an  
25 energy shortage exists during any part of the school year for  
26 the State or a designated portion of the State, a district may

1 operate the school attendance centers within the district 4  
2 days of the week during the time of the shortage by extending  
3 each existing school day by one clock hour of school work, and  
4 the State aid claim shall not be reduced, nor shall the  
5 employees of that district suffer any reduction in salary or  
6 benefits as a result thereof. A district may operate all  
7 attendance centers on this revised schedule, or may apply the  
8 schedule to selected attendance centers, taking into  
9 consideration such factors as pupil transportation schedules  
10 and patterns and sources of energy for individual attendance  
11 centers.

12 Electronically submitted State aid claims shall be  
13 submitted by duly authorized district individuals over a secure  
14 network that is password protected. The electronic submission  
15 of a State aid claim must be accompanied with an affirmation  
16 that all of the provisions of Sections 18-8.05, 10-22.5, and  
17 24-4 of this Code are met in all respects.

18 (Source: P.A. 99-194, eff. 7-30-15; 99-657, eff. 7-28-16.)

19 (105 ILCS 5/26-16)

20 Sec. 26-16. Graduation incentives program.

21 (a) The General Assembly finds that it is critical to  
22 provide options for children to succeed in school. The purpose  
23 of this Section is to provide incentives for and encourage all  
24 Illinois students who have experienced or are experiencing  
25 difficulty in the traditional education system to enroll in

1 alternative programs.

2 (b) Any student who is below the age of 20 years is  
3 eligible to enroll in a graduation incentives program if he or  
4 she:

5 (1) is considered a dropout pursuant to Section 26-2a  
6 of this Code;

7 (2) has been suspended or expelled pursuant to Section  
8 10-22.6 or 34-19 of this Code;

9 (3) is pregnant or is a parent;

10 (4) has been assessed as chemically dependent; or

11 (5) is enrolled in a bilingual education or LEP  
12 program.

13 (c) The following programs qualify as graduation  
14 incentives programs for students meeting the criteria  
15 established in this Section:

16 (1) Any public elementary or secondary education  
17 graduation incentives program established by a school  
18 district or by a regional office of education.

19 (2) Any alternative learning opportunities program  
20 established pursuant to Article 13B of this Code.

21 (3) Vocational or job training courses approved by the  
22 State Superintendent of Education that are available  
23 through the Illinois public community college system.  
24 Students may apply for reimbursement of 50% of tuition  
25 costs for one course per semester or a maximum of 3 courses  
26 per school year. Subject to available funds, students may

1 apply for reimbursement of up to 100% of tuition costs upon  
2 a showing of employment within 6 months after completion of  
3 a vocational or job training program. The qualifications  
4 for reimbursement shall be established by the State  
5 Superintendent of Education by rule.

6 (4) Job and career programs approved by the State  
7 Superintendent of Education that are available through  
8 Illinois-accredited private business and vocational  
9 schools. Subject to available funds, pupils may apply for  
10 reimbursement of up to 100% of tuition costs upon a showing  
11 of employment within 6 months after completion of a job or  
12 career program. The State Superintendent of Education  
13 shall establish, by rule, the qualifications for  
14 reimbursement, criteria for determining reimbursement  
15 amounts, and limits on reimbursement.

16 (5) Adult education courses that offer preparation for  
17 high school equivalency testing.

18 (d) Graduation incentives programs established by school  
19 districts are entitled to claim general State aid and  
20 evidence-based funding, subject to Sections 13B-50, 13B-50.5,  
21 and 13B-50.10 of this Code. Graduation incentives programs  
22 operated by regional offices of education are entitled to  
23 receive general State aid and evidence-based funding at the  
24 foundation level of support per pupil enrolled. A school  
25 district must ensure that its graduation incentives program  
26 receives supplemental general State aid, transportation

1 reimbursements, and special education resources, if  
2 appropriate, for students enrolled in the program.

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

4 (105 ILCS 5/27-8.1) (from Ch. 122, par. 27-8.1)

5 (Text of Section before amendment by P.A. 99-927)

6 Sec. 27-8.1. Health examinations and immunizations.

7 (1) In compliance with rules and regulations which the  
8 Department of Public Health shall promulgate, and except as  
9 hereinafter provided, all children in Illinois shall have a  
10 health examination as follows: within one year prior to  
11 entering kindergarten or the first grade of any public,  
12 private, or parochial elementary school; upon entering the  
13 sixth and ninth grades of any public, private, or parochial  
14 school; prior to entrance into any public, private, or  
15 parochial nursery school; and, irrespective of grade,  
16 immediately prior to or upon entrance into any public, private,  
17 or parochial school or nursery school, each child shall present  
18 proof of having been examined in accordance with this Section  
19 and the rules and regulations promulgated hereunder. Any child  
20 who received a health examination within one year prior to  
21 entering the fifth grade for the 2007-2008 school year is not  
22 required to receive an additional health examination in order  
23 to comply with the provisions of Public Act 95-422 when he or  
24 she attends school for the 2008-2009 school year, unless the  
25 child is attending school for the first time as provided in

1 this paragraph.

2 A tuberculosis skin test screening shall be included as a  
3 required part of each health examination included under this  
4 Section if the child resides in an area designated by the  
5 Department of Public Health as having a high incidence of  
6 tuberculosis. Additional health examinations of pupils,  
7 including eye examinations, may be required when deemed  
8 necessary by school authorities. Parents are encouraged to have  
9 their children undergo eye examinations at the same points in  
10 time required for health examinations.

11 (1.5) In compliance with rules adopted by the Department of  
12 Public Health and except as otherwise provided in this Section,  
13 all children in kindergarten and the second and sixth grades of  
14 any public, private, or parochial school shall have a dental  
15 examination. Each of these children shall present proof of  
16 having been examined by a dentist in accordance with this  
17 Section and rules adopted under this Section before May 15th of  
18 the school year. If a child in the second or sixth grade fails  
19 to present proof by May 15th, the school may hold the child's  
20 report card until one of the following occurs: (i) the child  
21 presents proof of a completed dental examination or (ii) the  
22 child presents proof that a dental examination will take place  
23 within 60 days after May 15th. The Department of Public Health  
24 shall establish, by rule, a waiver for children who show an  
25 undue burden or a lack of access to a dentist. Each public,  
26 private, and parochial school must give notice of this dental

1 examination requirement to the parents and guardians of  
2 students at least 60 days before May 15th of each school year.

3 (1.10) Except as otherwise provided in this Section, all  
4 children enrolling in kindergarten in a public, private, or  
5 parochial school on or after the effective date of this  
6 amendatory Act of the 95th General Assembly and any student  
7 enrolling for the first time in a public, private, or parochial  
8 school on or after the effective date of this amendatory Act of  
9 the 95th General Assembly shall have an eye examination. Each  
10 of these children shall present proof of having been examined  
11 by a physician licensed to practice medicine in all of its  
12 branches or a licensed optometrist within the previous year, in  
13 accordance with this Section and rules adopted under this  
14 Section, before October 15th of the school year. If the child  
15 fails to present proof by October 15th, the school may hold the  
16 child's report card until one of the following occurs: (i) the  
17 child presents proof of a completed eye examination or (ii) the  
18 child presents proof that an eye examination will take place  
19 within 60 days after October 15th. The Department of Public  
20 Health shall establish, by rule, a waiver for children who show  
21 an undue burden or a lack of access to a physician licensed to  
22 practice medicine in all of its branches who provides eye  
23 examinations or to a licensed optometrist. Each public,  
24 private, and parochial school must give notice of this eye  
25 examination requirement to the parents and guardians of  
26 students in compliance with rules of the Department of Public



1 Health. Nothing in this Section shall be construed to allow a  
2 school to exclude a child from attending because of a parent's  
3 or guardian's failure to obtain an eye examination for the  
4 child.

5 (2) The Department of Public Health shall promulgate rules  
6 and regulations specifying the examinations and procedures  
7 that constitute a health examination, which shall include the  
8 collection of data relating to obesity (including at a minimum,  
9 date of birth, gender, height, weight, blood pressure, and date  
10 of exam), and a dental examination and may recommend by rule  
11 that certain additional examinations be performed. The rules  
12 and regulations of the Department of Public Health shall  
13 specify that a tuberculosis skin test screening shall be  
14 included as a required part of each health examination included  
15 under this Section if the child resides in an area designated  
16 by the Department of Public Health as having a high incidence  
17 of tuberculosis. The Department of Public Health shall specify  
18 that a diabetes screening as defined by rule shall be included  
19 as a required part of each health examination. Diabetes testing  
20 is not required.

21 Physicians licensed to practice medicine in all of its  
22 branches, licensed advanced practice nurses, or licensed  
23 physician assistants shall be responsible for the performance  
24 of the health examinations, other than dental examinations, eye  
25 examinations, and vision and hearing screening, and shall sign  
26 all report forms required by subsection (4) of this Section

1 that pertain to those portions of the health examination for  
2 which the physician, advanced practice nurse, or physician  
3 assistant is responsible. If a registered nurse performs any  
4 part of a health examination, then a physician licensed to  
5 practice medicine in all of its branches must review and sign  
6 all required report forms. Licensed dentists shall perform all  
7 dental examinations and shall sign all report forms required by  
8 subsection (4) of this Section that pertain to the dental  
9 examinations. Physicians licensed to practice medicine in all  
10 its branches or licensed optometrists shall perform all eye  
11 examinations required by this Section and shall sign all report  
12 forms required by subsection (4) of this Section that pertain  
13 to the eye examination. For purposes of this Section, an eye  
14 examination shall at a minimum include history, visual acuity,  
15 subjective refraction to best visual acuity near and far,  
16 internal and external examination, and a glaucoma evaluation,  
17 as well as any other tests or observations that in the  
18 professional judgment of the doctor are necessary. Vision and  
19 hearing screening tests, which shall not be considered  
20 examinations as that term is used in this Section, shall be  
21 conducted in accordance with rules and regulations of the  
22 Department of Public Health, and by individuals whom the  
23 Department of Public Health has certified. In these rules and  
24 regulations, the Department of Public Health shall require that  
25 individuals conducting vision screening tests give a child's  
26 parent or guardian written notification, before the vision

1 screening is conducted, that states, "Vision screening is not a  
2 substitute for a complete eye and vision evaluation by an eye  
3 doctor. Your child is not required to undergo this vision  
4 screening if an optometrist or ophthalmologist has completed  
5 and signed a report form indicating that an examination has  
6 been administered within the previous 12 months."

7 (3) Every child shall, at or about the same time as he or  
8 she receives a health examination required by subsection (1) of  
9 this Section, present to the local school proof of having  
10 received such immunizations against preventable communicable  
11 diseases as the Department of Public Health shall require by  
12 rules and regulations promulgated pursuant to this Section and  
13 the Communicable Disease Prevention Act.

14 (4) The individuals conducting the health examination,  
15 dental examination, or eye examination shall record the fact of  
16 having conducted the examination, and such additional  
17 information as required, including for a health examination  
18 data relating to obesity (including at a minimum, date of  
19 birth, gender, height, weight, blood pressure, and date of  
20 exam), on uniform forms which the Department of Public Health  
21 and the State Board of Education shall prescribe for statewide  
22 use. The examiner shall summarize on the report form any  
23 condition that he or she suspects indicates a need for special  
24 services, including for a health examination factors relating  
25 to obesity. The individuals confirming the administration of  
26 required immunizations shall record as indicated on the form

1 that the immunizations were administered.

2 (5) If a child does not submit proof of having had either  
3 the health examination or the immunization as required, then  
4 the child shall be examined or receive the immunization, as the  
5 case may be, and present proof by October 15 of the current  
6 school year, or by an earlier date of the current school year  
7 established by a school district. To establish a date before  
8 October 15 of the current school year for the health  
9 examination or immunization as required, a school district must  
10 give notice of the requirements of this Section 60 days prior  
11 to the earlier established date. If for medical reasons one or  
12 more of the required immunizations must be given after October  
13 15 of the current school year, or after an earlier established  
14 date of the current school year, then the child shall present,  
15 by October 15, or by the earlier established date, a schedule  
16 for the administration of the immunizations and a statement of  
17 the medical reasons causing the delay, both the schedule and  
18 the statement being issued by the physician, advanced practice  
19 nurse, physician assistant, registered nurse, or local health  
20 department that will be responsible for administration of the  
21 remaining required immunizations. If a child does not comply by  
22 October 15, or by the earlier established date of the current  
23 school year, with the requirements of this subsection, then the  
24 local school authority shall exclude that child from school  
25 until such time as the child presents proof of having had the  
26 health examination as required and presents proof of having

1 received those required immunizations which are medically  
2 possible to receive immediately. During a child's exclusion  
3 from school for noncompliance with this subsection, the child's  
4 parents or legal guardian shall be considered in violation of  
5 Section 26-1 and subject to any penalty imposed by Section  
6 26-10. This subsection (5) does not apply to dental  
7 examinations and eye examinations. If the student is an  
8 out-of-state transfer student and does not have the proof  
9 required under this subsection (5) before October 15 of the  
10 current year or whatever date is set by the school district,  
11 then he or she may only attend classes (i) if he or she has  
12 proof that an appointment for the required vaccinations has  
13 been scheduled with a party authorized to submit proof of the  
14 required vaccinations. If the proof of vaccination required  
15 under this subsection (5) is not submitted within 30 days after  
16 the student is permitted to attend classes, then the student is  
17 not to be permitted to attend classes until proof of the  
18 vaccinations has been properly submitted. No school district or  
19 employee of a school district shall be held liable for any  
20 injury or illness to another person that results from admitting  
21 an out-of-state transfer student to class that has an  
22 appointment scheduled pursuant to this subsection (5).

23 (6) Every school shall report to the State Board of  
24 Education by November 15, in the manner which that agency shall  
25 require, the number of children who have received the necessary  
26 immunizations and the health examination (other than a dental

1 examination or eye examination) as required, indicating, of  
2 those who have not received the immunizations and examination  
3 as required, the number of children who are exempt from health  
4 examination and immunization requirements on religious or  
5 medical grounds as provided in subsection (8). On or before  
6 December 1 of each year, every public school district and  
7 registered nonpublic school shall make publicly available the  
8 immunization data they are required to submit to the State  
9 Board of Education by November 15. The immunization data made  
10 publicly available must be identical to the data the school  
11 district or school has reported to the State Board of  
12 Education.

13 Every school shall report to the State Board of Education  
14 by June 30, in the manner that the State Board requires, the  
15 number of children who have received the required dental  
16 examination, indicating, of those who have not received the  
17 required dental examination, the number of children who are  
18 exempt from the dental examination on religious grounds as  
19 provided in subsection (8) of this Section and the number of  
20 children who have received a waiver under subsection (1.5) of  
21 this Section.

