



Sen. Andy Manar

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1 AMENDMENT TO SENATE BILL 1

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

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

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

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

9 Sec. 7. Creation of special tax allocation fund. If a  
10 municipality has adopted tax increment allocation financing  
11 for an economic development project area by ordinance, the  
12 county clerk has thereafter certified the "total initial  
13 equalized assessed value" of the taxable real property within  
14 such economic development project area in the manner provided  
15 in Section 6 of this Act, and the Department has approved and

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

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

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

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

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

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

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

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

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

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

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

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

2 Sec. 13.2. Transfers among line item appropriations.

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

1 made.

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

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

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

1 Compensation; State Contributions to Retirement Systems; State  
2 Contributions to Social Security; State Contribution for  
3 Employee Group Insurance; Contractual Services; Travel;  
4 Commodities; Printing; Equipment; Electronic Data Processing;  
5 Operation of Automotive Equipment; Telecommunications  
6 Services; Travel and Allowance for Committed, Paroled and  
7 Discharged Prisoners; Library Books; Federal Matching Grants  
8 for Student Loans; Refunds; Workers' Compensation,  
9 Occupational Disease, and Tort Claims; and, in appropriations  
10 to institutions of higher education, Awards and Grants.  
11 Notwithstanding the above, any amounts appropriated for  
12 payment of workers' compensation claims to an agency to which  
13 the authority to evaluate, administer and pay such claims has  
14 been delegated by the Department of Central Management Services  
15 may be transferred to any other expenditure object where such  
16 amounts exceed the amount necessary for the payment of such  
17 claims.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (35 ILCS 200/18-200)

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

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

11 (35 ILCS 200/18-249)

12 Sec. 18-249. Miscellaneous provisions.

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

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



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

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

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

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

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

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

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

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

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

1 (b-3).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 \$738,014,500.

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

1 after May 1, 1998.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

8 (50 ILCS 470/33)

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

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

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

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

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

1 the taxable real property within the STAR bond district.

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

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

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

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

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

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

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

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

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

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

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

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

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

1 follows:

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

1           Sec. 50. Special tax allocation fund.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

18           (1) If improved, industrial, commercial, and  
19 residential buildings or improvements are detrimental to  
20 the public safety, health, or welfare because of a  
21 combination of 5 or more of the following factors, each of  
22 which is (i) present, with that presence documented, to a  
23 meaningful extent so that a municipality may reasonably  
24 find that the factor is clearly present within the intent  
25 of the Act and (ii) reasonably distributed throughout the

1 improved part of the redevelopment project area:

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

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

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

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



1 not including housing and property maintenance codes.

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

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

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

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

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

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

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

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

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

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

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

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

26                (A) Obsolete platting of vacant land that results

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



1 original use.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 agreement.

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

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

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



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

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

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

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

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

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

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

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

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

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

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

1 the redevelopment plan for the redevelopment project area.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 project is at or over its student capacity;

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

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

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

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

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



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

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

26 Any library district seeking payment under this

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

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

20 (9) Payment in lieu of taxes;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (1) The total equalized assessed value of the



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

1 50 as follows:

2 (65 ILCS 110/50)

3 Sec. 50. Special tax allocation fund.

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

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

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

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

26          (c) When the economic development projects costs,

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

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

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

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

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

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

14 (105 ILCS 5/1A-8) (from Ch. 122, par. 1A-8)

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

21 (a) The State Superintendent of Education may require a  
22 school district, including any district subject to Article 34A  
23 of this Code, to share financial information relevant to a  
24 proper investigation of the district's financial condition and

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

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

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

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

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

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

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

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



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

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

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

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

24 Any financial profile compiled and distributed by the State  
25 Board of Education in Fiscal Year 2009 or any fiscal year  
26 thereafter shall incorporate such adjustments as may be needed

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

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

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

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

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

1 in that district.

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

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

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

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

26 Any Financial Oversight Panel established under this

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

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

16 (105 ILCS 5/1B-6) (from Ch. 122, par. 1B-6)

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

1 responsibilities and to carry out its purposes and the purposes  
2 of this Article, including, but not limited to, the following  
3 powers:

4 (a) to sue and be sued;

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

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

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

1 business official;

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

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

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

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

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

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

1 budget;

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

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

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

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

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

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

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



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

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

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

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

12 (105 ILCS 5/1B-7) (from Ch. 122, par. 1B-7)

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

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

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

1 reduce financial inefficiency, and to provide technical  
2 assistance to aid the district in accomplishing the  
3 reorganization;

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

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

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

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

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

22 (105 ILCS 5/1B-8) (from Ch. 122, par. 1B-8)

23 Sec. 1B-8. There is created in the State Treasury a special  
24 fund to be known as the School District Emergency Financial  
25 Assistance Fund (the "Fund"). The School District Emergency

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

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

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

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

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

1 by law.

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

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

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

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

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

5 (105 ILCS 5/1C-1)

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

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

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

16 (105 ILCS 5/1D-1)

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

18 (a) For fiscal year 1996 through fiscal year 2017 ~~and each~~  
19 ~~fiscal year thereafter~~, the State Board of Education shall  
20 award to a school district having a population exceeding  
21 500,000 inhabitants a general education block grant and an  
22 educational services block grant, determined as provided in  
23 this Section, in lieu of distributing to the district separate  
24 State funding for the programs described in subsections (b) and

1 (c). The provisions of this Section, however, do not apply to  
2 any federal funds that the district is entitled to receive. In  
3 accordance with Section 2-3.32, all block grants are subject to  
4 an audit. Therefore, block grant receipts and block grant  
5 expenditures shall be recorded to the appropriate fund code for  
6 the designated block grant.

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

23 (c) The educational services block grant shall include the  
24 following programs: Regular and Vocational Transportation,  
25 State Lunch and Free Breakfast Program, Special Education  
26 (Personnel, Transportation, Orphanage, Private Tuition),



1 funding for children requiring special education services,  
2 Summer School, Educational Service Centers, and  
3 Administrator's Academy. This subsection (c) does not relieve  
4 the district of its obligation to provide the services required  
5 under a program that is included within the educational  
6 services block grant. It is the intention of the General  
7 Assembly in enacting the provisions of this subsection (c) to  
8 relieve the district of the administrative burdens that impede  
9 efficiency and accompany single-program funding. The General  
10 Assembly encourages the board to pursue mandate waivers  
11 pursuant to Section 2-3.25g.

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

24 (d) For fiscal year 1996 through fiscal year 2017 ~~and each~~  
25 ~~fiscal year thereafter~~, the amount of the district's block  
26 grants shall be determined as follows: (i) with respect to each

1 program that is included within each block grant, the district  
2 shall receive an amount equal to the same percentage of the  
3 current fiscal year appropriation made for that program as the  
4 percentage of the appropriation received by the district from  
5 the 1995 fiscal year appropriation made for that program, and  
6 (ii) the total amount that is due the district under the block  
7 grant shall be the aggregate of the amounts that the district  
8 is entitled to receive for the fiscal year with respect to each  
9 program that is included within the block grant that the State  
10 Board of Education shall award the district under this Section  
11 for that fiscal year. In the case of the Summer Bridges  
12 program, the amount of the district's block grant shall be  
13 equal to 44% of the amount of the current fiscal year  
14 appropriation made for that program.

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

21 (f) A school district to which this Section applies shall  
22 report to the State Board of Education on its use of the block  
23 grants in such form and detail as the State Board of Education  
24 may specify. In addition, the report must include the following  
25 description for the district, which must also be reported to  
26 the General Assembly: block grant allocation and expenditures

1 by program; population and service levels by program; and  
2 administrative expenditures by program. The State Board of  
3 Education shall ensure that the reporting requirements for the  
4 district are the same as for all other school districts in this  
5 State.