22 Every school shall report to the State Board of Education  
23 by June 30, in the manner that the State Board requires, the  
24 number of children who have received the required eye  
25 examination, indicating, of those who have not received the  
26 required eye examination, the number of children who are exempt

1 from the eye examination as provided in subsection (8) of this  
2 Section, the number of children who have received a waiver  
3 under subsection (1.10) of this Section, and the total number  
4 of children in noncompliance with the eye examination  
5 requirement.

6 The reported information under this subsection (6) shall be  
7 provided to the Department of Public Health by the State Board  
8 of Education.

9 (7) Upon determining that the number of pupils who are  
10 required to be in compliance with subsection (5) of this  
11 Section is below 90% of the number of pupils enrolled in the  
12 school district, 10% of each State aid payment made pursuant to  
13 Section 18-8.05 or 18-8.15 to the school district for such year  
14 may be withheld by the State Board of Education until the  
15 number of students in compliance with subsection (5) is the  
16 applicable specified percentage or higher.

17 (8) Children of parents or legal guardians who object to  
18 health, dental, or eye examinations or any part thereof, to  
19 immunizations, or to vision and hearing screening tests on  
20 religious grounds shall not be required to undergo the  
21 examinations, tests, or immunizations to which they so object  
22 if such parents or legal guardians present to the appropriate  
23 local school authority a signed Certificate of Religious  
24 Exemption detailing the grounds for objection and the specific  
25 immunizations, tests, or examinations to which they object. The  
26 grounds for objection must set forth the specific religious

1 belief that conflicts with the examination, test,  
2 immunization, or other medical intervention. The signed  
3 certificate shall also reflect the parent's or legal guardian's  
4 understanding of the school's exclusion policies in the case of  
5 a vaccine-preventable disease outbreak or exposure. The  
6 certificate must also be signed by the authorized examining  
7 health care provider responsible for the performance of the  
8 child's health examination confirming that the provider  
9 provided education to the parent or legal guardian on the  
10 benefits of immunization and the health risks to the student  
11 and to the community of the communicable diseases for which  
12 immunization is required in this State. However, the health  
13 care provider's signature on the certificate reflects only that  
14 education was provided and does not allow a health care  
15 provider grounds to determine a religious exemption. Those  
16 receiving immunizations required under this Code shall be  
17 provided with the relevant vaccine information statements that  
18 are required to be disseminated by the federal National  
19 Childhood Vaccine Injury Act of 1986, which may contain  
20 information on circumstances when a vaccine should not be  
21 administered, prior to administering a vaccine. A healthcare  
22 provider may consider including without limitation the  
23 nationally accepted recommendations from federal agencies such  
24 as the Advisory Committee on Immunization Practices, the  
25 information outlined in the relevant vaccine information  
26 statement, and vaccine package inserts, along with the



1 healthcare provider's clinical judgment, to determine whether  
2 any child may be more susceptible to experiencing an adverse  
3 vaccine reaction than the general population, and, if so, the  
4 healthcare provider may exempt the child from an immunization  
5 or adopt an individualized immunization schedule. The  
6 Certificate of Religious Exemption shall be created by the  
7 Department of Public Health and shall be made available and  
8 used by parents and legal guardians by the beginning of the  
9 2015-2016 school year. Parents or legal guardians must submit  
10 the Certificate of Religious Exemption to their local school  
11 authority prior to entering kindergarten, sixth grade, and  
12 ninth grade for each child for which they are requesting an  
13 exemption. The religious objection stated need not be directed  
14 by the tenets of an established religious organization.  
15 However, general philosophical or moral reluctance to allow  
16 physical examinations, eye examinations, immunizations, vision  
17 and hearing screenings, or dental examinations does not provide  
18 a sufficient basis for an exception to statutory requirements.  
19 The local school authority is responsible for determining if  
20 the content of the Certificate of Religious Exemption  
21 constitutes a valid religious objection. The local school  
22 authority shall inform the parent or legal guardian of  
23 exclusion procedures, in accordance with the Department's  
24 rules under Part 690 of Title 77 of the Illinois Administrative  
25 Code, at the time the objection is presented.

26 If the physical condition of the child is such that any one

1 or more of the immunizing agents should not be administered,  
2 the examining physician, advanced practice nurse, or physician  
3 assistant responsible for the performance of the health  
4 examination shall endorse that fact upon the health examination  
5 form.

6 Exempting a child from the health, dental, or eye  
7 examination does not exempt the child from participation in the  
8 program of physical education training provided in Sections  
9 27-5 through 27-7 of this Code.

10 (9) For the purposes of this Section, "nursery schools"  
11 means those nursery schools operated by elementary school  
12 systems or secondary level school units or institutions of  
13 higher learning.

14 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;  
15 99-249, eff. 8-3-15; 99-642, eff. 7-28-16.)

16 (Text of Section after amendment by P.A. 99-927)

17 Sec. 27-8.1. Health examinations and immunizations.

18 (1) In compliance with rules and regulations which the  
19 Department of Public Health shall promulgate, and except as  
20 hereinafter provided, all children in Illinois shall have a  
21 health examination as follows: within one year prior to  
22 entering kindergarten or the first grade of any public,  
23 private, or parochial elementary school; upon entering the  
24 sixth and ninth grades of any public, private, or parochial  
25 school; prior to entrance into any public, private, or

1 parochial nursery school; and, irrespective of grade,  
2 immediately prior to or upon entrance into any public, private,  
3 or parochial school or nursery school, each child shall present  
4 proof of having been examined in accordance with this Section  
5 and the rules and regulations promulgated hereunder. Any child  
6 who received a health examination within one year prior to  
7 entering the fifth grade for the 2007-2008 school year is not  
8 required to receive an additional health examination in order  
9 to comply with the provisions of Public Act 95-422 when he or  
10 she attends school for the 2008-2009 school year, unless the  
11 child is attending school for the first time as provided in  
12 this paragraph.

13 A tuberculosis skin test screening shall be included as a  
14 required part of each health examination included under this  
15 Section if the child resides in an area designated by the  
16 Department of Public Health as having a high incidence of  
17 tuberculosis. Additional health examinations of pupils,  
18 including eye examinations, may be required when deemed  
19 necessary by school authorities. Parents are encouraged to have  
20 their children undergo eye examinations at the same points in  
21 time required for health examinations.

22 (1.5) In compliance with rules adopted by the Department of  
23 Public Health and except as otherwise provided in this Section,  
24 all children in kindergarten and the second and sixth grades of  
25 any public, private, or parochial school shall have a dental  
26 examination. Each of these children shall present proof of

1 having been examined by a dentist in accordance with this  
2 Section and rules adopted under this Section before May 15th of  
3 the school year. If a child in the second or sixth grade fails  
4 to present proof by May 15th, the school may hold the child's  
5 report card until one of the following occurs: (i) the child  
6 presents proof of a completed dental examination or (ii) the  
7 child presents proof that a dental examination will take place  
8 within 60 days after May 15th. The Department of Public Health  
9 shall establish, by rule, a waiver for children who show an  
10 undue burden or a lack of access to a dentist. Each public,  
11 private, and parochial school must give notice of this dental  
12 examination requirement to the parents and guardians of  
13 students at least 60 days before May 15th of each school year.

14 (1.10) Except as otherwise provided in this Section, all  
15 children enrolling in kindergarten in a public, private, or  
16 parochial school on or after the effective date of this  
17 amendatory Act of the 95th General Assembly and any student  
18 enrolling for the first time in a public, private, or parochial  
19 school on or after the effective date of this amendatory Act of  
20 the 95th General Assembly shall have an eye examination. Each  
21 of these children shall present proof of having been examined  
22 by a physician licensed to practice medicine in all of its  
23 branches or a licensed optometrist within the previous year, in  
24 accordance with this Section and rules adopted under this  
25 Section, before October 15th of the school year. If the child  
26 fails to present proof by October 15th, the school may hold the

1 child's report card until one of the following occurs: (i) the  
2 child presents proof of a completed eye examination or (ii) the  
3 child presents proof that an eye examination will take place  
4 within 60 days after October 15th. The Department of Public  
5 Health shall establish, by rule, a waiver for children who show  
6 an undue burden or a lack of access to a physician licensed to  
7 practice medicine in all of its branches who provides eye  
8 examinations or to a licensed optometrist. Each public,  
9 private, and parochial school must give notice of this eye  
10 examination requirement to the parents and guardians of  
11 students in compliance with rules of the Department of Public  
12 Health. Nothing in this Section shall be construed to allow a  
13 school to exclude a child from attending because of a parent's  
14 or guardian's failure to obtain an eye examination for the  
15 child.

16 (2) The Department of Public Health shall promulgate rules  
17 and regulations specifying the examinations and procedures  
18 that constitute a health examination, which shall include an  
19 age-appropriate developmental screening, an age-appropriate  
20 social and emotional screening, and the collection of data  
21 relating to obesity (including at a minimum, date of birth,  
22 gender, height, weight, blood pressure, and date of exam), and  
23 a dental examination and may recommend by rule that certain  
24 additional examinations be performed. The rules and  
25 regulations of the Department of Public Health shall specify  
26 that a tuberculosis skin test screening shall be included as a

1 required part of each health examination included under this  
2 Section if the child resides in an area designated by the  
3 Department of Public Health as having a high incidence of  
4 tuberculosis. With respect to the developmental screening and  
5 the social and emotional screening, the Department of Public  
6 Health must develop rules and appropriate revisions to the  
7 Child Health Examination form in conjunction with a statewide  
8 organization representing school boards; a statewide  
9 organization representing pediatricians; statewide  
10 organizations representing individuals holding Illinois  
11 educator licenses with school support personnel endorsements,  
12 including school social workers, school psychologists, and  
13 school nurses; a statewide organization representing  
14 children's mental health experts; a statewide organization  
15 representing school principals; the Director of Healthcare and  
16 Family Services or his or her designee, the State  
17 Superintendent of Education or his or her designee; and  
18 representatives of other appropriate State agencies and, at a  
19 minimum, must recommend the use of validated screening tools  
20 appropriate to the child's age or grade, and, with regard to  
21 the social and emotional screening, require recording only  
22 whether or not the screening was completed. The rules shall  
23 take into consideration the screening recommendations of the  
24 American Academy of Pediatrics and must be consistent with the  
25 State Board of Education's social and emotional learning  
26 standards. The Department of Public Health shall specify that a

1 diabetes screening as defined by rule shall be included as a  
2 required part of each health examination. Diabetes testing is  
3 not required.

4 Physicians licensed to practice medicine in all of its  
5 branches, licensed advanced practice nurses, or licensed  
6 physician assistants shall be responsible for the performance  
7 of the health examinations, other than dental examinations, eye  
8 examinations, and vision and hearing screening, and shall sign  
9 all report forms required by subsection (4) of this Section  
10 that pertain to those portions of the health examination for  
11 which the physician, advanced practice nurse, or physician  
12 assistant is responsible. If a registered nurse performs any  
13 part of a health examination, then a physician licensed to  
14 practice medicine in all of its branches must review and sign  
15 all required report forms. Licensed dentists shall perform all  
16 dental examinations and shall sign all report forms required by  
17 subsection (4) of this Section that pertain to the dental  
18 examinations. Physicians licensed to practice medicine in all  
19 its branches or licensed optometrists shall perform all eye  
20 examinations required by this Section and shall sign all report  
21 forms required by subsection (4) of this Section that pertain  
22 to the eye examination. For purposes of this Section, an eye  
23 examination shall at a minimum include history, visual acuity,  
24 subjective refraction to best visual acuity near and far,  
25 internal and external examination, and a glaucoma evaluation,  
26 as well as any other tests or observations that in the

1 professional judgment of the doctor are necessary. Vision and  
2 hearing screening tests, which shall not be considered  
3 examinations as that term is used in this Section, shall be  
4 conducted in accordance with rules and regulations of the  
5 Department of Public Health, and by individuals whom the  
6 Department of Public Health has certified. In these rules and  
7 regulations, the Department of Public Health shall require that  
8 individuals conducting vision screening tests give a child's  
9 parent or guardian written notification, before the vision  
10 screening is conducted, that states, "Vision screening is not a  
11 substitute for a complete eye and vision evaluation by an eye  
12 doctor. Your child is not required to undergo this vision  
13 screening if an optometrist or ophthalmologist has completed  
14 and signed a report form indicating that an examination has  
15 been administered within the previous 12 months."

16 (2.5) With respect to the developmental screening and the  
17 social and emotional screening portion of the health  
18 examination, each child may present proof of having been  
19 screened in accordance with this Section and the rules adopted  
20 under this Section before October 15th of the school year. With  
21 regard to the social and emotional screening only, the  
22 examining health care provider shall only record whether or not  
23 the screening was completed. If the child fails to present  
24 proof of the developmental screening or the social and  
25 emotional screening portions of the health examination by  
26 October 15th of the school year, qualified school support



1 personnel may, with a parent's or guardian's consent, offer the  
2 developmental screening or the social and emotional screening  
3 to the child. Each public, private, and parochial school must  
4 give notice of the developmental screening and social and  
5 emotional screening requirements to the parents and guardians  
6 of students in compliance with the rules of the Department of  
7 Public Health. Nothing in this Section shall be construed to  
8 allow a school to exclude a child from attending because of a  
9 parent's or guardian's failure to obtain a developmental  
10 screening or a social and emotional screening for the child.  
11 Once a developmental screening or a social and emotional  
12 screening is completed and proof has been presented to the  
13 school, the school may, with a parent's or guardian's consent,  
14 make available appropriate school personnel to work with the  
15 parent or guardian, the child, and the provider who signed the  
16 screening form to obtain any appropriate evaluations and  
17 services as indicated on the form and in other information and  
18 documentation provided by the parents, guardians, or provider.

19 (3) Every child shall, at or about the same time as he or  
20 she receives a health examination required by subsection (1) of  
21 this Section, present to the local school proof of having  
22 received such immunizations against preventable communicable  
23 diseases as the Department of Public Health shall require by  
24 rules and regulations promulgated pursuant to this Section and  
25 the Communicable Disease Prevention Act.

26 (4) The individuals conducting the health examination,

1 dental examination, or eye examination shall record the fact of  
2 having conducted the examination, and such additional  
3 information as required, including for a health examination  
4 data relating to obesity (including at a minimum, date of  
5 birth, gender, height, weight, blood pressure, and date of  
6 exam), on uniform forms which the Department of Public Health  
7 and the State Board of Education shall prescribe for statewide  
8 use. The examiner shall summarize on the report form any  
9 condition that he or she suspects indicates a need for special  
10 services, including for a health examination factors relating  
11 to obesity. The duty to summarize on the report form does not  
12 apply to social and emotional screenings. The confidentiality  
13 of the information and records relating to the developmental  
14 screening and the social and emotional screening shall be  
15 determined by the statutes, rules, and professional ethics  
16 governing the type of provider conducting the screening. The  
17 individuals confirming the administration of required  
18 immunizations shall record as indicated on the form that the  
19 immunizations were administered.

20 (5) If a child does not submit proof of having had either  
21 the health examination or the immunization as required, then  
22 the child shall be examined or receive the immunization, as the  
23 case may be, and present proof by October 15 of the current  
24 school year, or by an earlier date of the current school year  
25 established by a school district. To establish a date before  
26 October 15 of the current school year for the health

1 examination or immunization as required, a school district must  
2 give notice of the requirements of this Section 60 days prior  
3 to the earlier established date. If for medical reasons one or  
4 more of the required immunizations must be given after October  
5 15 of the current school year, or after an earlier established  
6 date of the current school year, then the child shall present,  
7 by October 15, or by the earlier established date, a schedule  
8 for the administration of the immunizations and a statement of  
9 the medical reasons causing the delay, both the schedule and  
10 the statement being issued by the physician, advanced practice  
11 nurse, physician assistant, registered nurse, or local health  
12 department that will be responsible for administration of the  
13 remaining required immunizations. If a child does not comply by  
14 October 15, or by the earlier established date of the current  
15 school year, with the requirements of this subsection, then the  
16 local school authority shall exclude that child from school  
17 until such time as the child presents proof of having had the  
18 health examination as required and presents proof of having  
19 received those required immunizations which are medically  
20 possible to receive immediately. During a child's exclusion  
21 from school for noncompliance with this subsection, the child's  
22 parents or legal guardian shall be considered in violation of  
23 Section 26-1 and subject to any penalty imposed by Section  
24 26-10. This subsection (5) does not apply to dental  
25 examinations, eye examinations, and the developmental  
26 screening and the social and emotional screening portions of

1 the health examination. If the student is an out-of-state  
2 transfer student and does not have the proof required under  
3 this subsection (5) before October 15 of the current year or  
4 whatever date is set by the school district, then he or she may  
5 only attend classes (i) if he or she has proof that an  
6 appointment for the required vaccinations has been scheduled  
7 with a party authorized to submit proof of the required  
8 vaccinations. If the proof of vaccination required under this  
9 subsection (5) is not submitted within 30 days after the  
10 student is permitted to attend classes, then the student is not  
11 to be permitted to attend classes until proof of the  
12 vaccinations has been properly submitted. No school district or  
13 employee of a school district shall be held liable for any  
14 injury or illness to another person that results from admitting  
15 an out-of-state transfer student to class that has an  
16 appointment scheduled pursuant to this subsection (5).

17 (6) Every school shall report to the State Board of  
18 Education by November 15, in the manner which that agency shall  
19 require, the number of children who have received the necessary  
20 immunizations and the health examination (other than a dental  
21 examination or eye examination) as required, indicating, of  
22 those who have not received the immunizations and examination  
23 as required, the number of children who are exempt from health  
24 examination and immunization requirements on religious or  
25 medical grounds as provided in subsection (8). On or before  
26 December 1 of each year, every public school district and

1 registered nonpublic school shall make publicly available the  
2 immunization data they are required to submit to the State  
3 Board of Education by November 15. The immunization data made  
4 publicly available must be identical to the data the school  
5 district or school has reported to the State Board of  
6 Education.

7 Every school shall report to the State Board of Education  
8 by June 30, in the manner that the State Board requires, the  
9 number of children who have received the required dental  
10 examination, indicating, of those who have not received the  
11 required dental examination, the number of children who are  
12 exempt from the dental examination on religious grounds as  
13 provided in subsection (8) of this Section and the number of  
14 children who have received a waiver under subsection (1.5) of  
15 this Section.

16 Every school shall report to the State Board of Education  
17 by June 30, in the manner that the State Board requires, the  
18 number of children who have received the required eye  
19 examination, indicating, of those who have not received the  
20 required eye examination, the number of children who are exempt  
21 from the eye examination as provided in subsection (8) of this  
22 Section, the number of children who have received a waiver  
23 under subsection (1.10) of this Section, and the total number  
24 of children in noncompliance with the eye examination  
25 requirement.

26 The reported information under this subsection (6) shall be

1 provided to the Department of Public Health by the State Board  
2 of Education.

3 (7) Upon determining that the number of pupils who are  
4 required to be in compliance with subsection (5) of this  
5 Section is below 90% of the number of pupils enrolled in the  
6 school district, 10% of each State aid payment made pursuant to  
7 Section 18-8.05 or 18-8.15 to the school district for such year  
8 may be withheld by the State Board of Education until the  
9 number of students in compliance with subsection (5) is the  
10 applicable specified percentage or higher.

11 (8) Children of parents or legal guardians who object to  
12 health, dental, or eye examinations or any part thereof, to  
13 immunizations, or to vision and hearing screening tests on  
14 religious grounds shall not be required to undergo the  
15 examinations, tests, or immunizations to which they so object  
16 if such parents or legal guardians present to the appropriate  
17 local school authority a signed Certificate of Religious  
18 Exemption detailing the grounds for objection and the specific  
19 immunizations, tests, or examinations to which they object. The  
20 grounds for objection must set forth the specific religious  
21 belief that conflicts with the examination, test,  
22 immunization, or other medical intervention. The signed  
23 certificate shall also reflect the parent's or legal guardian's  
24 understanding of the school's exclusion policies in the case of  
25 a vaccine-preventable disease outbreak or exposure. The  
26 certificate must also be signed by the authorized examining

1 health care provider responsible for the performance of the  
2 child's health examination confirming that the provider  
3 provided education to the parent or legal guardian on the  
4 benefits of immunization and the health risks to the student  
5 and to the community of the communicable diseases for which  
6 immunization is required in this State. However, the health  
7 care provider's signature on the certificate reflects only that  
8 education was provided and does not allow a health care  
9 provider grounds to determine a religious exemption. Those  
10 receiving immunizations required under this Code shall be  
11 provided with the relevant vaccine information statements that  
12 are required to be disseminated by the federal National  
13 Childhood Vaccine Injury Act of 1986, which may contain  
14 information on circumstances when a vaccine should not be  
15 administered, prior to administering a vaccine. A healthcare  
16 provider may consider including without limitation the  
17 nationally accepted recommendations from federal agencies such  
18 as the Advisory Committee on Immunization Practices, the  
19 information outlined in the relevant vaccine information  
20 statement, and vaccine package inserts, along with the  
21 healthcare provider's clinical judgment, to determine whether  
22 any child may be more susceptible to experiencing an adverse  
23 vaccine reaction than the general population, and, if so, the  
24 healthcare provider may exempt the child from an immunization  
25 or adopt an individualized immunization schedule. The  
26 Certificate of Religious Exemption shall be created by the

1 Department of Public Health and shall be made available and  
2 used by parents and legal guardians by the beginning of the  
3 2015-2016 school year. Parents or legal guardians must submit  
4 the Certificate of Religious Exemption to their local school  
5 authority prior to entering kindergarten, sixth grade, and  
6 ninth grade for each child for which they are requesting an  
7 exemption. The religious objection stated need not be directed  
8 by the tenets of an established religious organization.  
9 However, general philosophical or moral reluctance to allow  
10 physical examinations, eye examinations, immunizations, vision  
11 and hearing screenings, or dental examinations does not provide  
12 a sufficient basis for an exception to statutory requirements.  
13 The local school authority is responsible for determining if  
14 the content of the Certificate of Religious Exemption  
15 constitutes a valid religious objection. The local school  
16 authority shall inform the parent or legal guardian of  
17 exclusion procedures, in accordance with the Department's  
18 rules under Part 690 of Title 77 of the Illinois Administrative  
19 Code, at the time the objection is presented.

20 If the physical condition of the child is such that any one  
21 or more of the immunizing agents should not be administered,  
22 the examining physician, advanced practice nurse, or physician  
23 assistant responsible for the performance of the health  
24 examination shall endorse that fact upon the health examination  
25 form.

26 Exempting a child from the health, dental, or eye



1 examination does not exempt the child from participation in the  
2 program of physical education training provided in Sections  
3 27-5 through 27-7 of this Code.

4 (9) For the purposes of this Section, "nursery schools"  
5 means those nursery schools operated by elementary school  
6 systems or secondary level school units or institutions of  
7 higher learning.

8 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;  
9 99-249, eff. 8-3-15; 99-642, eff. 7-28-16; 99-927, eff.  
10 6-1-17.)

11 (105 ILCS 5/27A-9)

12 Sec. 27A-9. Term of charter; renewal.

13 (a) For charters granted before January 1, 2017 (the  
14 effective date of Public Act 99-840) ~~this amendatory Act of the~~  
15 ~~99th General Assembly~~, a charter may be granted for a period  
16 not less than 5 and not more than 10 school years. For charters  
17 granted on or after January 1, 2017 (the effective date of  
18 Public Act 99-840) ~~this amendatory Act of the 99th General~~  
19 ~~Assembly~~, a charter shall be granted for a period of 5 school  
20 years. For charters renewed 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 renewed in incremental  
23 periods not to exceed 5 school years. For charters renewed on  
24 or after January 1, 2017 (the effective date of Public Act  
25 99-840) ~~this amendatory Act of the 99th General Assembly~~, a

1 charter may be renewed in incremental periods not to exceed 10  
2 school years; however, the Commission may renew a charter only  
3 in incremental periods not to exceed 5 years. Authorizers shall  
4 ensure that every charter granted on or after January 1, 2017  
5 (the effective date of Public Act 99-840) ~~this amendatory Act~~  
6 ~~of the 99th General Assembly~~ includes standards and goals for  
7 academic, organizational, and financial performance. A charter  
8 must meet all standards and goals for academic, organizational,  
9 and financial performance set forth by the authorizer in order  
10 to be renewed for a term in excess of 5 years but not more than  
11 10 years. If an authorizer fails to establish standards and  
12 goals, a charter shall not be renewed for a term in excess of 5  
13 years. Nothing contained in this Section shall require an  
14 authorizer to grant a full 10-year renewal term to any  
15 particular charter school, but an authorizer may award a full  
16 10-year renewal term to charter schools that have a  
17 demonstrated track record of improving student performance.

18 (b) A charter school renewal proposal submitted to the  
19 local school board or the Commission, as the chartering entity,  
20 shall contain:

21 (1) A report on the progress of the charter school in  
22 achieving the goals, objectives, pupil performance  
23 standards, content standards, and other terms of the  
24 initial approved charter proposal; and

25 (2) A financial statement that discloses the costs of  
26 administration, instruction, and other spending categories

1 for the charter school that is understandable to the  
2 general public and that will allow comparison of those  
3 costs to other schools or other comparable organizations,  
4 in a format required by the State Board.

5 (c) A charter may be revoked or not renewed if the local  
6 school board or the Commission, as the chartering entity,  
7 clearly demonstrates that the charter school did any of the  
8 following, or otherwise failed to comply with the requirements  
9 of this law:

10 (1) Committed a material violation of any of the  
11 conditions, standards, or procedures set forth in the  
12 charter.

13 (2) Failed to meet or make reasonable progress toward  
14 achievement of the content standards or pupil performance  
15 standards identified in the charter.

16 (3) Failed to meet generally accepted standards of  
17 fiscal management.

18 (4) Violated any provision of law from which the  
19 charter school was not exempted.

20 In the case of revocation, the local school board or the  
21 Commission, as the chartering entity, shall notify the charter  
22 school in writing of the reason why the charter is subject to  
23 revocation. The charter school shall submit a written plan to  
24 the local school board or the Commission, whichever is  
25 applicable, to rectify the problem. The plan shall include a  
26 timeline for implementation, which shall not exceed 2 years or

1 the date of the charter's expiration, whichever is earlier. If  
2 the local school board or the Commission, as the chartering  
3 entity, finds that the charter school has failed to implement  
4 the plan of remediation and adhere to the timeline, then the  
5 chartering entity shall revoke the charter. Except in  
6 situations of an emergency where the health, safety, or  
7 education of the charter school's students is at risk, the  
8 revocation shall take place at the end of a school year.  
9 Nothing in Public Act 96-105 ~~this amendatory Act of the 96th~~  
10 ~~General Assembly~~ shall be construed to prohibit an  
11 implementation timetable that is less than 2 years in duration.

12 (d) (Blank).

13 (e) Notice of a local school board's decision to deny,  
14 revoke, or not ~~to~~ renew a charter shall be provided to the  
15 Commission and the State Board. The Commission may reverse a  
16 local board's decision if the Commission finds that the charter  
17 school or charter school proposal (i) is in compliance with  
18 this Article, and (ii) is in the best interests of the students  
19 it is designed to serve. The Commission may condition the  
20 granting of an appeal on the acceptance by the charter school  
21 of funding in an amount less than that requested in the  
22 proposal submitted to the local school board. Final decisions  
23 of the Commission shall be subject to judicial review under the  
24 Administrative Review Law.

25 (f) Notwithstanding other provisions of this Article, if  
26 the Commission on appeal reverses a local board's decision or

1 if a charter school is approved by referendum, the Commission  
2 shall act as the authorized chartering entity for the charter  
3 school. The Commission shall approve the charter and shall  
4 perform all functions under this Article otherwise performed by  
5 the local school board. The State Board shall determine whether  
6 the charter proposal approved by the Commission is consistent  
7 with the provisions of this Article and, if the approved  
8 proposal complies, certify the proposal pursuant to this  
9 Article. The State Board shall report the aggregate number of  
10 charter school pupils resident in a school district to that  
11 district and shall notify the district of the amount of funding  
12 to be paid by the State Board to the charter school enrolling  
13 such students. The Commission shall require the charter school  
14 to maintain accurate records of daily attendance that shall be  
15 deemed sufficient to file claims under Section 18-8.05 or  
16 18-8.15 notwithstanding any other requirements of that Section  
17 regarding hours of instruction and teacher certification. The  
18 State Board shall withhold from funds otherwise due the  
19 district the funds authorized by this Article to be paid to the  
20 charter school and shall pay such amounts to the charter  
21 school.

22 (g) For charter schools authorized by the Commission, the  
23 Commission shall quarterly certify to the State Board the  
24 student enrollment for each of its charter schools.

25 (h) For charter schools authorized by the Commission, the  
26 State Board shall pay directly to a charter school any federal

1 or State aid attributable to a student with a disability  
2 attending the school.

3 (Source: P.A. 98-739, eff. 7-16-14; 99-840, eff. 1-1-17;  
4 revised 10-27-16.)

5 (105 ILCS 5/27A-11)

6 Sec. 27A-11. Local financing.

7 (a) For purposes of the School Code, pupils enrolled in a  
8 charter school shall be included in the pupil enrollment of the  
9 school district within which the pupil resides. Each charter  
10 school (i) shall determine the school district in which each  
11 pupil who is enrolled in the charter school resides, (ii) shall  
12 report the aggregate number of pupils resident of a school  
13 district who are enrolled in the charter school to the school  
14 district in which those pupils reside, and (iii) shall maintain  
15 accurate records of daily attendance that shall be deemed  
16 sufficient to file claims under Section 18-8 or 18-8.15  
17 notwithstanding any other requirements of that Section  
18 regarding hours of instruction and teacher certification.