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

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

25 (h) Notwithstanding any other provision of law, any school  
26 district receiving a block grant under this Section may

1 classify all or a portion of the funds that it receives in a  
2 particular fiscal year from any block grant authorized under  
3 this Code or from general State aid pursuant to Section 18-8.05  
4 of this Code (other than supplemental general State aid) as  
5 funds received in connection with any funding program for which  
6 it is entitled to receive funds from the State in that fiscal  
7 year (including, without limitation, any funding program  
8 referred to in subsection (c) of this Section), regardless of  
9 the source or timing of the receipt. The district may not  
10 classify more funds as funds received in connection with the  
11 funding program than the district is entitled to receive in  
12 that fiscal year for that program. Any classification by a  
13 district must be made by a resolution of its board of  
14 education. The resolution must identify the amount of any block  
15 grant or general State aid to be classified under this  
16 subsection (h) and must specify the funding program to which  
17 the funds are to be treated as received in connection  
18 therewith. This resolution is controlling as to the  
19 classification of funds referenced therein. A certified copy of  
20 the resolution must be sent to the State Superintendent of  
21 Education. The resolution shall still take effect even though a  
22 copy of the resolution has not been sent to the State  
23 Superintendent of Education in a timely manner. No  
24 classification under this subsection (h) by a district shall  
25 affect the total amount or timing of money the district is  
26 entitled to receive under this Code. No classification under

1 this subsection (h) by a district shall in any way relieve the  
2 district from or affect any requirements that otherwise would  
3 apply with respect to the block grant as provided in this  
4 Section, including any accounting of funds by source, reporting  
5 expenditures by original source and purpose, reporting  
6 requirements, or requirements of provision of services.

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

9 (105 ILCS 5/1E-20)

10 (This Section scheduled to be repealed in accordance with  
11 105 ILCS 5/1E-165)

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

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

1 incompetence, malfeasance, neglect of duty, or other just  
2 cause.

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

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

22 The Authority may elect such officers as it deems  
23 appropriate.

24 (b) The first meeting of the Authority shall be held at the  
25 call of the Chairperson. The Authority shall prescribe the  
26 times and places for its meetings and the manner in which

1 regular and special meetings may be called and shall comply  
2 with the Open Meetings Act.

3 Three members of the Authority shall constitute a quorum.  
4 When a vote is taken upon any measure before the Authority, a  
5 quorum being present, a majority of the votes of the members  
6 voting on the measure shall determine the outcome.

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

8 (105 ILCS 5/1F-20)

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

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

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

1           Members of the Authority shall be selected primarily on the  
2 basis of their experience and education in financial  
3 management, with consideration given to persons knowledgeable  
4 in education finance. Two members of the Authority shall be  
5 residents of the school district that the Authority serves. A  
6 member of the Authority may not be a member of the district's  
7 school board or an employee of the district nor may a member  
8 have a direct financial interest in the district.

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

21           The Authority may elect such officers as it deems  
22 appropriate.

23           (b) The first meeting of the Authority shall be held at the  
24 call of the Chairperson. The Authority shall prescribe the  
25 times and places for its meetings and the manner in which  
26 regular and special meetings may be called and shall comply



1 with the Open Meetings Act.

2 Three members of the Authority shall constitute a quorum.  
3 When a vote is taken upon any measure before the Authority, a  
4 quorum being present, a majority of the votes of the members  
5 voting on the measure shall determine the outcome.

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

7 (105 ILCS 5/1F-62)

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

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

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

1 Authority. If the State Board and State Superintendent have not  
2 approved emergency financial assistance in conjunction with  
3 the appointment of a School Finance Authority, the Authority's  
4 approved costs shall be paid from deductions from the  
5 district's general State aid or evidence-based funding.

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

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

1 receive both a loan and a grant.

2 (c) The payment of a State emergency financial assistance  
3 grant or loan shall be subject to appropriation by the General  
4 Assembly. State emergency financial assistance allocated and  
5 paid to a School Finance Authority under this Article may be  
6 applied to any fund or funds from which the School Finance  
7 Authority is authorized to make expenditures by law.

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

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

26 The School Finance Authority shall establish and the

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

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

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

2 (105 ILCS 5/1H-20)

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

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

14 (b) 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. Two members of the Panel shall be  
18 residents of the school district that the Panel serves. A  
19 member of the Panel may not be a member of the district's  
20 school board or an employee of the district nor may a member  
21 have a direct financial interest in the district.

22 (c) Panel members may be reimbursed by the State Board for  
23 travel and other necessary expenses incurred in the performance  
24 of their official duties. The amount reimbursed members for  
25 their expenses shall be charged to the school district as part

1 of any emergency financial assistance and incorporated as a  
2 part of the terms and conditions for repayment of the  
3 assistance or shall be deducted from the district's general  
4 State aid or evidence-based funding as provided in Section  
5 1H-65 of this Code.

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

9 (e) The first meeting of the Panel shall be held at the  
10 call of the Chairperson. The Panel shall prescribe the times  
11 and places for its meetings and the manner in which regular and  
12 special meetings may be called and shall comply with the Open  
13 Meetings Act. The Panel shall also comply with the Freedom of  
14 Information Act.

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

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

18 (105 ILCS 5/1H-70)

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

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

5           (2) issue tax anticipation notes under the provisions  
6 of the Tax Anticipation Note Act against taxes levied by  
7 either the school board or the Panel pursuant to Section  
8 1H-25 of this Code;

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

11           (4) issue general State aid or evidence-based funding  
12 anticipation certificates under the provisions of Section  
13 18-18 of this Code; and

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

16 Tax anticipation warrants, tax anticipation notes, revenue  
17 anticipation certificates or notes, general State aid or  
18 evidence-based funding anticipation certificates, and lines of  
19 credit are considered borrowing from sources other than the  
20 State and are subject to Section 1H-65 of this Code.

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

22 (105 ILCS 5/2-3.33) (from Ch. 122, par. 2-3.33)

23 Sec. 2-3.33. Recomputation of claims. To recompute within  
24 3 years from the final date for filing of a claim any claim for  
25 general State aid reimbursement to any school district and one

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

20 Except in the case of an adverse court or administrative  
21 agency decision, no recomputation of a State aid claim shall be  
22 made pursuant to this Section as a result of a reduction in the  
23 assessed valuation of a school district from the assessed  
24 valuation of the district reported to the State Board of  
25 Education by the Department of Revenue under Section 18-8.05 or  
26 18-8.15 of this Code unless the requirements of Section 16-15



1 of the Property Tax Code and Section 2-3.84 of this Code are  
2 complied with in all respects.

3 This paragraph applies to all requests for recomputation of  
4 a general State aid or evidence-based funding claim received  
5 after June 30, 2003. In recomputing a general State aid or  
6 evidence-based funding claim that was originally calculated  
7 using an extension limitation equalized assessed valuation  
8 under paragraph (3) of subsection (G) of Section 18-8.05 of  
9 this Code or Section 18-8.15 of this Code, a qualifying  
10 reduction in equalized assessed valuation shall be deducted  
11 from the extension limitation equalized assessed valuation  
12 that was used in calculating the original claim.

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

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

1 (105 ILCS 5/2-3.51.5)

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

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

1 Program shall be distributed to State-recognized, non-public  
2 schools based on the average daily attendance figure for the  
3 previous school year provided to the State Board of Education.  
4 The State Board of Education shall develop an application that  
5 requires State-recognized, non-public schools to submit  
6 average daily attendance figures. A State-recognized,  
7 non-public school must submit the application and average daily  
8 attendance figure prior to receiving funds under this Section.  
9 The State Board of Education shall promulgate rules and  
10 regulations necessary for the implementation of this program.

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

15 (3) Grants under the School Safety and Educational  
16 Improvement Block Grant Program shall be awarded provided there  
17 is an appropriation for the program, and funding levels for  
18 each district shall be prorated according to the amount of the  
19 appropriation.

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

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

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

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

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

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

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

19 (105 ILCS 5/2-3.66b)

20 Sec. 2-3.66b. IHOPE Program.

21 (a) There is established the Illinois Hope and Opportunity  
22 Pathways through Education (IHOPE) Program. The State Board of  
23 Education shall implement and administer the IHOPE Program. The  
24 goal of the IHOPE Program is to develop a comprehensive system  
25 in this State to re-enroll significant numbers of high school

1 dropouts in programs that will enable them to earn their high  
2 school diploma.