19 (b) Except for a charter school established by referendum  
20 under Section 27A-6.5, as part of a charter school contract,  
21 the charter school and the local school board shall agree on  
22 funding and any services to be provided by the school district  
23 to the charter school. Agreed funding that a charter school is  
24 to receive from the local school board for a school year shall  
25 be paid in equal quarterly installments with the payment of the

1 installment for the first quarter being made not later than  
2 July 1, unless the charter establishes a different payment  
3 schedule. However, if a charter school dismisses a pupil from  
4 the charter school after receiving a quarterly payment, the  
5 charter school shall return to the school district, on a  
6 quarterly basis, the prorated portion of public funding  
7 provided for the education of that pupil for the time the  
8 student is not enrolled at the charter school. Likewise, if a  
9 pupil transfers to a charter school between quarterly payments,  
10 the school district shall provide, on a quarterly basis, a  
11 prorated portion of the public funding to the charter school to  
12 provide for the education of that pupil.

13 All services centrally or otherwise provided by the school  
14 district including, but not limited to, rent, food services,  
15 custodial services, maintenance, curriculum, media services,  
16 libraries, transportation, and warehousing shall be subject to  
17 negotiation between a charter school and the local school board  
18 and paid for out of the revenues negotiated pursuant to this  
19 subsection (b); provided that the local school board shall not  
20 attempt, by negotiation or otherwise, to obligate a charter  
21 school to provide pupil transportation for pupils for whom a  
22 district is not required to provide transportation under the  
23 criteria set forth in subsection (a) (13) of Section 27A-7.

24 In no event shall the funding be less than 97% ~~75%~~ or more  
25 than 103% ~~125%~~ of the school district's per capita student  
26 tuition multiplied by the number of students residing in the

1 district who are enrolled in the charter school.

2 It is the intent of the General Assembly that funding and  
3 service agreements under this subsection (b) shall be neither a  
4 financial incentive nor a financial disincentive to the  
5 establishment of a charter school.

6 The charter school may set and collect reasonable fees.  
7 Fees collected from students enrolled at a charter school shall  
8 be retained by the charter school.

9 (c) Notwithstanding subsection (b) of this Section, the  
10 proportionate share of State and federal resources generated by  
11 students with disabilities or staff serving them shall be  
12 directed to charter schools enrolling those students by their  
13 school districts or administrative units. The proportionate  
14 share of moneys generated under other federal or State  
15 categorical aid programs shall be directed to charter schools  
16 serving students eligible for that aid.

17 (d) The governing body of a charter school is authorized to  
18 accept gifts, donations, or grants of any kind made to the  
19 charter school and to expend or use gifts, donations, or grants  
20 in accordance with the conditions prescribed by the donor;  
21 however, a gift, donation, or grant may not be accepted by the  
22 governing body if it is subject to any condition contrary to  
23 applicable law or contrary to the terms of the contract between  
24 the charter school and the local school board. Charter schools  
25 shall be encouraged to solicit and utilize community volunteer  
26 speakers and other instructional resources when providing



1 instruction on the Holocaust and other historical events.

2 (e) (Blank).

3 (f) The Commission shall provide technical assistance to  
4 persons and groups preparing or revising charter applications.

5 (g) At the non-renewal or revocation of its charter, each  
6 charter school shall refund to the local board of education all  
7 unspent funds.

8 (h) A charter school is authorized to incur temporary,  
9 short term debt to pay operating expenses in anticipation of  
10 receipt of funds from the local school board.

11 (Source: P.A. 98-640, eff. 6-9-14; 98-739, eff. 7-16-14; 99-78,  
12 eff. 7-20-15.)

13 (105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

14 Sec. 29-5. Reimbursement by State for transportation. Any  
15 school district, maintaining a school, transporting resident  
16 pupils to another school district's vocational program,  
17 offered through a joint agreement approved by the State Board  
18 of Education, as provided in Section 10-22.22 or transporting  
19 its resident pupils to a school which meets the standards for  
20 recognition as established by the State Board of Education  
21 which provides transportation meeting the standards of safety,  
22 comfort, convenience, efficiency and operation prescribed by  
23 the State Board of Education for resident pupils in  
24 kindergarten or any of grades 1 through 12 who: (a) reside at  
25 least 1 1/2 miles as measured by the customary route of travel,

1 from the school attended; or (b) reside in areas where  
2 conditions are such that walking constitutes a hazard to the  
3 safety of the child when determined under Section 29-3; and (c)  
4 are transported to the school attended from pick-up points at  
5 the beginning of the school day and back again at the close of  
6 the school day or transported to and from their assigned  
7 attendance centers during the school day, shall be reimbursed  
8 by the State as hereinafter provided in this Section.

9 The State will pay the cost of transporting eligible pupils  
10 less the prior year assessed valuation in a dual school  
11 district maintaining secondary grades 9 to 12 inclusive times a  
12 qualifying rate of .05%; in elementary school districts  
13 maintaining grades K to 8 times a qualifying rate of .06%; and  
14 in unit districts maintaining grades K to 12, including  
15 optional elementary unit districts and combined high school -  
16 unit districts, times a qualifying rate of .07%; provided that  
17 for optional elementary unit districts and combined high school  
18 - unit districts, prior year assessed valuation for high school  
19 purposes, as defined in Article 11E of this Code, must be used.  
20 To be eligible to receive reimbursement in excess of 4/5 of the  
21 cost to transport eligible pupils, a school district shall have  
22 a Transportation Fund tax rate of at least .12%. If a school  
23 district does not have a .12% Transportation Fund tax rate, the  
24 amount of its claim in excess of 4/5 of the cost of  
25 transporting pupils shall be reduced by the sum arrived at by  
26 subtracting the Transportation Fund tax rate from .12% and

1 multiplying that amount by the district's prior year ~~districts~~  
2 equalized or assessed valuation, provided, that in no case  
3 shall said reduction result in reimbursement of less than 4/5  
4 of the cost to transport eligible pupils.

5 The minimum amount to be received by a district is \$16  
6 times the number of eligible pupils transported.

7 When calculating the reimbursement for transportation  
8 costs, the State Board of Education may not deduct the number  
9 of pupils enrolled in early education programs from the number  
10 of pupils eligible for reimbursement if the pupils enrolled in  
11 the early education programs are transported at the same time  
12 as other eligible pupils.

13 Any such district transporting resident pupils during the  
14 school day to an area vocational school or another school  
15 district's vocational program more than 1 1/2 miles from the  
16 school attended, as provided in Sections 10-22.20a and  
17 10-22.22, shall be reimbursed by the State for 4/5 of the cost  
18 of transporting eligible pupils.

19 School day means that period of time which the pupil is  
20 required to be in attendance for instructional purposes.

21 If a pupil is at a location within the school district  
22 other than his residence for child care purposes at the time  
23 for transportation to school, that location may be considered  
24 for purposes of determining the 1 1/2 miles from the school  
25 attended.

26 Claims for reimbursement that include children who attend

1 any school other than a public school shall show the number of  
2 such children transported.

3 Claims for reimbursement under this Section shall not be  
4 paid for the transportation of pupils for whom transportation  
5 costs are claimed for payment under other Sections of this Act.

6 The allowable direct cost of transporting pupils for  
7 regular, vocational, and special education pupil  
8 transportation shall be limited to the sum of the cost of  
9 physical examinations required for employment as a school bus  
10 driver; the salaries of full or part-time drivers and school  
11 bus maintenance personnel; employee benefits excluding  
12 Illinois municipal retirement payments, social security  
13 payments, unemployment insurance payments and workers'  
14 compensation insurance premiums; expenditures to independent  
15 carriers who operate school buses; payments to other school  
16 districts for pupil transportation services; pre-approved  
17 contractual expenditures for computerized bus scheduling; the  
18 cost of gasoline, oil, tires, and other supplies necessary for  
19 the operation of school buses; the cost of converting buses'  
20 gasoline engines to more fuel efficient engines or to engines  
21 which use alternative energy sources; the cost of travel to  
22 meetings and workshops conducted by the regional  
23 superintendent or the State Superintendent of Education  
24 pursuant to the standards established by the Secretary of State  
25 under Section 6-106 of the Illinois Vehicle Code to improve the  
26 driving skills of school bus drivers; the cost of maintenance

1 of school buses including parts and materials used;  
2 expenditures for leasing transportation vehicles, except  
3 interest and service charges; the cost of insurance and  
4 licenses for transportation vehicles; expenditures for the  
5 rental of transportation equipment; plus a depreciation  
6 allowance of 20% for 5 years for school buses and vehicles  
7 approved for transporting pupils to and from school and a  
8 depreciation allowance of 10% for 10 years for other  
9 transportation equipment so used. Each school year, if a school  
10 district has made expenditures to the Regional Transportation  
11 Authority or any of its service boards, a mass transit  
12 district, or an urban transportation district under an  
13 intergovernmental agreement with the district to provide for  
14 the transportation of pupils and if the public transit carrier  
15 received direct payment for services or passes from a school  
16 district within its service area during the 2000-2001 school  
17 year, then the allowable direct cost of transporting pupils for  
18 regular, vocational, and special education pupil  
19 transportation shall also include the expenditures that the  
20 district has made to the public transit carrier. In addition to  
21 the above allowable costs school districts shall also claim all  
22 transportation supervisory salary costs, including Illinois  
23 municipal retirement payments, and all transportation related  
24 building and building maintenance costs without limitation.

25 Special education allowable costs shall also include  
26 expenditures for the salaries of attendants or aides for that

1 portion of the time they assist special education pupils while  
2 in transit and expenditures for parents and public carriers for  
3 transporting special education pupils when pre-approved by the  
4 State Superintendent of Education.

5 Indirect costs shall be included in the reimbursement claim  
6 for districts which own and operate their own school buses.  
7 Such indirect costs shall include administrative costs, or any  
8 costs attributable to transporting pupils from their  
9 attendance centers to another school building for  
10 instructional purposes. No school district which owns and  
11 operates its own school buses may claim reimbursement for  
12 indirect costs which exceed 5% of the total allowable direct  
13 costs for pupil transportation.

14 The State Board of Education shall prescribe uniform  
15 regulations for determining the above standards and shall  
16 prescribe forms of cost accounting and standards of determining  
17 reasonable depreciation. Such depreciation shall include the  
18 cost of equipping school buses with the safety features  
19 required by law or by the rules, regulations and standards  
20 promulgated by the State Board of Education, and the Department  
21 of Transportation for the safety and construction of school  
22 buses provided, however, any equipment cost reimbursed by the  
23 Department of Transportation for equipping school buses with  
24 such safety equipment shall be deducted from the allowable cost  
25 in the computation of reimbursement under this Section in the  
26 same percentage as the cost of the equipment is depreciated.

1           On or before August 15, annually, the chief school  
2 administrator for the district shall certify to the State  
3 Superintendent of Education the district's claim for  
4 reimbursement for the school year ending on June 30 next  
5 preceding. The State Superintendent of Education shall check  
6 and approve the claims and prepare the vouchers showing the  
7 amounts due for district reimbursement claims. Each fiscal  
8 year, the State Superintendent of Education shall prepare and  
9 transmit the first 3 vouchers to the Comptroller on the 30th  
10 day of September, December and March, respectively, and the  
11 final voucher, no later than June 20.

12           If the amount appropriated for transportation  
13 reimbursement is insufficient to fund total claims for any  
14 fiscal year, the State Board of Education shall reduce each  
15 school district's allowable costs and flat grant amount  
16 proportionately to make total adjusted claims equal the total  
17 amount appropriated.

18           For purposes of calculating claims for reimbursement under  
19 this Section for any school year beginning July 1, 1998, or  
20 thereafter, the equalized assessed valuation for a school  
21 district used to compute reimbursement shall be computed in the  
22 same manner as it is computed under paragraph (2) of subsection  
23 (G) of Section 18-8.05.

24           All reimbursements received from the State shall be  
25 deposited into the district's transportation fund or into the  
26 fund from which the allowable expenditures were made.

1           Notwithstanding any other provision of law, any school  
2 district receiving a payment under this Section or under  
3 Section 14-7.02, 14-7.02b, or 14-13.01 of this Code may  
4 classify all or a portion of the funds that it receives in a  
5 particular fiscal year or from general State aid pursuant to  
6 Section 18-8.05 of this Code as funds received in connection  
7 with any funding program for which it is entitled to receive  
8 funds from the State in that fiscal year (including, without  
9 limitation, any funding program referenced in this Section),  
10 regardless of the source or timing of the receipt. The district  
11 may not classify more funds as funds received in connection  
12 with the funding program than the district is entitled to  
13 receive in that fiscal year for that program. Any  
14 classification by a district must be made by a resolution of  
15 its board of education. The resolution must identify the amount  
16 of any payments or general State aid to be classified under  
17 this paragraph and must specify the funding program to which  
18 the funds are to be treated as received in connection  
19 therewith. This resolution is controlling as to the  
20 classification of funds referenced therein. A certified copy of  
21 the resolution must be sent to the State Superintendent of  
22 Education. The resolution shall still take effect even though a  
23 copy of the resolution has not been sent to the State  
24 Superintendent of Education in a timely manner. No  
25 classification under this paragraph by a district shall affect  
26 the total amount or timing of money the district is entitled to



1 receive under this Code. No classification under this paragraph  
2 by a district shall in any way relieve the district from or  
3 affect any requirements that otherwise would apply with respect  
4 to that funding program, including any accounting of funds by  
5 source, reporting expenditures by original source and purpose,  
6 reporting requirements, or requirements of providing services.

7 Any school district with a population of not more than  
8 500,000 must deposit all funds received under this Article into  
9 the transportation fund and use those funds for the provision  
10 of transportation services.

11 (Source: P.A. 95-903, eff. 8-25-08; 96-1264, eff. 1-1-11.)

12 (105 ILCS 5/34-2.3) (from Ch. 122, par. 34-2.3)

13 Sec. 34-2.3. Local school councils - Powers and duties.  
14 Each local school council shall have and exercise, consistent  
15 with the provisions of this Article and the powers and duties  
16 of the board of education, the following powers and duties:

17 1. (A) To annually evaluate the performance of the  
18 principal of the attendance center using a Board approved  
19 principal evaluation form, which shall include the evaluation  
20 of (i) student academic improvement, as defined by the school  
21 improvement plan, (ii) student absenteeism rates at the school,  
22 (iii) instructional leadership, (iv) the effective  
23 implementation of programs, policies, or strategies to improve  
24 student academic achievement, (v) school management, and (vi)  
25 any other factors deemed relevant by the local school council,

1 including, without limitation, the principal's communication  
2 skills and ability to create and maintain a student-centered  
3 learning environment, to develop opportunities for  
4 professional development, and to encourage parental  
5 involvement and community partnerships to achieve school  
6 improvement;

7 (B) to determine in the manner provided by subsection (c)  
8 of Section 34-2.2 and subdivision 1.5 of this Section whether  
9 the performance contract of the principal shall be renewed; and

10 (C) to directly select, in the manner provided by  
11 subsection (c) of Section 34-2.2, a new principal (including a  
12 new principal to fill a vacancy) -- without submitting any list  
13 of candidates for that position to the general superintendent  
14 as provided in paragraph 2 of this Section -- to serve under a  
15 4 year performance contract; provided that (i) the  
16 determination of whether the principal's performance contract  
17 is to be renewed, based upon the evaluation required by  
18 subdivision 1.5 of this Section, shall be made no later than  
19 150 days prior to the expiration of the current  
20 performance-based contract of the principal, (ii) in cases  
21 where such performance contract is not renewed -- a direct  
22 selection of a new principal -- to serve under a 4 year  
23 performance contract shall be made by the local school council  
24 no later than 45 days prior to the expiration of the current  
25 performance contract of the principal, and (iii) a selection by  
26 the local school council of a new principal to fill a vacancy

1 under a 4 year performance contract shall be made within 90  
2 days after the date such vacancy occurs. A Council shall be  
3 required, if requested by the principal, to provide in writing  
4 the reasons for the council's not renewing the principal's  
5 contract.