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

13 The IHOPE Program shall provide incentive grant funds for  
14 regional offices of education and a school district organized  
15 under Article 34 of this Code to develop partnerships with  
16 school districts, public community colleges, and community  
17 groups to build comprehensive plans to re-enroll high school  
18 dropouts in their regions or districts.

19 Programs funded through the IHOPE Program shall allow high  
20 school dropouts, up to and including age 21 notwithstanding  
21 Section 26-2 of this Code, to re-enroll in an educational  
22 program in conformance with rules adopted by the State Board of  
23 Education. Programs may include without limitation  
24 comprehensive year-round programming, evening school, summer  
25 school, community college courses, adult education, vocational  
26 training, work experience, programs to enhance self-concept,

1 and parenting courses. Any student in the IHOPE Program who  
2 wishes to earn a high school diploma must meet the  
3 prerequisites to receiving a high school diploma specified in  
4 Section 27-22 of this Code and any other graduation  
5 requirements of the student's district of residence. Any  
6 student who successfully completes the requirements for his or  
7 her graduation shall receive a diploma identifying the student  
8 as graduating from his or her district of residence.

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

23 (d) A regional office of education or a school district  
24 organized under Article 34 of this Code may operate its own  
25 program funded by the IHOPE Program or enter into a contract  
26 with other not-for-profit entities, including school

1 districts, public community colleges, and not-for-profit  
2 community-based organizations, to operate a program.

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

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

20 A regional office of education or a school district  
21 organized under Article 34 of this Code may claim State aid  
22 under Section 18-8.05 or 18-8.15 of this Code for students  
23 enrolled in a program funded by the IHOPE Program, provided  
24 that the State Board of Education has approved the IHOPE Plan  
25 and that these students are receiving services that are meeting  
26 the requirements of Section 27-22 of this Code for receipt of a



1 high school diploma and are otherwise eligible to be claimed  
2 for general State aid under Section 18-8.05 of this Code or  
3 evidence-based funding under Section 18-8.15 of this Code,  
4 including provisions related to the minimum number of days of  
5 pupil attendance pursuant to Section 10-19 of this Code and the  
6 minimum number of daily hours of school work and any exceptions  
7 thereto as defined by the State Board of Education in rules.

8 (f) IHOPE categories of programming may include the  
9 following:

10 (1) Full-time programs that are comprehensive,  
11 year-round programs.

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

15 (3) Online programs and courses in which students take  
16 courses and complete on-site, supervised tests that  
17 measure the student's mastery of a specific course needed  
18 for graduation. Students may take courses online and earn  
19 credit or students may prepare to take supervised tests for  
20 specific courses for credit leading to receipt of a high  
21 school diploma.

22 (4) Dual enrollment in which students attend high  
23 school classes in combination with community college  
24 classes or students attend community college classes while  
25 simultaneously earning high school credit and eventually a  
26 high school diploma.

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

5 (1) Small programs (70 to 100 students) at a separate  
6 school site with a distinct identity. Programs may be  
7 larger with specific need and justification, keeping in  
8 mind that it is crucial to keep programs small to be  
9 effective.

10 (2) Specific performance-based goals and outcomes and  
11 measures of enrollment, attendance, skills, credits,  
12 graduation, and the transition to college, training, and  
13 employment.

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

16 (4) Voluntary enrollment.

17 (5) High standards for student learning, integrating  
18 work experience, and education, including during the  
19 school year and after school, and summer school programs  
20 that link internships, work, and learning.

21 (6) Comprehensive programs providing extensive support  
22 services.

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

26 (8) A comprehensive technology learning center with

1 Internet access and broad-based curriculum focusing on  
2 academic and career subject areas.

3 (9) Learning opportunities that incorporate action  
4 into study.

5 (h) Programs funded through the IHOPE Program must report  
6 data to the State Board of Education as requested. This  
7 information shall include, but is not limited to, student  
8 enrollment figures, attendance information, course completion  
9 data, graduation information, and post-graduation information,  
10 as available.

11 (i) Rules must be developed by the State Board of Education  
12 to set forth the fund distribution process to regional offices  
13 of education and a school district organized under Article 34  
14 of this Code, the planning and the conditions upon which an  
15 IHOPE Plan would be approved by State Board, and other rules to  
16 develop the IHOPE Program.

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

18 (105 ILCS 5/2-3.84) (from Ch. 122, par. 2-3.84)

19 Sec. 2-3.84. In calculating the amount of State aid to be  
20 apportioned to the various school districts in this State, the  
21 State Board of Education shall incorporate and deduct the total  
22 aggregate adjustments to assessments made by the State Property  
23 Tax Appeal Board or Cook County Board of Appeals, as reported  
24 pursuant to Section 16-15 of the Property Tax Code or Section  
25 129.1 of the Revenue Act of 1939 by the Department of Revenue,

1 from the equalized assessed valuation that is otherwise to be  
2 utilized in the initial calculation.

3 From the total amount of general State aid or  
4 evidence-based funding to be provided to districts,  
5 adjustments under this Section together with adjustments as a  
6 result of recomputation under Section 2-3.33 must not exceed  
7 \$25 million, in the aggregate for all districts under both  
8 Sections combined, of the general State aid or evidence-based  
9 funding appropriation in any fiscal year; if necessary, amounts  
10 shall be prorated among districts. If it is necessary to  
11 prorate claims under this paragraph, then that portion of each  
12 prorated claim that is approved but not paid in the current  
13 fiscal year may be resubmitted as a valid claim in the  
14 following fiscal year.

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

16 (105 ILCS 5/2-3.109a)

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

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

24 (105 ILCS 5/3-14.21) (from Ch. 122, par. 3-14.21)

1           Sec. 3-14.21. Inspection of schools.

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

12           (b) If the regional superintendent determines that a school  
13 board has failed in a timely manner to correct urgent items  
14 identified in a previous life-safety report completed under  
15 Section 2-3.12 or as otherwise previously ordered by the  
16 regional superintendent, the regional superintendent shall  
17 order the school board to adopt and submit to the regional  
18 superintendent a plan for the immediate correction of the  
19 building violations. This plan shall be adopted following a  
20 public hearing that is conducted by the school board on the  
21 violations and the plan and that is preceded by at least 7  
22 days' prior notice of the hearing published in a newspaper of  
23 general circulation within the school district. If the regional  
24 superintendent determines in the next annual inspection that  
25 the plan has not been completed and that the violations have  
26 not been corrected, the regional superintendent shall submit a

1 report to the State Board of Education with a recommendation  
2 that the State Board withhold from payments of general State  
3 aid or evidence-based funding due to the district an amount  
4 necessary to correct the outstanding violations. The State  
5 Board, upon notice to the school board and to the regional  
6 superintendent, shall consider the report at a meeting of the  
7 State Board, and may order that a sufficient amount of general  
8 State aid or evidence-based funding be withheld from payments  
9 due to the district to correct the violations. This amount  
10 shall be paid to the regional superintendent who shall contract  
11 on behalf of the school board for the correction of the  
12 outstanding violations.

13 (c) The Office of the State Fire Marshal or a qualified  
14 fire official, as defined in Section 2-3.12 of this Code, to  
15 whom the State Fire Marshal has delegated his or her authority  
16 shall conduct an annual fire safety inspection of each school  
17 building in this State. The State Fire Marshal or the fire  
18 official shall coordinate its inspections with the regional  
19 superintendent. The inspection shall be based on the fire  
20 safety code authorized in Section 2-3.12 of this Code. Any  
21 violations shall be reported in writing to the regional  
22 superintendent and shall reference the specific code sections  
23 where a discrepancy has been identified within 15 days after  
24 the inspection has been conducted. The regional superintendent  
25 shall address those violations that are not corrected in a  
26 timely manner pursuant to subsection (b) of this Section. The

1 inspection must be at no cost to the school district.

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

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

11 (105 ILCS 5/7-14A) (from Ch. 122, par. 7-14A)

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

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

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

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

20 Sec. 10-19. Length of school term - experimental programs.  
21 Each school board shall annually prepare a calendar for the  
22 school term, specifying the opening and closing dates and  
23 providing a minimum term of at least 185 days to insure 176  
24 days of actual pupil attendance, computable under Section  
25 18-8.05 or 18-8.15, except that for the 1980-1981 school year



1 only 175 days of actual pupil attendance shall be required  
2 because of the closing of schools pursuant to Section 24-2 on  
3 January 29, 1981 upon the appointment by the President of that  
4 day as a day of thanksgiving for the freedom of the Americans  
5 who had been held hostage in Iran. Any days allowed by law for  
6 teachers' institutes but not used as such or used as parental  
7 institutes as provided in Section 10-22.18d shall increase the  
8 minimum term by the school days not so used. Except as provided  
9 in Section 10-19.1, the board may not extend the school term  
10 beyond such closing date unless that extension of term is  
11 necessary to provide the minimum number of computable days. In  
12 case of such necessary extension school employees shall be paid  
13 for such additional time on the basis of their regular  
14 contracts. A school board may specify a closing date earlier  
15 than that set on the annual calendar when the schools of the  
16 district have provided the minimum number of computable days  
17 under this Section. Nothing in this Section prevents the board  
18 from employing superintendents of schools, principals and  
19 other nonteaching personnel for a period of 12 months, or in  
20 the case of superintendents for a period in accordance with  
21 Section 10-23.8, or prevents the board from employing other  
22 personnel before or after the regular school term with payment  
23 of salary proportionate to that received for comparable work  
24 during the school term.

25 A school board may make such changes in its calendar for  
26 the school term as may be required by any changes in the legal

1 school holidays prescribed in Section 24-2. A school board may  
2 make changes in its calendar for the school term as may be  
3 necessary to reflect the utilization of teachers' institute  
4 days as parental institute days as provided in Section  
5 10-22.18d.

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

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

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

22 (105 ILCS 5/10-22.5a) (from Ch. 122, par. 10-22.5a)

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

1           (a) To enter into written agreements with cultural exchange  
2 organizations, or with nationally recognized eleemosynary  
3 institutions that promote excellence in the arts, mathematics,  
4 or science. The written agreements may provide for tuition free  
5 attendance at the local district school by foreign exchange  
6 students, or by nonresident pupils of eleemosynary  
7 institutions. The local board of education, as part of the  
8 agreement, may require that the cultural exchange program or  
9 the eleemosynary institutions provide services to the district  
10 in exchange for the waiver of nonresident tuition.

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

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

1 attempting to enroll a dependent under this subsection (a-5)  
2 shall provide proof that the dependent will be living within  
3 the district within 60 days after the time of initial  
4 enrollment. Proof of residency may include, but is not limited  
5 to, postmarked mail addressed to the military personnel and  
6 sent to an address located within the district, a lease  
7 agreement for occupancy of a residence located within the  
8 district, or proof of ownership of a residence located within  
9 the district.

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

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

21 (105 ILCS 5/10-22.20) (from Ch. 122, par. 10-22.20)

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

25 (a) To establish special classes for the instruction (1) of

1 persons of age 21 years or over and (2) of persons less than  
2 age 21 and not otherwise in attendance in public school, for  
3 the purpose of providing adults in the community and youths  
4 whose schooling has been interrupted with such additional basic  
5 education, vocational skill training, and other instruction as  
6 may be necessary to increase their qualifications for  
7 employment or other means of self-support and their ability to  
8 meet their responsibilities as citizens, including courses of  
9 instruction regularly accepted for graduation from elementary  
10 or high schools and for Americanization and high school  
11 equivalency testing review classes.

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

23 The cost of such instruction, including the additional  
24 expenses herein authorized, incurred for recipients of  
25 financial aid under the Illinois Public Aid Code, or for  
26 persons for whom education and training aid has been authorized

1 under Section 9-8 of that Code, shall be assumed in its  
2 entirety from funds appropriated by the State to the Illinois  
3 Community College Board.

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

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

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

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

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

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

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

21           (1) For adult basic education, the maximum  
22           reimbursement per credit hour or per unit of instruction  
23           shall be equal to (i) through fiscal year 2017, the general  
24           state aid per pupil foundation level established in  
25           subsection (B) of Section 18-8.05, divided by 60, or (ii)  
26           in fiscal year 2018 and thereafter, the prior fiscal year

1       reimbursement level multiplied by the Consumer Price Index  
2       for All Urban Consumers for all items published by the  
3       United States Department of Labor;

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

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

14           (4) (Blank); and

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

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

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

25       If the amount appropriated to the Illinois Community  
26       College Board for reimbursement under this Section is less than



1 the amount required under this Act, the apportionment shall be  
2 proportionately reduced.

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

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

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

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

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

1 School districts or community colleges providing classes  
2 under this Section shall submit applications to the Illinois  
3 Community College Board for preapproval in accordance with the  
4 standards established by the Illinois Community College Board.  
5 Payments shall be made by the Illinois Community College Board  
6 based upon approved programs. Interim expenditure reports may  
7 be required by the Illinois Community College Board. Final  
8 claims for the school year shall be submitted to the regional  
9 superintendents for transmittal to the Illinois Community  
10 College Board. Final adjusted payments shall be made by  
11 September 30.

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

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

1 regular school hours to school age and preschool age children  
2 who may benefit thereby, including children who require care  
3 and supervision pending the return of their parent or other  
4 person in charge of their care from employment or other  
5 activity requiring absence from the home.

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

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

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

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

1 (j) In addition to claiming reimbursement under this  
2 Section, a school district may claim general State aid under  
3 Section 18-8.05 or evidence-based funding under Section  
4 18-8.15 for any student under age 21 who is enrolled in courses  
5 accepted for graduation from elementary or high school and who  
6 otherwise meets the requirements of Section 18-8.05 or 18-8.15,  
7 as applicable.

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

9 (105 ILCS 5/10-29)

10 Sec. 10-29. Remote educational programs.

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

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

22 (A) Criteria for determining that a remote  
23 educational program will best serve a student's  
24 individual learning needs. The criteria must include  
25 consideration of, at a minimum, a student's prior

1 attendance, disciplinary record, and academic history.

2 (B) Any limitations on the number of students or  
3 grade levels that may participate in a remote  
4 educational program.

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

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

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

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

26 (G) Such other terms and provisions as the school

1 district deems necessary to provide for the  
2 establishment and delivery of a remote educational  
3 program.

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

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

11 (A) they are certificated under Article 21 of this  
12 Code;

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

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

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

1 Section 18-8.05 of this Code or evidence-based funding  
2 purposes under Section 18-8.15 of this Code on any calendar  
3 day, notwithstanding whether the day is a day of pupil  
4 attendance or institute day on the school district's  
5 calendar or any other provision of law restricting  
6 instruction on that day. If the district holds year-round  
7 classes in some buildings, the district shall classify each  
8 student's participation in a remote educational program as  
9 either on a year-round or a non-year-round schedule for  
10 purposes of claiming general State aid or evidence-based  
11 funding. Outside of the regular school term of the  
12 district, the remote educational program may be offered as  
13 part of any summer school program authorized by this Code.

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

23 (A) Specific achievement goals for the student  
24 aligned to State learning standards.

25 (B) A description of all assessments that will be  
26 used to measure student progress, which description

1 shall indicate the assessments that will be  
2 administered at an attendance center within the school  
3 district.

4 (C) A description of the progress reports that will  
5 be provided to the school district and the person or  
6 persons authorized to enroll the student under Section  
7 10-20.12b of this Code.

8 (D) Expectations, processes, and schedules for  
9 interaction between a teacher and student.

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

17 (F) If applicable, a description of how the remote  
18 educational program will be delivered in a manner  
19 consistent with the student's individualized education  
20 program required by Section 614(d) of the federal  
21 Individuals with Disabilities Education Improvement  
22 Act of 2004 or plan to ensure compliance with Section  
23 504 of the federal Rehabilitation Act of 1973.