6 1.5. The local school council's determination of whether to  
7 renew the principal's contract shall be based on an evaluation  
8 to assess the educational and administrative progress made at  
9 the school during the principal's current performance-based  
10 contract. The local school council shall base its evaluation on  
11 (i) student academic improvement, as defined by the school  
12 improvement plan, (ii) student absenteeism rates at the school,  
13 (iii) instructional leadership, (iv) the effective  
14 implementation of programs, policies, or strategies to improve  
15 student academic achievement, (v) school management, and (vi)  
16 any other factors deemed relevant by the local school council,  
17 including, without limitation, the principal's communication  
18 skills and ability to create and maintain a student-centered  
19 learning environment, to develop opportunities for  
20 professional development, and to encourage parental  
21 involvement and community partnerships to achieve school  
22 improvement. If a local school council fails to renew the  
23 performance contract of a principal rated by the general  
24 superintendent, or his or her designee, in the previous years'  
25 evaluations as meeting or exceeding expectations, the  
26 principal, within 15 days after the local school council's

1 decision not to renew the contract, may request a review of the  
2 local school council's principal non-retention decision by a  
3 hearing officer appointed by the American Arbitration  
4 Association. A local school council member or members or the  
5 general superintendent may support the principal's request for  
6 review. During the period of the hearing officer's review of  
7 the local school council's decision on whether or not to retain  
8 the principal, the local school council shall maintain all  
9 authority to search for and contract with a person to serve as  
10 interim or acting principal, or as the principal of the  
11 attendance center under a 4-year performance contract,  
12 provided that any performance contract entered into by the  
13 local school council shall be voidable or modified in  
14 accordance with the decision of the hearing officer. The  
15 principal may request review only once while at that attendance  
16 center. If a local school council renews the contract of a  
17 principal who failed to obtain a rating of "meets" or "exceeds  
18 expectations" in the general superintendent's evaluation for  
19 the previous year, the general superintendent, within 15 days  
20 after the local school council's decision to renew the  
21 contract, may request a review of the local school council's  
22 principal retention decision by a hearing officer appointed by  
23 the American Arbitration Association. The general  
24 superintendent may request a review only once for that  
25 principal at that attendance center. All requests to review the  
26 retention or non-retention of a principal shall be submitted to

1 the general superintendent, who shall, in turn, forward such  
2 requests, within 14 days of receipt, to the American  
3 Arbitration Association. The general superintendent shall send  
4 a contemporaneous copy of the request that was forwarded to the  
5 American Arbitration Association to the principal and to each  
6 local school council member and shall inform the local school  
7 council of its rights and responsibilities under the  
8 arbitration process, including the local school council's  
9 right to representation and the manner and process by which the  
10 Board shall pay the costs of the council's representation. If  
11 the local school council retains the principal and the general  
12 superintendent requests a review of the retention decision, the  
13 local school council and the general superintendent shall be  
14 considered parties to the arbitration, a hearing officer shall  
15 be chosen between those 2 parties pursuant to procedures  
16 promulgated by the State Board of Education, and the principal  
17 may retain counsel and participate in the arbitration. If the  
18 local school council does not retain the principal and the  
19 principal requests a review of the retention decision, the  
20 local school council and the principal shall be considered  
21 parties to the arbitration and a hearing officer shall be  
22 chosen between those 2 parties pursuant to procedures  
23 promulgated by the State Board of Education. The hearing shall  
24 begin (i) within 45 days after the initial request for review  
25 is submitted by the principal to the general superintendent or  
26 (ii) if the initial request for review is made by the general

1 superintendent, within 45 days after that request is mailed to  
2 the American Arbitration Association. The hearing officer  
3 shall render a decision within 45 days after the hearing begins  
4 and within 90 days after the initial request for review. The  
5 Board shall contract with the American Arbitration Association  
6 for all of the hearing officer's reasonable and necessary  
7 costs. In addition, the Board shall pay any reasonable costs  
8 incurred by a local school council for representation before a  
9 hearing officer.

10 1.10. The hearing officer shall conduct a hearing, which  
11 shall include (i) a review of the principal's performance,  
12 evaluations, and other evidence of the principal's service at  
13 the school, (ii) reasons provided by the local school council  
14 for its decision, and (iii) documentation evidencing views of  
15 interested persons, including, without limitation, students,  
16 parents, local school council members, school faculty and  
17 staff, the principal, the general superintendent or his or her  
18 designee, and members of the community. The burden of proof in  
19 establishing that the local school council's decision was  
20 arbitrary and capricious shall be on the party requesting the  
21 arbitration, and this party shall sustain the burden by a  
22 preponderance of the evidence. The hearing officer shall set  
23 the local school council decision aside if that decision, in  
24 light of the record developed at the hearing, is arbitrary and  
25 capricious. The decision of the hearing officer may not be  
26 appealed to the Board or the State Board of Education. If the

1 hearing officer decides that the principal shall be retained,  
2 the retention period shall not exceed 2 years.

3 2. In the event (i) the local school council does not renew  
4 the performance contract of the principal, or the principal  
5 fails to receive a satisfactory rating as provided in  
6 subsection (h) of Section 34-8.3, or the principal is removed  
7 for cause during the term of his or her performance contract in  
8 the manner provided by Section 34-85, or a vacancy in the  
9 position of principal otherwise occurs prior to the expiration  
10 of the term of a principal's performance contract, and (ii) the  
11 local school council fails to directly select a new principal  
12 to serve under a 4 year performance contract, the local school  
13 council in such event shall submit to the general  
14 superintendent a list of 3 candidates -- listed in the local  
15 school council's order of preference -- for the position of  
16 principal, one of which shall be selected by the general  
17 superintendent to serve as principal of the attendance center.  
18 If the general superintendent fails or refuses to select one of  
19 the candidates on the list to serve as principal within 30 days  
20 after being furnished with the candidate list, the general  
21 superintendent shall select and place a principal on an interim  
22 basis (i) for a period not to exceed one year or (ii) until the  
23 local school council selects a new principal with 7 affirmative  
24 votes as provided in subsection (c) of Section 34-2.2,  
25 whichever occurs first. If the local school council fails or  
26 refuses to select and appoint a new principal, as specified by

1 subsection (c) of Section 34-2.2, the general superintendent  
2 may select and appoint a new principal on an interim basis for  
3 an additional year or until a new contract principal is  
4 selected by the local school council. There shall be no  
5 discrimination on the basis of race, sex, creed, color or  
6 disability unrelated to ability to perform in connection with  
7 the submission of candidates for, and the selection of a  
8 candidate to serve as principal of an attendance center. No  
9 person shall be directly selected, listed as a candidate for,  
10 or selected to serve as principal of an attendance center (i)  
11 if such person has been removed for cause from employment by  
12 the Board or (ii) if such person does not hold a valid  
13 administrative certificate issued or exchanged under Article  
14 21 and endorsed as required by that Article for the position of  
15 principal. A principal whose performance contract is not  
16 renewed as provided under subsection (c) of Section 34-2.2 may  
17 nevertheless, if otherwise qualified and certified as herein  
18 provided and if he or she has received a satisfactory rating as  
19 provided in subsection (h) of Section 34-8.3, be included by a  
20 local school council as one of the 3 candidates listed in order  
21 of preference on any candidate list from which one person is to  
22 be selected to serve as principal of the attendance center  
23 under a new performance contract. The initial candidate list  
24 required to be submitted by a local school council to the  
25 general superintendent in cases where the local school council  
26 does not renew the performance contract of its principal and



1 does not directly select a new principal to serve under a 4  
2 year performance contract shall be submitted not later than 30  
3 days prior to the expiration of the current performance  
4 contract. In cases where the local school council fails or  
5 refuses to submit the candidate list to the general  
6 superintendent no later than 30 days prior to the expiration of  
7 the incumbent principal's contract, the general superintendent  
8 may appoint a principal on an interim basis for a period not to  
9 exceed one year, during which time the local school council  
10 shall be able to select a new principal with 7 affirmative  
11 votes as provided in subsection (c) of Section 34-2.2. In cases  
12 where a principal is removed for cause or a vacancy otherwise  
13 occurs in the position of principal and the vacancy is not  
14 filled by direct selection by the local school council, the  
15 candidate list shall be submitted by the local school council  
16 to the general superintendent within 90 days after the date  
17 such removal or vacancy occurs. In cases where the local school  
18 council fails or refuses to submit the candidate list to the  
19 general superintendent within 90 days after the date of the  
20 vacancy, the general superintendent may appoint a principal on  
21 an interim basis for a period of one year, during which time  
22 the local school council shall be able to select a new  
23 principal with 7 affirmative votes as provided in subsection  
24 (c) of Section 34-2.2.

25 2.5. Whenever a vacancy in the office of a principal occurs  
26 for any reason, the vacancy shall be filled in the manner

1 provided by this Section by the selection of a new principal to  
2 serve under a 4 year performance contract.

3 3. To establish additional criteria to be included as part  
4 of the performance contract of its principal, provided that  
5 such additional criteria shall not discriminate on the basis of  
6 race, sex, creed, color or disability unrelated to ability to  
7 perform, and shall not be inconsistent with the uniform 4 year  
8 performance contract for principals developed by the board as  
9 provided in Section 34-8.1 of the School Code or with other  
10 provisions of this Article governing the authority and  
11 responsibility of principals.

12 4. To approve the expenditure plan prepared by the  
13 principal with respect to all funds allocated and distributed  
14 to the attendance center by the Board. The expenditure plan  
15 shall be administered by the principal. Notwithstanding any  
16 other provision of this Act or any other law, any expenditure  
17 plan approved and administered under this Section 34-2.3 shall  
18 be consistent with and subject to the terms of any contract for  
19 services with a third party entered into by the Chicago School  
20 Reform Board of Trustees or the board under this Act.

21 Via a supermajority vote of 7 members of the local school  
22 council or 8 members of a high school local school council, the  
23 Council may transfer allocations pursuant to Section 34-2.3  
24 within funds; provided that such a transfer is consistent with  
25 applicable law and collective bargaining agreements.

26 Beginning in fiscal year 1991 and in each fiscal year

1 thereafter, the Board may reserve up to 1% of its total fiscal  
2 year budget for distribution on a prioritized basis to schools  
3 throughout the school system in order to assure adequate  
4 programs to meet the needs of special student populations as  
5 determined by the Board. This distribution shall take into  
6 account the needs catalogued in the Systemwide Plan and the  
7 various local school improvement plans of the local school  
8 councils. Information about these centrally funded programs  
9 shall be distributed to the local school councils so that their  
10 subsequent planning and programming will account for these  
11 provisions.

12 Beginning in fiscal year 1991 and in each fiscal year  
13 thereafter, from other amounts available in the applicable  
14 fiscal year budget, the board shall allocate a lump sum amount  
15 to each local school based upon such formula as the board shall  
16 determine taking into account the special needs of the student  
17 body. The local school principal shall develop an expenditure  
18 plan in consultation with the local school council, the  
19 professional personnel leadership committee and with all other  
20 school personnel, which reflects the priorities and activities  
21 as described in the school's local school improvement plan and  
22 is consistent with applicable law and collective bargaining  
23 agreements and with board policies and standards; however, the  
24 local school council shall have the right to request waivers of  
25 board policy from the board of education and waivers of  
26 employee collective bargaining agreements pursuant to Section

1 34-8.1a.

2 The expenditure plan developed by the principal with  
3 respect to amounts available from the fund for prioritized  
4 special needs programs and the allocated lump sum amount must  
5 be approved by the local school council.

6 The lump sum allocation shall take into account the  
7 following principles:

8 a. Teachers: Each school shall be allocated funds equal  
9 to the amount appropriated in the previous school year for  
10 compensation for teachers (regular grades kindergarten  
11 through 12th grade) plus whatever increases in  
12 compensation have been negotiated contractually or through  
13 longevity as provided in the negotiated agreement.  
14 Adjustments shall be made due to layoff or reduction in  
15 force, lack of funds or work, change in subject  
16 requirements, enrollment changes, or contracts with third  
17 parties for the performance of services or to rectify any  
18 inconsistencies with system-wide allocation formulas or  
19 for other legitimate reasons.

20 b. Other personnel: Funds for other teacher  
21 certificated and uncertificated personnel paid through  
22 non-categorical funds shall be provided according to  
23 system-wide formulas based on student enrollment and the  
24 special needs of the school as determined by the Board.

25 c. Non-compensation items: Appropriations for all  
26 non-compensation items shall be based on system-wide

1 formulas based on student enrollment and on the special  
2 needs of the school or factors related to the physical  
3 plant, including but not limited to textbooks, electronic  
4 textbooks and the technological equipment necessary to  
5 gain access to and use electronic textbooks, supplies,  
6 electricity, equipment, and routine maintenance.

7 d. Funds for categorical programs: Schools shall  
8 receive personnel and funds based on, and shall use such  
9 personnel and funds in accordance with State and Federal  
10 requirements applicable to each categorical program  
11 provided to meet the special needs of the student body  
12 (including but not limited to, Federal Chapter I,  
13 Bilingual, and Special Education).

14 d.1. Funds for State Title I: Each school shall receive  
15 funds based on State and Board requirements applicable to  
16 each State Title I pupil provided to meet the special needs  
17 of the student body. Each school shall receive the  
18 proportion of funds as provided in Section 18-8 or 18-8.15  
19 to which they are entitled. These funds shall be spent only  
20 with the budgetary approval of the Local School Council as  
21 provided in Section 34-2.3.

22 e. The Local School Council shall have the right to  
23 request the principal to close positions and open new ones  
24 consistent with the provisions of the local school  
25 improvement plan provided that these decisions are  
26 consistent with applicable law and collective bargaining

1 agreements. If a position is closed, pursuant to this  
2 paragraph, the local school shall have for its use the  
3 system-wide average compensation for the closed position.

4 f. Operating within existing laws and collective  
5 bargaining agreements, the local school council shall have  
6 the right to direct the principal to shift expenditures  
7 within funds.