24 (G) A description of the procedures and  
25 opportunities for participation in academic and  
26 extra-curricular activities and programs within the



1 school district.

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

12 (I) The identification of a school district  
13 administrator who will oversee the remote educational  
14 program on behalf of the school district and who may be  
15 contacted by the student's parents with respect to any  
16 issues or concerns with the program.

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

22 (K) A description of the specific location or  
23 locations in which the program will be delivered. If  
24 the remote educational program is to be delivered to a  
25 student in any location other than the student's home,  
26 the plan must include a written determination by the

1 school district that the location will provide a  
2 learning environment appropriate for the delivery of  
3 the program. The location or locations in which the  
4 program will be delivered shall be deemed a long  
5 distance teaching reception area under subsection (a)  
6 of Section 10-22.34 of this Code.

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

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

21 (7) The term of a student's participation in a remote  
22 educational program may not extend for longer than 12  
23 months, unless the term is renewed by the school district.  
24 The district may only renew a student's participation in a  
25 remote educational program following an evaluation of the  
26 student's progress in the program, a determination that the

1 student's continuation in the program will best serve the  
2 student's individual learning needs, and an amendment to  
3 the student's written remote educational plan addressing  
4 any changes for the upcoming term of the program.

5 For purposes of this Section, a remote educational program  
6 does not include instruction delivered to students through an  
7 e-learning program approved under Section 10-20.56 of this  
8 Code.

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

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

18 (d) The impact of remote educational programs on wages,  
19 hours, and terms and conditions of employment of educational  
20 employees within the school district shall be subject to local  
21 collective bargaining agreements.

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

25 (f) A remote educational program may be used, but is not  
26 required, for instruction delivered to a student in the home or

1 other location outside of a school building that is not claimed  
2 for general State aid purposes under Section 18-8.05 of this  
3 Code or evidence-based funding purposes under Section 18-8.15  
4 of this Code.

5 (g) School districts that, pursuant to this Section, adopt  
6 a policy for a remote educational program must submit to the  
7 State Board of Education a copy of the policy and any  
8 amendments thereto, as well as data on student participation in  
9 a format specified by the State Board of Education. The State  
10 Board of Education may perform or contract with an outside  
11 entity to perform an evaluation of remote educational programs  
12 in this State.

13 (h) The State Board of Education may adopt any rules  
14 necessary to ensure compliance by remote educational programs  
15 with the requirements of this Section and other applicable  
16 legal requirements.

17 (Source: P.A. 98-972, eff. 8-15-14; 99-193, eff. 7-30-15;  
18 99-194, eff. 7-30-15; 99-642, eff. 7-28-16.)

19 (105 ILCS 5/11E-135)

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

25 (a)(1) For a combined school district, as defined in

1 Section 11E-20 of this Code, or for a unit district, as defined  
2 in Section 11E-25 of this Code, for its first year of  
3 existence, the general State aid and supplemental general State  
4 aid calculated under Section 18-8.05 of this Code or the  
5 evidence-based funding calculated under Section 18-8.15 of  
6 this Code, as applicable, shall be computed for the new  
7 district and for the previously existing districts for which  
8 property is totally included within the new district. If the  
9 computation on the basis of the previously existing districts  
10 is greater, a supplementary payment equal to the difference  
11 shall be made for the first 4 years of existence of the new  
12 district.

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

1 shall be made for the first 4 years of existence of the  
2 annexing school district as constituted upon the annexation.

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

1 annexed district or districts that is annexed to each annexing  
2 district bears to the total pupil enrollment from the entire  
3 annexed district or districts, as such pupil enrollment is  
4 determined for the school year last ending prior to the date  
5 when the change of boundaries attributable to the annexation  
6 becomes effective for all purposes. The amount of the total  
7 difference payment and the amount thereof to be allocated to  
8 the annexing districts shall be computed by the State Board of  
9 Education on the basis of pupil enrollment and other data that  
10 shall be certified to the State Board of Education, on forms  
11 that it shall provide for that purpose, by the regional  
12 superintendent of schools for each educational service region  
13 in which the annexing and annexed districts are located.

14 (4) For a school district conversion, as defined in Section  
15 11E-15 of this Code, or a multi-unit conversion, as defined in  
16 subsection (b) of Section 11E-30 of this Code, if in their  
17 first year of existence the newly created elementary districts  
18 and the newly created high school district, from a school  
19 district conversion, or the newly created elementary district  
20 or districts and newly created combined high school - unit  
21 district, from a multi-unit conversion, qualify for less  
22 general State aid under Section 18-8.05 of this Code or  
23 evidence-based funding under Section 18-8.15 of this Code than  
24 would have been payable under Section 18-8.05 or 18-8.15, as  
25 applicable, for that same year to the previously existing  
26 districts, then a supplementary payment equal to that

1 difference shall be made for the first 4 years of existence of  
2 the newly created districts. The aggregate amount of each  
3 supplementary payment shall be allocated among the newly  
4 created districts in the proportion that the deemed pupil  
5 enrollment in each district during its first year of existence  
6 bears to the actual aggregate pupil enrollment in all of the  
7 districts during their first year of existence. For purposes of  
8 each allocation:

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

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

26 (C) the deemed high school pupil enrollment of the



1 newly created combined high school - unit district from a  
2 multi-unit conversion shall be an amount equal to its  
3 actual grades 9 through 12 pupil enrollment for its first  
4 year of existence multiplied by 1.25; and

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

20 The aggregate amount of each supplementary payment under  
21 this subdivision (4) and the amount thereof to be allocated to  
22 the newly created districts shall be computed by the State  
23 Board of Education on the basis of pupil enrollment and other  
24 data, which shall be certified to the State Board of Education,  
25 on forms that it shall provide for that purpose, by the  
26 regional superintendent of schools for each educational

1 service region in which the newly created districts are  
2 located.

3 (5) For a partial elementary unit district, as defined in  
4 subsection (a) or (c) of Section 11E-30 of this Code, if, in  
5 the first year of existence, the newly created partial  
6 elementary unit district qualifies for less general State aid  
7 and supplemental general State aid under Section 18-8.05 of  
8 this Code or less evidence-based funding under Section 18-8.15  
9 of this Code, as applicable, than would have been payable under  
10 those Sections ~~that Section~~ for that same year to the  
11 previously existing districts that formed the partial  
12 elementary unit district, then a supplementary payment equal to  
13 that difference shall be made to the partial elementary unit  
14 district for the first 4 years of existence of that newly  
15 created district.

16 (6) For an elementary opt-in, as described in subsection  
17 (d) of Section 11E-30 of this Code, the general State aid or  
18 evidence-based funding difference shall be computed in  
19 accordance with paragraph (5) of this subsection (a) as if the  
20 elementary opt-in was included in an optional elementary unit  
21 district at the optional elementary unit district's original  
22 effective date. If the calculation in this paragraph (6) is  
23 less than that calculated in paragraph (5) of this subsection  
24 (a) at the optional elementary unit district's original  
25 effective date, then no adjustments may be made. If the  
26 calculation in this paragraph (6) is more than that calculated

1 in paragraph (5) of this subsection (a) at the optional  
2 elementary unit district's original effective date, then the  
3 excess must be paid as follows:

4 (A) If the effective date for the elementary opt-in is  
5 one year after the effective date for the optional  
6 elementary unit district, 100% of the calculated excess  
7 shall be paid to the optional elementary unit district in  
8 each of the first 4 years after the effective date of the  
9 elementary opt-in.

10 (B) If the effective date for the elementary opt-in is  
11 2 years after the effective date for the optional  
12 elementary unit district, 75% 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 (C) If the effective date for the elementary opt-in is  
17 3 years after the effective date for the optional  
18 elementary unit district, 50% 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 (D) If the effective date for the elementary opt-in is  
23 4 years after the effective date for the optional  
24 elementary unit district, 25% 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 (E) If the effective date for the elementary opt-in is  
3 5 years after the effective date for the optional  
4 elementary unit district, the optional elementary unit  
5 district is not eligible for any additional incentives due  
6 to the elementary opt-in.