8 g. (Blank).

9 Any funds unexpended at the end of the fiscal year shall be  
10 available to the board of education for use as part of its  
11 budget for the following fiscal year.

12 5. To make recommendations to the principal concerning  
13 textbook selection and concerning curriculum developed  
14 pursuant to the school improvement plan which is consistent  
15 with systemwide curriculum objectives in accordance with  
16 Sections 34-8 and 34-18 of the School Code and in conformity  
17 with the collective bargaining agreement.

18 6. To advise the principal concerning the attendance and  
19 disciplinary policies for the attendance center, subject to the  
20 provisions of this Article and Article 26, and consistent with  
21 the uniform system of discipline established by the board  
22 pursuant to Section 34-19.

23 7. To approve a school improvement plan developed as  
24 provided in Section 34-2.4. The process and schedule for plan  
25 development shall be publicized to the entire school community,  
26 and the community shall be afforded the opportunity to make

1 recommendations concerning the plan. At least twice a year the  
2 principal and local school council shall report publicly on  
3 progress and problems with respect to plan implementation.

4 8. To evaluate the allocation of teaching resources and  
5 other certificated and uncertificated staff to the attendance  
6 center to determine whether such allocation is consistent with  
7 and in furtherance of instructional objectives and school  
8 programs reflective of the school improvement plan adopted for  
9 the attendance center; and to make recommendations to the  
10 board, the general superintendent and the principal concerning  
11 any reallocation of teaching resources or other staff whenever  
12 the council determines that any such reallocation is  
13 appropriate because the qualifications of any existing staff at  
14 the attendance center do not adequately match or support  
15 instructional objectives or school programs which reflect the  
16 school improvement plan.

17 9. To make recommendations to the principal and the general  
18 superintendent concerning their respective appointments, after  
19 August 31, 1989, and in the manner provided by Section 34-8 and  
20 Section 34-8.1, of persons to fill any vacant, additional or  
21 newly created positions for teachers at the attendance center  
22 or at attendance centers which include the attendance center  
23 served by the local school council.

24 10. To request of the Board the manner in which training  
25 and assistance shall be provided to the local school council.  
26 Pursuant to Board guidelines a local school council is

1 authorized to direct the Board of Education to contract with  
2 personnel or not-for-profit organizations not associated with  
3 the school district to train or assist council members. If  
4 training or assistance is provided by contract with personnel  
5 or organizations not associated with the school district, the  
6 period of training or assistance shall not exceed 30 hours  
7 during a given school year; person shall not be employed on a  
8 continuous basis longer than said period and shall not have  
9 been employed by the Chicago Board of Education within the  
10 preceding six months. Council members shall receive training in  
11 at least the following areas:

12 1. school budgets;

13 2. educational theory pertinent to the attendance  
14 center's particular needs, including the development of  
15 the school improvement plan and the principal's  
16 performance contract; and

17 3. personnel selection.

18 Council members shall, to the greatest extent possible,  
19 complete such training within 90 days of election.

20 11. In accordance with systemwide guidelines contained in  
21 the System-Wide Educational Reform Goals and Objectives Plan,  
22 criteria for evaluation of performance shall be established for  
23 local school councils and local school council members. If a  
24 local school council persists in noncompliance with systemwide  
25 requirements, the Board may impose sanctions and take necessary  
26 corrective action, consistent with Section 34-8.3.



1           12. Each local school council shall comply with the Open  
2 Meetings Act and the Freedom of Information Act. Each local  
3 school council shall issue and transmit to its school community  
4 a detailed annual report accounting for its activities  
5 programmatically and financially. Each local school council  
6 shall convene at least 2 well-publicized meetings annually with  
7 its entire school community. These meetings shall include  
8 presentation of the proposed local school improvement plan, of  
9 the proposed school expenditure plan, and the annual report,  
10 and shall provide an opportunity for public comment.

11           13. Each local school council is encouraged to involve  
12 additional non-voting members of the school community in  
13 facilitating the council's exercise of its responsibilities.

14           14. The local school council may adopt a school uniform or  
15 dress code policy that governs the attendance center and that  
16 is necessary to maintain the orderly process of a school  
17 function or prevent endangerment of student health or safety,  
18 consistent with the policies and rules of the Board of  
19 Education. A school uniform or dress code policy adopted by a  
20 local school council: (i) shall not be applied in such manner  
21 as to discipline or deny attendance to a transfer student or  
22 any other student for noncompliance with that policy during  
23 such period of time as is reasonably necessary to enable the  
24 student to acquire a school uniform or otherwise comply with  
25 the dress code policy that is in effect at the attendance  
26 center into which the student's enrollment is transferred; and

1 (ii) shall include criteria and procedures under which the  
2 local school council will accommodate the needs of or otherwise  
3 provide appropriate resources to assist a student from an  
4 indigent family in complying with an applicable school uniform  
5 or dress code policy. A student whose parents or legal  
6 guardians object on religious grounds to the student's  
7 compliance with an applicable school uniform or dress code  
8 policy shall not be required to comply with that policy if the  
9 student's parents or legal guardians present to the local  
10 school council a signed statement of objection detailing the  
11 grounds for the objection.

12 15. All decisions made and actions taken by the local  
13 school council in the exercise of its powers and duties shall  
14 comply with State and federal laws, all applicable collective  
15 bargaining agreements, court orders and rules properly  
16 promulgated by the Board.

17 15a. To grant, in accordance with board rules and policies,  
18 the use of assembly halls and classrooms when not otherwise  
19 needed, including lighting, heat, and attendants, for public  
20 lectures, concerts, and other educational and social  
21 activities.

22 15b. To approve, in accordance with board rules and  
23 policies, receipts and expenditures for all internal accounts  
24 of the attendance center, and to approve all fund-raising  
25 activities by nonschool organizations that use the school  
26 building.

1 16. (Blank).

2 17. Names and addresses of local school council members  
3 shall be a matter of public record.

4 (Source: P.A. 96-1403, eff. 7-29-10.)

5 (105 ILCS 5/34-18) (from Ch. 122, par. 34-18)

6 Sec. 34-18. Powers of the board. The board shall exercise  
7 general supervision and jurisdiction over the public education  
8 and the public school system of the city, and, except as  
9 otherwise provided by this Article, shall have power:

10 1. To make suitable provision for the establishment and  
11 maintenance throughout the year or for such portion thereof  
12 as it may direct, not less than 9 months, of schools of all  
13 grades and kinds, including normal schools, high schools,  
14 night schools, schools for defectives and delinquents,  
15 parental and truant schools, schools for the blind, the  
16 deaf and persons with physical disabilities, schools or  
17 classes in manual training, constructural and vocational  
18 teaching, domestic arts and physical culture, vocation and  
19 extension schools and lecture courses, and all other  
20 educational courses and facilities, including  
21 establishing, equipping, maintaining and operating  
22 playgrounds and recreational programs, when such programs  
23 are conducted in, adjacent to, or connected with any public  
24 school under the general supervision and jurisdiction of  
25 the board; provided that the calendar for the school term

1 and any changes must be submitted to and approved by the  
2 State Board of Education before the calendar or changes may  
3 take effect, and provided that in allocating funds from  
4 year to year for the operation of all attendance centers  
5 within the district, the board shall ensure that  
6 supplemental general State aid or supplemental grant funds  
7 are allocated and applied in accordance with Section 18-8,  
8 ~~or~~ 18-8.05, or 18-8.15. To admit to such schools without  
9 charge foreign exchange students who are participants in an  
10 organized exchange student program which is authorized by  
11 the board. The board shall permit all students to enroll in  
12 apprenticeship programs in trade schools operated by the  
13 board, whether those programs are union-sponsored or not.  
14 No student shall be refused admission into or be excluded  
15 from any course of instruction offered in the common  
16 schools by reason of that student's sex. No student shall  
17 be denied equal access to physical education and  
18 interscholastic athletic programs supported from school  
19 district funds or denied participation in comparable  
20 physical education and athletic programs solely by reason  
21 of the student's sex. Equal access to programs supported  
22 from school district funds and comparable programs will be  
23 defined in rules promulgated by the State Board of  
24 Education in consultation with the Illinois High School  
25 Association. Notwithstanding any other provision of this  
26 Article, neither the board of education nor any local

1 school council or other school official shall recommend  
2 that children with disabilities be placed into regular  
3 education classrooms unless those children with  
4 disabilities are provided with supplementary services to  
5 assist them so that they benefit from the regular classroom  
6 instruction and are included on the teacher's regular  
7 education class register;

8 2. To furnish lunches to pupils, to make a reasonable  
9 charge therefor, and to use school funds for the payment of  
10 such expenses as the board may determine are necessary in  
11 conducting the school lunch program;

12 3. To co-operate with the circuit court;

13 4. To make arrangements with the public or quasi-public  
14 libraries and museums for the use of their facilities by  
15 teachers and pupils of the public schools;

16 5. To employ dentists and prescribe their duties for  
17 the purpose of treating the pupils in the schools, but  
18 accepting such treatment shall be optional with parents or  
19 guardians;

20 6. To grant the use of assembly halls and classrooms  
21 when not otherwise needed, including light, heat, and  
22 attendants, for free public lectures, concerts, and other  
23 educational and social interests, free of charge, under  
24 such provisions and control as the principal of the  
25 affected attendance center may prescribe;

26 7. To apportion the pupils to the several schools;

1 provided that no pupil shall be excluded from or segregated  
2 in any such school on account of his color, race, sex, or  
3 nationality. The board shall take into consideration the  
4 prevention of segregation and the elimination of  
5 separation of children in public schools because of color,  
6 race, sex, or nationality. Except that children may be  
7 committed to or attend parental and social adjustment  
8 schools established and maintained either for boys or girls  
9 only. All records pertaining to the creation, alteration or  
10 revision of attendance areas shall be open to the public.  
11 Nothing herein shall limit the board's authority to  
12 establish multi-area attendance centers or other student  
13 assignment systems for desegregation purposes or  
14 otherwise, and to apportion the pupils to the several  
15 schools. Furthermore, beginning in school year 1994-95,  
16 pursuant to a board plan adopted by October 1, 1993, the  
17 board shall offer, commencing on a phased-in basis, the  
18 opportunity for families within the school district to  
19 apply for enrollment of their children in any attendance  
20 center within the school district which does not have  
21 selective admission requirements approved by the board.  
22 The appropriate geographical area in which such open  
23 enrollment may be exercised shall be determined by the  
24 board of education. Such children may be admitted to any  
25 such attendance center on a space available basis after all  
26 children residing within such attendance center's area

1 have been accommodated. If the number of applicants from  
2 outside the attendance area exceed the space available,  
3 then successful applicants shall be selected by lottery.  
4 The board of education's open enrollment plan must include  
5 provisions that allow low income students to have access to  
6 transportation needed to exercise school choice. Open  
7 enrollment shall be in compliance with the provisions of  
8 the Consent Decree and Desegregation Plan cited in Section  
9 34-1.01;

10 8. To approve programs and policies for providing  
11 transportation services to students. Nothing herein shall  
12 be construed to permit or empower the State Board of  
13 Education to order, mandate, or require busing or other  
14 transportation of pupils for the purpose of achieving  
15 racial balance in any school;

16 9. Subject to the limitations in this Article, to  
17 establish and approve system-wide curriculum objectives  
18 and standards, including graduation standards, which  
19 reflect the multi-cultural diversity in the city and are  
20 consistent with State law, provided that for all purposes  
21 of this Article courses or proficiency in American Sign  
22 Language shall be deemed to constitute courses or  
23 proficiency in a foreign language; and to employ principals  
24 and teachers, appointed as provided in this Article, and  
25 fix their compensation. The board shall prepare such  
26 reports related to minimal competency testing as may be

1 requested by the State Board of Education, and in addition  
2 shall monitor and approve special education and bilingual  
3 education programs and policies within the district to  
4 assure that appropriate services are provided in  
5 accordance with applicable State and federal laws to  
6 children requiring services and education in those areas;

7 10. To employ non-teaching personnel or utilize  
8 volunteer personnel for: (i) non-teaching duties not  
9 requiring instructional judgment or evaluation of pupils,  
10 including library duties; and (ii) supervising study  
11 halls, long distance teaching reception areas used  
12 incident to instructional programs transmitted by  
13 electronic media such as computers, video, and audio,  
14 detention and discipline areas, and school-sponsored  
15 extracurricular activities. The board may further utilize  
16 volunteer non-certificated personnel or employ  
17 non-certificated personnel to assist in the instruction of  
18 pupils under the immediate supervision of a teacher holding  
19 a valid certificate, directly engaged in teaching subject  
20 matter or conducting activities; provided that the teacher  
21 shall be continuously aware of the non-certificated  
22 persons' activities and shall be able to control or modify  
23 them. The general superintendent shall determine  
24 qualifications of such personnel and shall prescribe rules  
25 for determining the duties and activities to be assigned to  
26 such personnel;



1           10.5. To utilize volunteer personnel from a regional  
2           School Crisis Assistance Team (S.C.A.T.), created as part  
3           of the Safe to Learn Program established pursuant to  
4           Section 25 of the Illinois Violence Prevention Act of 1995,  
5           to provide assistance to schools in times of violence or  
6           other traumatic incidents within a school community by  
7           providing crisis intervention services to lessen the  
8           effects of emotional trauma on individuals and the  
9           community; the School Crisis Assistance Team Steering  
10          Committee shall determine the qualifications for  
11          volunteers;

12          11. To provide television studio facilities in not to  
13          exceed one school building and to provide programs for  
14          educational purposes, provided, however, that the board  
15          shall not construct, acquire, operate, or maintain a  
16          television transmitter; to grant the use of its studio  
17          facilities to a licensed television station located in the  
18          school district; and to maintain and operate not to exceed  
19          one school radio transmitting station and provide programs  
20          for educational purposes;

21          12. To offer, if deemed appropriate, outdoor education  
22          courses, including field trips within the State of  
23          Illinois, or adjacent states, and to use school educational  
24          funds for the expense of the said outdoor educational  
25          programs, whether within the school district or not;

26          13. During that period of the calendar year not

1 embraced within the regular school term, to provide and  
2 conduct courses in subject matters normally embraced in the  
3 program of the schools during the regular school term and  
4 to give regular school credit for satisfactory completion  
5 by the student of such courses as may be approved for  
6 credit by the State Board of Education;

7 14. To insure against any loss or liability of the  
8 board, the former School Board Nominating Commission,  
9 Local School Councils, the Chicago Schools Academic  
10 Accountability Council, or the former Subdistrict Councils  
11 or of any member, officer, agent or employee thereof,  
12 resulting from alleged violations of civil rights arising  
13 from incidents occurring on or after September 5, 1967 or  
14 from the wrongful or negligent act or omission of any such  
15 person whether occurring within or without the school  
16 premises, provided the officer, agent or employee was, at  
17 the time of the alleged violation of civil rights or  
18 wrongful act or omission, acting within the scope of his  
19 employment or under direction of the board, the former  
20 School Board Nominating Commission, the Chicago Schools  
21 Academic Accountability Council, Local School Councils, or  
22 the former Subdistrict Councils; and to provide for or  
23 participate in insurance plans for its officers and  
24 employees, including but not limited to retirement  
25 annuities, medical, surgical and hospitalization benefits  
26 in such types and amounts as may be determined by the

1 board; provided, however, that the board shall contract for  
2 such insurance only with an insurance company authorized to  
3 do business in this State. Such insurance may include  
4 provision for employees who rely on treatment by prayer or  
5 spiritual means alone for healing, in accordance with the  
6 tenets and practice of a recognized religious  
7 denomination;

8 15. To contract with the corporate authorities of any  
9 municipality or the county board of any county, as the case  
10 may be, to provide for the regulation of traffic in parking  
11 areas of property used for school purposes, in such manner  
12 as is provided by Section 11-209 of The Illinois Vehicle  
13 Code, approved September 29, 1969, as amended;

14 16. (a) To provide, on an equal basis, access to a high  
15 school campus and student directory information to the  
16 official recruiting representatives of the armed forces of  
17 Illinois and the United States for the purposes of  
18 informing students of the educational and career  
19 opportunities available in the military if the board has  
20 provided such access to persons or groups whose purpose is  
21 to acquaint students with educational or occupational  
22 opportunities available to them. The board is not required  
23 to give greater notice regarding the right of access to  
24 recruiting representatives than is given to other persons  
25 and groups. In this paragraph 16, "directory information"  
26 means a high school student's name, address, and telephone

1 number.

2 (b) If a student or his or her parent or guardian  
3 submits a signed, written request to the high school before  
4 the end of the student's sophomore year (or if the student  
5 is a transfer student, by another time set by the high  
6 school) that indicates that the student or his or her  
7 parent or guardian does not want the student's directory  
8 information to be provided to official recruiting  
9 representatives under subsection (a) of this Section, the  
10 high school may not provide access to the student's  
11 directory information to these recruiting representatives.  
12 The high school shall notify its students and their parents  
13 or guardians of the provisions of this subsection (b).

14 (c) A high school may require official recruiting  
15 representatives of the armed forces of Illinois and the  
16 United States to pay a fee for copying and mailing a  
17 student's directory information in an amount that is not  
18 more than the actual costs incurred by the high school.

19 (d) Information received by an official recruiting  
20 representative under this Section may be used only to  
21 provide information to students concerning educational and  
22 career opportunities available in the military and may not  
23 be released to a person who is not involved in recruiting  
24 students for the armed forces of Illinois or the United  
25 States;

26 17. (a) To sell or market any computer program

1 developed by an employee of the school district, provided  
2 that such employee developed the computer program as a  
3 direct result of his or her duties with the school district  
4 or through the utilization of the school district resources  
5 or facilities. The employee who developed the computer  
6 program shall be entitled to share in the proceeds of such  
7 sale or marketing of the computer program. The distribution  
8 of such proceeds between the employee and the school  
9 district shall be as agreed upon by the employee and the  
10 school district, except that neither the employee nor the  
11 school district may receive more than 90% of such proceeds.  
12 The negotiation for an employee who is represented by an  
13 exclusive bargaining representative may be conducted by  
14 such bargaining representative at the employee's request.

15 (b) For the purpose of this paragraph 17:

16 (1) "Computer" means an internally programmed,  
17 general purpose digital device capable of  
18 automatically accepting data, processing data and  
19 supplying the results of the operation.

20 (2) "Computer program" means a series of coded  
21 instructions or statements in a form acceptable to a  
22 computer, which causes the computer to process data in  
23 order to achieve a certain result.

24 (3) "Proceeds" means profits derived from  
25 marketing or sale of a product after deducting the  
26 expenses of developing and marketing such product;

1           18. To delegate to the general superintendent of  
2 schools, by resolution, the authority to approve contracts  
3 and expenditures in amounts of \$10,000 or less;

4           19. Upon the written request of an employee, to  
5 withhold from the compensation of that employee any dues,  
6 payments or contributions payable by such employee to any  
7 labor organization as defined in the Illinois Educational  
8 Labor Relations Act. Under such arrangement, an amount  
9 shall be withheld from each regular payroll period which is  
10 equal to the pro rata share of the annual dues plus any  
11 payments or contributions, and the board shall transmit  
12 such withholdings to the specified labor organization  
13 within 10 working days from the time of the withholding;

14           19a. Upon receipt of notice from the comptroller of a  
15 municipality with a population of 500,000 or more, a county  
16 with a population of 3,000,000 or more, the Cook County  
17 Forest Preserve District, the Chicago Park District, the  
18 Metropolitan Water Reclamation District, the Chicago  
19 Transit Authority, or a housing authority of a municipality  
20 with a population of 500,000 or more that a debt is due and  
21 owing the municipality, the county, the Cook County Forest  
22 Preserve District, the Chicago Park District, the  
23 Metropolitan Water Reclamation District, the Chicago  
24 Transit Authority, or the housing authority by an employee  
25 of the Chicago Board of Education, to withhold, from the  
26 compensation of that employee, the amount of the debt that

1 is due and owing and pay the amount withheld to the  
2 municipality, the county, the Cook County Forest Preserve  
3 District, the Chicago Park District, the Metropolitan  
4 Water Reclamation District, the Chicago Transit Authority,  
5 or the housing authority; provided, however, that the  
6 amount deducted from any one salary or wage payment shall  
7 not exceed 25% of the net amount of the payment. Before the  
8 Board deducts any amount from any salary or wage of an  
9 employee under this paragraph, the municipality, the  
10 county, the Cook County Forest Preserve District, the  
11 Chicago Park District, the Metropolitan Water Reclamation  
12 District, the Chicago Transit Authority, or the housing  
13 authority shall certify that (i) the employee has been  
14 afforded an opportunity for a hearing to dispute the debt  
15 that is due and owing the municipality, the county, the  
16 Cook County Forest Preserve District, the Chicago Park  
17 District, the Metropolitan Water Reclamation District, the  
18 Chicago Transit Authority, or the housing authority and  
19 (ii) the employee has received notice of a wage deduction  
20 order and has been afforded an opportunity for a hearing to  
21 object to the order. For purposes of this paragraph, "net  
22 amount" means that part of the salary or wage payment  
23 remaining after the deduction of any amounts required by  
24 law to be deducted and "debt due and owing" means (i) a  
25 specified sum of money owed to the municipality, the  
26 county, the Cook County Forest Preserve District, the

1 Chicago Park District, the Metropolitan Water Reclamation  
2 District, the Chicago Transit Authority, or the housing  
3 authority for services, work, or goods, after the period  
4 granted for payment has expired, or (ii) a specified sum of  
5 money owed to the municipality, the county, the Cook County  
6 Forest Preserve District, the Chicago Park District, the  
7 Metropolitan Water Reclamation District, the Chicago  
8 Transit Authority, or the housing authority pursuant to a  
9 court order or order of an administrative hearing officer  
10 after the exhaustion of, or the failure to exhaust,  
11 judicial review;

12 20. The board is encouraged to employ a sufficient  
13 number of certified school counselors to maintain a  
14 student/counselor ratio of 250 to 1 by July 1, 1990. Each  
15 counselor shall spend at least 75% of his work time in  
16 direct contact with students and shall maintain a record of  
17 such time;

18 21. To make available to students vocational and career  
19 counseling and to establish 5 special career counseling  
20 days for students and parents. On these days  
21 representatives of local businesses and industries shall  
22 be invited to the school campus and shall inform students  
23 of career opportunities available to them in the various  
24 businesses and industries. Special consideration shall be  
25 given to counseling minority students as to career  
26 opportunities available to them in various fields. For the



1 purposes of this paragraph, minority student means a person  
2 who is any of the following:

3 (a) American Indian or Alaska Native (a person having  
4 origins in any of the original peoples of North and South  
5 America, including Central America, and who maintains  
6 tribal affiliation or community attachment).

7 (b) Asian (a person having origins in any of the  
8 original peoples of the Far East, Southeast Asia, or the  
9 Indian subcontinent, including, but not limited to,  
10 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,  
11 the Philippine Islands, Thailand, and Vietnam).

12 (c) Black or African American (a person having origins  
13 in any of the black racial groups of Africa). Terms such as  
14 "Haitian" or "Negro" can be used in addition to "Black or  
15 African American".

16 (d) Hispanic or Latino (a person of Cuban, Mexican,  
17 Puerto Rican, South or Central American, or other Spanish  
18 culture or origin, regardless of race).

19 (e) Native Hawaiian or Other Pacific Islander (a person  
20 having origins in any of the original peoples of Hawaii,  
21 Guam, Samoa, or other Pacific Islands).

22 Counseling days shall not be in lieu of regular school  
23 days;

24 22. To report to the State Board of Education the  
25 annual student dropout rate and number of students who  
26 graduate from, transfer from or otherwise leave bilingual

1 programs;

2 23. Except as otherwise provided in the Abused and  
3 Neglected Child Reporting Act or other applicable State or  
4 federal law, to permit school officials to withhold, from  
5 any person, information on the whereabouts of any child  
6 removed from school premises when the child has been taken  
7 into protective custody as a victim of suspected child  
8 abuse. School officials shall direct such person to the  
9 Department of Children and Family Services, or to the local  
10 law enforcement agency if appropriate;

11 24. To develop a policy, based on the current state of  
12 existing school facilities, projected enrollment and  
13 efficient utilization of available resources, for capital  
14 improvement of schools and school buildings within the  
15 district, addressing in that policy both the relative  
16 priority for major repairs, renovations and additions to  
17 school facilities, and the advisability or necessity of  
18 building new school facilities or closing existing schools  
19 to meet current or projected demographic patterns within  
20 the district;

21 25. To make available to the students in every high  
22 school attendance center the ability to take all courses  
23 necessary to comply with the Board of Higher Education's  
24 college entrance criteria effective in 1993;

25 26. To encourage mid-career changes into the teaching  
26 profession, whereby qualified professionals become

1 certified teachers, by allowing credit for professional  
2 employment in related fields when determining point of  
3 entry on teacher pay scale;

4 27. To provide or contract out training programs for  
5 administrative personnel and principals with revised or  
6 expanded duties pursuant to this Act in order to assure  
7 they have the knowledge and skills to perform their duties;

8 28. To establish a fund for the prioritized special  
9 needs programs, and to allocate such funds and other lump  
10 sum amounts to each attendance center in a manner  
11 consistent with the provisions of part 4 of Section 34-2.3.  
12 Nothing in this paragraph shall be construed to require any  
13 additional appropriations of State funds for this purpose;

14 29. (Blank);

15 30. Notwithstanding any other provision of this Act or  
16 any other law to the contrary, to contract with third  
17 parties for services otherwise performed by employees,  
18 including those in a bargaining unit, and to layoff those  
19 employees upon 14 days written notice to the affected  
20 employees. Those contracts may be for a period not to  
21 exceed 5 years and may be awarded on a system-wide basis.  
22 The board may not operate more than 30 contract schools,  
23 provided that the board may operate an additional 5  
24 contract turnaround schools pursuant to item (5.5) of  
25 subsection (d) of Section 34-8.3 of this Code;

26 31. To promulgate rules establishing procedures

1 governing the layoff or reduction in force of employees and  
2 the recall of such employees, including, but not limited  
3 to, criteria for such layoffs, reductions in force or  
4 recall rights of such employees and the weight to be given  
5 to any particular criterion. Such criteria shall take into  
6 account factors including, but not be limited to,  
7 qualifications, certifications, experience, performance  
8 ratings or evaluations, and any other factors relating to  
9 an employee's job performance;

10 32. To develop a policy to prevent nepotism in the  
11 hiring of personnel or the selection of contractors;

12 33. To enter into a partnership agreement, as required  
13 by Section 34-3.5 of this Code, and, notwithstanding any  
14 other provision of law to the contrary, to promulgate  
15 policies, enter into contracts, and take any other action  
16 necessary to accomplish the objectives and implement the  
17 requirements of that agreement; and

18 34. To establish a Labor Management Council to the  
19 board comprised of representatives of the board, the chief  
20 executive officer, and those labor organizations that are  
21 the exclusive representatives of employees of the board and  
22 to promulgate policies and procedures for the operation of  
23 the Council.

24 The specifications of the powers herein granted are not to  
25 be construed as exclusive but the board shall also exercise all  
26 other powers that they may be requisite or proper for the

1 maintenance and the development of a public school system, not  
2 inconsistent with the other provisions of this Article or  
3 provisions of this Code which apply to all school districts.

4 In addition to the powers herein granted and authorized to  
5 be exercised by the board, it shall be the duty of the board to  
6 review or to direct independent reviews of special education  
7 expenditures and services. The board shall file a report of  
8 such review with the General Assembly on or before May 1, 1990.  
9 (Source: P.A. 99-143, eff. 7-27-15.)

10 (105 ILCS 5/34-18.30)

11 Sec. 34-18.30. Dependents of military personnel; no  
12 tuition charge. If, at the time of enrollment, a dependent of  
13 United States military personnel is housed in temporary housing  
14 located outside of the school district, but will be living  
15 within the district within 60 days after the time of initial  
16 enrollment, the dependent must be allowed to enroll, subject to  
17 the requirements of this Section, and must not be charged  
18 tuition. Any United States military personnel attempting to  
19 enroll a dependent under this Section shall provide proof that  
20 the dependent will be living within the district within 60 days  
21 after the time of initial enrollment. Proof of residency may  
22 include, but is not limited to, postmarked mail addressed to  
23 the military personnel and sent to an address located within  
24 the district, a lease agreement for occupancy of a residence  
25 located within the district, or proof of ownership of a

1 residence located within the district. Non-resident dependents  
2 of United States military personnel attending school on a  
3 tuition-free basis may be counted for the purposes of  
4 determining the apportionment of State aid provided under  
5 Section 18-8.05 or 18-8.15 of this Code.

6 (Source: P.A. 95-331, eff. 8-21-07.)

7 (105 ILCS 5/34-43.1) (from Ch. 122, par. 34-43.1)

8 Sec. 34-43.1. (A) Limitation of noninstructional costs. It  
9 is the purpose of this Section to establish for the Board of  
10 Education and the general superintendent of schools  
11 requirements and standards which maximize the proportion of  
12 school district resources in direct support of educational,  
13 program, and building maintenance and safety services for the  
14 pupils of the district, and which correspondingly minimize the  
15 amount and proportion of such resources associated with  
16 centralized administration, administrative support services,  
17 and other noninstructional services.

18 For the 1989-90 school year and for all subsequent school  
19 years, the Board of Education shall undertake budgetary and  
20 expenditure control actions which limit the administrative  
21 expenditures of the Board of Education to levels, as provided  
22 for in this Section, which represent an average of the  
23 administrative expenses of all school districts in this State  
24 not subject to Article 34.