7 (6.5) For a school district that annexes territory detached  
8 from another school district whereby the enrollment of the  
9 annexing district increases by 90% or more as a result of the  
10 annexation, for the first year during which the change of  
11 boundaries attributable to the annexation becomes effective  
12 for all purposes as determined under Section 7-9 of this Code,  
13 the general State aid and supplemental general State aid or  
14 evidence-based funding, as applicable, calculated under this  
15 Section shall be computed for the district gaining territory  
16 and the district losing territory as constituted after the  
17 annexation and for the same districts as constituted prior to  
18 the annexation; and if the aggregate of the general State aid  
19 and supplemental general State aid or evidence-based funding,  
20 as applicable, as so computed for the district gaining  
21 territory and the district losing territory as constituted  
22 after the annexation is less than the aggregate of the general  
23 State aid and supplemental general State aid or evidence-based  
24 funding, as applicable, as so computed for the district gaining  
25 territory and the district losing territory as constituted  
26 prior to the annexation, then a supplementary payment shall be

1 made to the annexing district for the first 4 years of  
2 existence after the annexation, equal to the difference  
3 multiplied by the ratio of student enrollment in the territory  
4 detached to the total student enrollment in the district losing  
5 territory for the year prior to the effective date of the  
6 annexation. The amount of the total difference and the  
7 proportion paid to the annexing district shall be computed by  
8 the State Board of Education on the basis of pupil enrollment  
9 and other data that must be submitted to the State Board of  
10 Education in accordance with Section 7-14A of this Code. The  
11 changes to this Section made by Public Act 95-707 are intended  
12 to be retroactive and applicable to any annexation taking  
13 effect on or after July 1, 2004. For annexations that are  
14 eligible for payments under this paragraph (6.5) and that are  
15 effective on or after July 1, 2004, but before January 11, 2008  
16 (the effective date of Public Act 95-707), the first required  
17 yearly payment under this paragraph (6.5) shall be paid in the  
18 fiscal year of January 11, 2008 (the effective date of Public  
19 Act 95-707). Subsequent required yearly payments shall be paid  
20 in subsequent fiscal years until the payment obligation under  
21 this paragraph (6.5) is complete.

22 (7) Claims for financial assistance under this subsection  
23 (a) may not be recomputed except as expressly provided under  
24 Section 18-8.05 or 18-8.15 of this Code.

25 (8) Any supplementary payment made under this subsection  
26 (a) must be treated as separate from all other payments made

1 pursuant to Section 18-8.05 or 18-8.15 of this Code.

2 (b) (1) After the formation of a combined school district,  
3 as defined in Section 11E-20 of this Code, or a unit district,  
4 as defined in Section 11E-25 of this Code, a computation shall  
5 be made to determine the difference between the salaries  
6 effective in each of the previously existing districts on June  
7 30, prior to the creation of the new district. For the first 4  
8 years after the formation of the new district, a supplementary  
9 State aid reimbursement shall be paid to the new district equal  
10 to the difference between the sum of the salaries earned by  
11 each of the certificated members of the new district, while  
12 employed in one of the previously existing districts during the  
13 year immediately preceding the formation of the new district,  
14 and the sum of the salaries those certificated members would  
15 have been paid during the year immediately prior to the  
16 formation of the new district if placed on the salary schedule  
17 of the previously existing district with the highest salary  
18 schedule.

19 (2) After the territory of one or more school districts is  
20 annexed by one or more other school districts as defined in  
21 Article 7 of this Code, a computation shall be made to  
22 determine the difference between the salaries effective in each  
23 annexed district and in the annexing district or districts as  
24 they were each constituted on June 30 preceding the date when  
25 the change of boundaries attributable to the annexation became  
26 effective for all purposes, as determined under Section 7-9 of

1 this Code. For the first 4 years after the annexation, a  
2 supplementary State aid reimbursement shall be paid to each  
3 annexing district as constituted after the annexation equal to  
4 the difference between the sum of the salaries earned by each  
5 of the certificated members of the annexing district as  
6 constituted after the annexation, while employed in an annexed  
7 or annexing district during the year immediately preceding the  
8 annexation, and the sum of the salaries those certificated  
9 members would have been paid during the immediately preceding  
10 year if placed on the salary schedule of whichever of the  
11 annexing or annexed districts had the highest salary schedule  
12 during the immediately preceding year.

13 (3) For each new high school district formed under a school  
14 district conversion, as defined in Section 11E-15 of this Code,  
15 the State shall make a supplementary payment for 4 years equal  
16 to the difference between the sum of the salaries earned by  
17 each certified member of the new high school district, while  
18 employed in one of the previously existing districts, and the  
19 sum of the salaries those certified members would have been  
20 paid if placed on the salary schedule of the previously  
21 existing district with the highest salary schedule.

22 (4) For each newly created partial elementary unit  
23 district, the State shall make a supplementary payment for 4  
24 years equal to the difference between the sum of the salaries  
25 earned by each certified member of the newly created partial  
26 elementary unit district, while employed in one of the

1 previously existing districts that formed the partial  
2 elementary unit district, and the sum of the salaries those  
3 certified members would have been paid if placed on the salary  
4 schedule of the previously existing district with the highest  
5 salary schedule. The salary schedules used in the calculation  
6 shall be those in effect in the previously existing districts  
7 for the school year prior to the creation of the new partial  
8 elementary unit district.

9 (5) For an elementary district opt-in, as described in  
10 subsection (d) of Section 11E-30 of this Code, the salary  
11 difference incentive shall be computed in accordance with  
12 paragraph (4) of this subsection (b) as if the opted-in  
13 elementary district was included in the optional elementary  
14 unit district at the optional elementary unit district's  
15 original effective date. If the calculation in this paragraph  
16 (5) is less than that calculated in paragraph (4) of this  
17 subsection (b) at the optional elementary unit district's  
18 original effective date, then no adjustments may be made. If  
19 the calculation in this paragraph (5) is more than that  
20 calculated in paragraph (4) of this subsection (b) at the  
21 optional elementary unit district's original effective date,  
22 then the excess must be paid as follows:

23 (A) If the effective date for the elementary opt-in is  
24 one year after the effective date for the optional  
25 elementary unit district, 100% of the calculated excess  
26 shall be paid to the optional elementary unit district in



1 each of the first 4 years after the effective date of the  
2 elementary opt-in.

3 (B) If the effective date for the elementary opt-in is  
4 2 years after the effective date for the optional  
5 elementary unit district, 75% of the calculated excess  
6 shall be paid to the optional elementary unit district in  
7 each of the first 4 years after the effective date of the  
8 elementary opt-in.

9 (C) If the effective date for the elementary opt-in is  
10 3 years after the effective date for the optional  
11 elementary unit district, 50% of the calculated excess  
12 shall be paid to the optional elementary unit district in  
13 each of the first 4 years after the effective date of the  
14 elementary opt-in.

15 (D) If the effective date for the elementary opt-in is  
16 4 years after the effective date for the partial elementary  
17 unit district, 25% of the calculated excess shall be paid  
18 to the optional elementary unit district in each of the  
19 first 4 years after the effective date of the elementary  
20 opt-in.

21 (E) If the effective date for the elementary opt-in is  
22 5 years after the effective date for the optional  
23 elementary unit district, the optional elementary unit  
24 district is not eligible for any additional incentives due  
25 to the elementary opt-in.

26 (5.5) After the formation of a cooperative high school by 2

1 or more school districts under Section 10-22.22c of this Code,  
2 a computation shall be made to determine the difference between  
3 the salaries effective in each of the previously existing high  
4 schools on June 30 prior to the formation of the cooperative  
5 high school. For the first 4 years after the formation of the  
6 cooperative high school, a supplementary State aid  
7 reimbursement shall be paid to the cooperative high school  
8 equal to the difference between the sum of the salaries earned  
9 by each of the certificated members of the cooperative high  
10 school while employed in one of the previously existing high  
11 schools during the year immediately preceding the formation of  
12 the cooperative high school and the sum of the salaries those  
13 certificated members would have been paid during the year  
14 immediately prior to the formation of the cooperative high  
15 school if placed on the salary schedule of the previously  
16 existing high school with the highest salary schedule.

17 (5.10) After the annexation of territory detached from  
18 another school district whereby the enrollment of the annexing  
19 district increases by 90% or more as a result of the  
20 annexation, a computation shall be made to determine the  
21 difference between the salaries effective in the district  
22 gaining territory and the district losing territory as they  
23 each were constituted on June 30 preceding the date when the  
24 change of boundaries attributable to the annexation became  
25 effective for all purposes as determined under Section 7-9 of  
26 this Code. For the first 4 years after the annexation, a

1 supplementary State aid reimbursement shall be paid to the  
2 annexing district equal to the difference between the sum of  
3 the salaries earned by each of the certificated members of the  
4 annexing district as constituted after the annexation while  
5 employed in the district gaining territory or the district  
6 losing territory during the year immediately preceding the  
7 annexation and the sum of the salaries those certificated  
8 members would have been paid during such immediately preceding  
9 year if placed on the salary schedule of whichever of the  
10 district gaining territory or district losing territory had the  
11 highest salary schedule during the immediately preceding year.  
12 To be eligible for supplementary State aid reimbursement under  
13 this Section, the intergovernmental agreement to be submitted  
14 pursuant to Section 7-14A of this Code must show that staff  
15 members were transferred from the control of the district  
16 losing territory to the control of the district gaining  
17 territory in the annexation. The changes to this Section made  
18 by Public Act 95-707 are intended to be retroactive and  
19 applicable to any annexation taking effect on or after July 1,  
20 2004. For annexations that are eligible for payments under this  
21 paragraph (5.10) and that are effective on or after July 1,  
22 2004, but before January 11, 2008 (the effective date of Public  
23 Act 95-707), the first required yearly payment under this  
24 paragraph (5.10) shall be paid in the fiscal year of January  
25 11, 2008 (the effective date of Public Act 95-707). Subsequent  
26 required yearly payments shall be paid in subsequent fiscal

1 years until the payment obligation under this paragraph (5.10)  
2 is complete.

3 (5.15) After the deactivation of a school facility in  
4 accordance with Section 10-22.22b of this Code, a computation  
5 shall be made to determine the difference between the salaries  
6 effective in the sending school district and each receiving  
7 school district on June 30 prior to the deactivation of the  
8 school facility. For the lesser of the first 4 years after the  
9 deactivation of the school facility or the length of the  
10 deactivation agreement, including any renewals of the original  
11 deactivation agreement, a supplementary State aid  
12 reimbursement shall be paid to each receiving district equal to  
13 the difference between the sum of the salaries earned by each  
14 of the certificated members transferred to that receiving  
15 district as a result of the deactivation while employed in the  
16 sending district during the year immediately preceding the  
17 deactivation and the sum of the salaries those certificated  
18 members would have been paid during the year immediately  
19 preceding the deactivation if placed on the salary schedule of  
20 the sending or receiving district with the highest salary  
21 schedule.

22 (6) The supplementary State aid reimbursement under this  
23 subsection (b) shall be treated as separate from all other  
24 payments made pursuant to Section 18-8.05 of this Code. In the  
25 case of the formation of a new district or cooperative high  
26 school or a deactivation, reimbursement shall begin during the

1 first year of operation of the new district or cooperative high  
2 school or the first year of the deactivation, and in the case  
3 of an annexation of the territory of one or more school  
4 districts by one or more other school districts or the  
5 annexation of territory detached from a school district whereby  
6 the enrollment of the annexing district increases by 90% or  
7 more as a result of the annexation, reimbursement shall begin  
8 during the first year when the change in boundaries  
9 attributable to the annexation becomes effective for all  
10 purposes as determined pursuant to Section 7-9 of this Code,  
11 except that for an annexation of territory detached from a  
12 school district that is effective on or after July 1, 2004, but  
13 before January 11, 2008 (the effective date of Public Act  
14 95-707), whereby the enrollment of the annexing district  
15 increases by 90% or more as a result of the annexation,  
16 reimbursement shall begin during the fiscal year of January 11,  
17 2008 (the effective date of Public Act 95-707). Each year that  
18 the new, annexing, or receiving district or cooperative high  
19 school, as the case may be, is entitled to receive  
20 reimbursement, the number of eligible certified members who are  
21 employed on October 1 in the district or cooperative high  
22 school shall be certified to the State Board of Education on  
23 prescribed forms by October 15 and payment shall be made on or  
24 before November 15 of that year.

25 (c) (1) For the first year after the formation of a combined  
26 school district, as defined in Section 11E-20 of this Code or a

1 unit district, as defined in Section 11E-25 of this Code, a  
2 computation shall be made totaling each previously existing  
3 district's audited fund balances in the educational fund,  
4 working cash fund, operations and maintenance fund, and  
5 transportation fund for the year ending June 30 prior to the  
6 referendum for the creation of the new district. The new  
7 district shall be paid supplementary State aid equal to the sum  
8 of the differences between the deficit of the previously  
9 existing district with the smallest deficit and the deficits of  
10 each of the other previously existing districts.

11 (2) For the first year after the annexation of all of the  
12 territory of one or more entire school districts by another  
13 school district, as defined in Article 7 of this Code,  
14 computations shall be made, for the year ending June 30 prior  
15 to the date that the change of boundaries attributable to the  
16 annexation is allowed by the affirmative decision issued by the  
17 regional board of school trustees under Section 7-6 of this  
18 Code, notwithstanding any effort to seek administrative review  
19 of the decision, totaling the annexing district's and totaling  
20 each annexed district's audited fund balances in their  
21 respective educational, working cash, operations and  
22 maintenance, and transportation funds. The annexing district  
23 as constituted after the annexation shall be paid supplementary  
24 State aid equal to the sum of the differences between the  
25 deficit of whichever of the annexing or annexed districts as  
26 constituted prior to the annexation had the smallest deficit

1 and the deficits of each of the other districts as constituted  
2 prior to the annexation.

3 (3) For the first year after the annexation of all of the  
4 territory of one or more entire school districts by 2 or more  
5 other school districts, as defined by Article 7 of this Code,  
6 computations shall be made, for the year ending June 30 prior  
7 to the date that the change of boundaries attributable to the  
8 annexation is allowed by the affirmative decision of the  
9 regional board of school trustees under Section 7-6 of this  
10 Code, notwithstanding any action for administrative review of  
11 the decision, totaling each annexing and annexed district's  
12 audited fund balances in their respective educational, working  
13 cash, operations and maintenance, and transportation funds.  
14 The annexing districts as constituted after the annexation  
15 shall be paid supplementary State aid, allocated as provided in  
16 this paragraph (3), in an aggregate amount equal to the sum of  
17 the differences between the deficit of whichever of the  
18 annexing or annexed districts as constituted prior to the  
19 annexation had the smallest deficit and the deficits of each of  
20 the other districts as constituted prior to the annexation. The  
21 aggregate amount of the supplementary State aid payable under  
22 this paragraph (3) shall be allocated between or among the  
23 annexing districts as follows:

24 (A) the regional superintendent of schools for each  
25 educational service region in which an annexed district is  
26 located prior to the annexation shall certify to the State

1 Board of Education, on forms that it shall provide for that  
2 purpose, the value of all taxable property in each annexed  
3 district, as last equalized or assessed by the Department  
4 of Revenue prior to the annexation, and the equalized  
5 assessed value of each part of the annexed district that  
6 was annexed to or included as a part of an annexing  
7 district;

8 (B) using equalized assessed values as certified by the  
9 regional superintendent of schools under clause (A) of this  
10 paragraph (3), the combined audited fund balance deficit of  
11 each annexed district as determined under this Section  
12 shall be apportioned between or among the annexing  
13 districts in the same ratio as the equalized assessed value  
14 of that part of the annexed district that was annexed to or  
15 included as a part of an annexing district bears to the  
16 total equalized assessed value of the annexed district; and

17 (C) the aggregate supplementary State aid payment  
18 under this paragraph (3) shall be allocated between or  
19 among, and shall be paid to, the annexing districts in the  
20 same ratio as the sum of the combined audited fund balance  
21 deficit of each annexing district as constituted prior to  
22 the annexation, plus all combined audited fund balance  
23 deficit amounts apportioned to that annexing district  
24 under clause (B) of this subsection, bears to the aggregate  
25 of the combined audited fund balance deficits of all of the  
26 annexing and annexed districts as constituted prior to the



1 annexation.