25 (B) Certification of expenses by the State Superintendent

1 of Education. The State Superintendent of Education shall  
2 annually certify, on or before May 1, to the Board of Education  
3 and the School Finance Authority, for the applicable school  
4 year, the following information:

5 (1) the annual expenditures of all school districts of  
6 the State not subject to Article 34 properly attributable  
7 to expenditure functions defined by the rules and  
8 regulations of the State Board of Education as: 2210  
9 (Improvement of Instructional Services); 2300 (Support  
10 Services - General Administration) excluding, however,  
11 2320 (Executive Administrative Services); 2490 (Other  
12 Support Services - School Administration); 2500 (Support  
13 Services - Business); 2600 (Support Services - Central);

14 (2) the total annual expenditures of all school  
15 districts not subject to Article 34 attributable to the  
16 Education Fund, the Operations, Building and Maintenance  
17 Fund, the Transportation Fund and the Illinois Municipal  
18 Retirement Fund of the several districts, as defined by the  
19 rules and regulations of the State Board of Education; and

20 (3) a ratio, to be called the statewide average of  
21 administrative expenditures, derived by dividing the  
22 expenditures certified pursuant to paragraph (B) (1) by the  
23 expenditures certified pursuant to paragraph (B) (2).

24 For purposes of the annual certification of expenditures  
25 and ratios required by this Section, the "applicable year" of  
26 certification shall initially be the 1986-87 school year and,

1 in sequent years, each succeeding school year.

2 The State Superintendent of Education shall consult with  
3 the Board of Education to ascertain whether particular  
4 expenditure items allocable to the administrative functions  
5 enumerated in paragraph (B)(1) are appropriately or  
6 necessarily higher in the applicable school district than in  
7 the rest of the State due to noncomparable factors. The State  
8 Superintendent shall also review the relevant cost proportions  
9 in other large urban school districts. The State Superintendent  
10 shall also review the expenditure categories in paragraph  
11 (B)(1) to ascertain whether they contain school-level  
12 expenses. If he or she finds that adjustments to the formula  
13 are appropriate or necessary to establish a more fair and  
14 comparable standard for administrative cost for the Board of  
15 Education or to exclude school-level expenses, the State  
16 Superintendent shall recommend to the School Finance Authority  
17 rules and regulations adjusting particular subcategories in  
18 this subsection (B) or adjusting certain costs in determining  
19 the budget and expenditure items properly attributable to the  
20 functions or otherwise adjust the formula.

21 (C) Administrative expenditure limitations. The annual  
22 budget of the Board of Education, as adopted and implemented,  
23 and the related annual expenditures for the school year, shall  
24 reflect a limitation on administrative outlays as required by  
25 the following provisions, taking into account any adjustments  
26 established by the State Superintendent of Education: (1) the



1 budget and expenditures of the Board of Education for the  
2 1989-90 school year shall reflect a ratio of administrative  
3 expenditures to total expenditures equal to or less than the  
4 statewide average of administrative expenditures for the  
5 1986-87 school year as certified by the State Superintendent of  
6 Education pursuant to paragraph (B)(3); (2) for the 1990-91  
7 school year and for all subsequent school years, the budget and  
8 expenditures of the Board of Education shall reflect a ratio of  
9 administrative expenditures to total expenditures equal to or  
10 less than the statewide average of administrative expenditures  
11 certified by the State Superintendent of Education for the  
12 applicable year pursuant to paragraph (B)(3); (3) if for any  
13 school year the budget of the Board of Education reflects a  
14 ratio of administrative expenditures to total expenditures  
15 which exceeds the applicable statewide average, the Board of  
16 Education shall reduce expenditure items allocable to the  
17 administrative functions enumerated in paragraph (B)(1) such  
18 that the Board of Education's ratio of administrative  
19 expenditures to total expenditures is equal to or less than the  
20 applicable statewide average ratio.

21 For purposes of this Section, the ratio of administrative  
22 expenditures to the total expenditures of the Board of  
23 Education, as applied to the budget of the Board of Education,  
24 shall mean: the budgeted expenditure items of the Board of  
25 Education properly attributable to the expenditure functions  
26 identified in paragraph (B)(1) divided by the total budgeted

1 expenditures of the Board of Education properly attributable to  
2 the Board of Education funds corresponding to those funds  
3 identified in paragraph (B)(2), exclusive of any monies  
4 budgeted for payment to the Public School Teachers' Pension and  
5 Retirement System, attributable to payments due from the  
6 General Funds of the State of Illinois.

7         The annual expenditure of the Board of Education for 2320  
8 (Executive Administrative Services) for the 1989-90 school  
9 year shall be no greater than the 2320 expenditure for the  
10 1988-89 school year. The annual expenditure of the Board of  
11 Education for 2320 for the 1990-91 school year and each  
12 subsequent school year shall be no greater than the 2320  
13 expenditure for the immediately preceding school year or the  
14 1988-89 school year, whichever is less. This annual expenditure  
15 limitation may be adjusted in each year in an amount not to  
16 exceed any change effective during the applicable school year  
17 in salary to be paid under the collective bargaining agreement  
18 with instructional personnel to which the Board is a party and  
19 in benefit costs either required by law or such collective  
20 bargaining agreement.

21         (D) Cost control measures. In undertaking actions to  
22 control or reduce expenditure items necessitated by the  
23 administrative expenditure limitations of this Section, the  
24 Board of Education shall give priority consideration to  
25 reductions or cost controls with the least effect upon direct  
26 services to students or instructional services for pupils, and

1 upon the safety and well-being of pupils, and, as applicable,  
2 with the particular costs or functions to which the Board of  
3 Education is higher than the statewide average.

4 For purposes of assuring that the cost control priorities  
5 of this subsection (D) are met, the State Superintendent of  
6 Education shall, with the assistance of the Board of Education,  
7 review the cost allocation practices of the Board of Education,  
8 and the State Superintendent of Education shall thereafter  
9 recommend to the School Finance Authority rules and regulations  
10 which define administrative areas which most impact upon the  
11 direct and instructional needs of students and upon the safety  
12 and well-being of the pupils of the district. No position  
13 closed shall be reopened using State or federal categorical  
14 funds.

15 (E) Report of Audited Information. For the 1988-89 school  
16 year and for all subsequent school years, the Board of  
17 Education shall file with the State Board of Education the  
18 Annual Financial Report and its audit, as required by the rules  
19 of the State Board of Education. Such reports shall be filed no  
20 later than February 15 following the end of the school year of  
21 the Board of Education, beginning with the report to be filed  
22 no later than February 15, 1990 for the 1988-89 school year.

23 As part of the required Annual Financial Report, the Board  
24 of Education shall provide a detailed accounting of the central  
25 level, district, bureau and department costs and personnel  
26 included within expenditure functions included in paragraph

1 (B)(1). The nature and detail of the reporting required for  
2 these functions shall be prescribed by the State Board of  
3 Education in rules and regulations. A copy of this detailed  
4 accounting shall also be provided annually to the School  
5 Finance Authority and the public. This report shall contain a  
6 reconciliation to the board of education's adopted budget for  
7 that fiscal year, specifically delineating administrative  
8 functions.

9 If the information required under this Section is not  
10 provided by the Board of Education in a timely manner, or is  
11 initially or subsequently determined by the State  
12 Superintendent of Education to be incomplete or inaccurate, the  
13 State Superintendent shall, in writing, notify the Board of  
14 Education of reporting deficiencies. The Board of Education  
15 shall, within 60 days of such notice, address the reporting  
16 deficiencies identified. If the State Superintendent of  
17 Education does not receive satisfactory response to these  
18 reporting deficiencies within 60 days, the next payment of  
19 general State aid or evidence-based funding due the Board of  
20 Education under Section 18-8 or Section 18-8.15, as applicable,  
21 and all subsequent payments, shall be withheld by the State  
22 Superintendent of Education until the enumerated deficiencies  
23 have been addressed.

24 Utilizing the Annual Financial Report, the State  
25 Superintendent of Education shall certify on or before May 1 to  
26 the School Finance Authority the Board of Education's ratio of

1 administrative expenditures to total expenditures for the  
2 1988-89 school year and for each succeeding school year. Such  
3 certification shall indicate the extent to which the  
4 administrative expenditure ratio of the Board of Education  
5 conformed to the limitations required in subsection (C) of this  
6 Section, taking into account any adjustments of the limitations  
7 which may have been recommended by the State Superintendent of  
8 Education to the School Finance Authority. In deriving the  
9 administrative expenditure ratio of the Chicago Board of  
10 Education, the State Superintendent of Education shall utilize  
11 the definition of this ratio prescribed in subsection (C) of  
12 this Section, except that the actual expenditures of the Board  
13 of Education shall be substituted for budgeted expenditure  
14 items.

15 (F) Approval and adjustments to administrative expenditure  
16 limitations. The School Finance Authority organized under  
17 Article 34A shall monitor the Board of Education's adherence to  
18 the requirements of this Section. As part of its responsibility  
19 the School Finance Authority shall determine whether the Board  
20 of Education's budget for the next school year, and the  
21 expenditures for a prior school year, comply with the  
22 limitation of administrative expenditures required by this  
23 Section. The Board of Education and the State Board of  
24 Education shall provide such information as is required by the  
25 School Finance Authority in order for the Authority to  
26 determine compliance with the provisions of this Section. If

1 the Authority determines that the budget proposed by the Board  
2 of Education does not meet the cost control requirements of  
3 this Section, the Board of Education shall undertake budgetary  
4 reductions, consistent with the requirements of this Section,  
5 to bring the proposed budget into compliance with such cost  
6 control limitations.

7 If, in formulating cost control and cost reduction  
8 alternatives, the Board of Education believes that meeting the  
9 cost control requirements of this Section related to the budget  
10 for the ensuing year would impair the education, safety, or  
11 well-being of the pupils of the school district, the Board of  
12 Education may request that the School Finance Authority make  
13 adjustments to the limitations required by this Section. The  
14 Board of Education shall specify the amount, nature, and  
15 reasons for the relief required and shall also identify cost  
16 reductions which can be made in expenditure functions not  
17 enumerated in paragraph (B) (1), which would serve the purposes  
18 of this Section.

19 The School Finance Authority shall consult with the State  
20 Superintendent of Education concerning the reasonableness from  
21 an educational administration perspective of the adjustments  
22 sought by the Board of Education. The School Finance Authority  
23 shall provide an opportunity for the public to comment upon the  
24 reasonableness of the Board's request. If, after such  
25 consultation, the School Finance Authority determines that all  
26 or a portion of the adjustments sought by the Board of

1 Education are reasonably appropriate or necessary, the  
2 Authority may grant such relief from the provisions of this  
3 Section which the Authority deems appropriate. Adjustments so  
4 granted apply only to the specific school year for which the  
5 request was made.

6 In the event that the School Finance Authority determines  
7 that the Board of Education has failed to achieve the required  
8 administrative expenditure limitations for a prior school  
9 year, or if the Authority determines that the Board of  
10 Education has not met the requirements of subsection (F), the  
11 Authority shall make recommendations to the Board of Education  
12 concerning appropriate corrective actions. If the Board of  
13 Education fails to provide adequate assurance to the Authority  
14 that appropriate corrective actions have been or will be taken,  
15 the Authority may, within 60 days thereafter, require the board  
16 to adjust its current budget to correct for the prior year's  
17 shortage or may recommend to the members of the General  
18 Assembly and the Governor such sanctions or remedial actions as  
19 will serve to deter any further such failures on the part of  
20 the Board of Education.

21 To assist the Authority in its monitoring  
22 responsibilities, the Board of Education shall provide such  
23 reports and information as are from time to time required by  
24 the Authority.

25 (G) Independent reviews of administrative expenditures.  
26 The School Finance Authority may direct independent reviews of

1 the administrative and administrative support expenditures and  
2 services and other non-instructional expenditure functions of  
3 the Board of Education. The Board of Education shall afford  
4 full cooperation to the School Finance Authority in such review  
5 activity. The purpose of such reviews shall be to verify  
6 specific targets for improved operating efficiencies of the  
7 Board of Education, to identify other areas of potential  
8 efficiencies, and to assure full and proper compliance by the  
9 Board of Education with all requirements of this Section.

10 In the conduct of reviews under this subsection, the  
11 Authority may request the assistance and consultation of the  
12 State Superintendent of Education with regard to questions of  
13 efficiency and effectiveness in educational administration.

14 (H) Reports to Governor and General Assembly. On or before  
15 May 1, 1991 and no less frequently than yearly thereafter, the  
16 School Finance Authority shall provide to the Governor, the  
17 State Board of Education, and the members of the General  
18 Assembly an annual report, as outlined in Section 34A-606,  
19 which includes the following information: (1) documenting the  
20 compliance or non-compliance of the Board of Education with the  
21 requirements of this Section; (2) summarizing the costs,  
22 findings, and recommendations of any reviews directed by the  
23 School Finance Authority, and the response to such  
24 recommendations made by the Board of Education; and (3)  
25 recommending sanctions or legislation necessary to fulfill the  
26 intent of this Section.



1 (Source: P.A. 86-124; 86-1477.)

2 Section 50. The Educational Opportunity for Military  
3 Children Act is amended by changing Section 25 as follows:

4 (105 ILCS 70/25)

5 Sec. 25. Tuition for children of active duty military  
6 personnel who are transfer students. If a student who is a  
7 child of active duty military personnel is (i) placed with a  
8 non-custodial parent and (ii) as a result of placement, must  
9 attend a non-resident school district, then the student must  
10 not be charged the tuition of the school that the student  
11 attends as a result of placement with the non-custodial parent  
12 and the student must be counted in the calculation of average  
13 daily attendance under Section 18-8.05 or 18-8.15 of the School  
14 Code.

15 (Source: P.A. 98-673, eff. 6-30-14.)

16 Section 95. No acceleration or delay. Where this Act makes  
17 changes in a statute that is represented in this Act by text  
18 that is not yet or no longer in effect (for example, a Section  
19 represented by multiple versions), the use of that text does  
20 not accelerate or delay the taking effect of (i) the changes  
21 made by this Act or (ii) provisions derived from any other  
22 Public Act.

1           Section 97. Savings clause. Any repeal or amendment made by  
2 this Act shall not affect or impair any of the following: suits  
3 pending or rights existing at the time this Act takes effect;  
4 any grant or conveyance made or right acquired or cause of  
5 action now existing under any Section, Article, or Act repealed  
6 or amended by this Act; the validity of any bonds or other  
7 obligations issued or sold and constituting valid obligations  
8 of the issuing authority at the time this Act takes effect; the  
9 validity of any contract; the validity of any tax levied under  
10 any law in effect prior to the effective date of this Act; or  
11 any offense committed, act done, penalty, punishment, or  
12 forfeiture incurred or any claim, right, power, or remedy  
13 accrued under any law in effect prior to the effective date of  
14 this Act.

15           Section 99. Effective date. This Act takes effect upon  
16 becoming law.