2 (4) For the new elementary districts and new high school  
3 district formed through a school district conversion, as  
4 defined in Section 11E-15 of this Code or the new elementary  
5 district or districts and new combined high school - unit  
6 district formed through a multi-unit conversion, as defined in  
7 subsection (b) of Section 11E-30 of this Code, a computation  
8 shall be made totaling each previously existing district's  
9 audited fund balances in the educational fund, working cash  
10 fund, operations and maintenance fund, and transportation fund  
11 for the year ending June 30 prior to the referendum  
12 establishing the new districts. In the first year of the new  
13 districts, the State shall make a one-time supplementary  
14 payment equal to the sum of the differences between the deficit  
15 of the previously existing district with the smallest deficit  
16 and the deficits of each of the other previously existing  
17 districts. A district with a combined balance among the 4 funds  
18 that is positive shall be considered to have a deficit of zero.  
19 The supplementary payment shall be allocated among the newly  
20 formed high school and elementary districts in the manner  
21 provided by the petition for the formation of the districts, in  
22 the form in which the petition is approved by the regional  
23 superintendent of schools or State Superintendent of Education  
24 under Section 11E-50 of this Code.

25 (5) For each newly created partial elementary unit  
26 district, as defined in subsection (a) or (c) of Section 11E-30

1 of this Code, a computation shall be made totaling the audited  
2 fund balances of each previously existing district that formed  
3 the new partial elementary unit district in the educational  
4 fund, working cash fund, operations and maintenance fund, and  
5 transportation fund for the year ending June 30 prior to the  
6 referendum for the formation of the partial elementary unit  
7 district. In the first year of the new partial elementary unit  
8 district, the State shall make a one-time supplementary payment  
9 to the new district equal to the sum of the differences between  
10 the deficit of the previously existing district with the  
11 smallest deficit and the deficits of each of the other  
12 previously existing districts. A district with a combined  
13 balance among the 4 funds that is positive shall be considered  
14 to have a deficit of zero.

15 (6) For an elementary opt-in as defined in subsection (d)  
16 of Section 11E-30 of this Code, the deficit fund balance  
17 incentive shall be computed in accordance with paragraph (5) of  
18 this subsection (c) as if the opted-in elementary was included  
19 in the optional elementary unit district at the optional  
20 elementary unit district's original effective date. If the  
21 calculation in this paragraph (6) is less than that calculated  
22 in paragraph (5) of this subsection (c) at the optional  
23 elementary unit district's original effective date, then no  
24 adjustments may be made. If the calculation in this paragraph  
25 (6) is more than that calculated in paragraph (5) of this  
26 subsection (c) at the optional elementary unit district's

1 original effective date, then the excess must be paid as  
2 follows:

3 (A) If the effective date for the elementary opt-in is  
4 one year after the effective date for the optional  
5 elementary unit district, 100% of the calculated excess  
6 shall be paid to the optional elementary unit district in  
7 the first year after the effective date of the elementary  
8 opt-in.

9 (B) If the effective date for the elementary opt-in is  
10 2 years after the effective date for the optional  
11 elementary unit district, 75% of the calculated excess  
12 shall be paid to the optional elementary unit district in  
13 the first year after the effective date of the elementary  
14 opt-in.

15 (C) If the effective date for the elementary opt-in is  
16 3 years after the effective date for the optional  
17 elementary unit district, 50% of the calculated excess  
18 shall be paid to the optional elementary unit district in  
19 the first year after the effective date of the elementary  
20 opt-in.

21 (D) If the effective date for the elementary opt-in is  
22 4 years after the effective date for the optional  
23 elementary unit district, 25% of the calculated excess  
24 shall be paid to the optional elementary unit district in  
25 the first year after the effective date of the elementary  
26 opt-in.

1           (E) If the effective date for the elementary opt-in is  
2           5 years after the effective date for the optional  
3           elementary unit district, the optional elementary unit  
4           district is not eligible for any additional incentives due  
5           to the elementary opt-in.

6           (6.5) For the first year after the annexation of territory  
7           detached from another school district whereby the enrollment of  
8           the annexing district increases by 90% or more as a result of  
9           the annexation, a computation shall be made totaling the  
10          audited fund balances of the district gaining territory and the  
11          audited fund balances of the district losing territory in the  
12          educational fund, working cash fund, operations and  
13          maintenance fund, and transportation fund for the year ending  
14          June 30 prior to the date that the change of boundaries  
15          attributable to the annexation is allowed by the affirmative  
16          decision of the regional board of school trustees under Section  
17          7-6 of this Code, notwithstanding any action for administrative  
18          review of the decision. The annexing district as constituted  
19          after the annexation shall be paid supplementary State aid  
20          equal to the difference between the deficit of whichever  
21          district included in this calculation as constituted prior to  
22          the annexation had the smallest deficit and the deficit of each  
23          other district included in this calculation as constituted  
24          prior to the annexation, multiplied by the ratio of equalized  
25          assessed value of the territory detached to the total equalized  
26          assessed value of the district losing territory. The regional

1 superintendent of schools for the educational service region in  
2 which a district losing territory is located prior to the  
3 annexation shall certify to the State Board of Education the  
4 value of all taxable property in the district losing territory  
5 and the value of all taxable property in the territory being  
6 detached, as last equalized or assessed by the Department of  
7 Revenue prior to the annexation. To be eligible for  
8 supplementary State aid reimbursement under this Section, the  
9 intergovernmental agreement to be submitted pursuant to  
10 Section 7-14A of this Code must show that fund balances were  
11 transferred from the district losing territory to the district  
12 gaining territory in the annexation. The changes to this  
13 Section made by Public Act 95-707 are intended to be  
14 retroactive and applicable to any annexation taking effect on  
15 or after July 1, 2004. For annexations that are eligible for  
16 payments under this paragraph (6.5) and that are effective on  
17 or after July 1, 2004, but before January 11, 2008 (the  
18 effective date of Public Act 95-707), the required payment  
19 under this paragraph (6.5) shall be paid in the fiscal year of  
20 January 11, 2008 (the effective date of Public Act 95-707).

21 (7) For purposes of any calculation required under  
22 paragraph (1), (2), (3), (4), (5), (6), or (6.5) of this  
23 subsection (c), a district with a combined fund balance that is  
24 positive shall be considered to have a deficit of zero. For  
25 purposes of determining each district's audited fund balances  
26 in its educational fund, working cash fund, operations and

1 maintenance fund, and transportation fund for the specified  
2 year ending June 30, as provided in paragraphs (1), (2), (3),  
3 (4), (5), (6), and (6.5) of this subsection (c), the balance of  
4 each fund shall be deemed decreased by an amount equal to the  
5 amount of the annual property tax theretofore levied in the  
6 fund by the district for collection and payment to the district  
7 during the calendar year in which the June 30 fell, but only to  
8 the extent that the tax so levied in the fund actually was  
9 received by the district on or before or comprised a part of  
10 the fund on such June 30. For purposes of determining each  
11 district's audited fund balances, a calculation shall be made  
12 for each fund to determine the average for the 3 years prior to  
13 the specified year ending June 30, as provided in paragraphs  
14 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c),  
15 of the district's expenditures in the categories "purchased  
16 services", "supplies and materials", and "capital outlay", as  
17 those categories are defined in rules of the State Board of  
18 Education. If this 3-year average is less than the district's  
19 expenditures in these categories for the specified year ending  
20 June 30, as provided in paragraphs (1), (2), (3), (4), (5),  
21 (6), and (6.5) of this subsection (c), then the 3-year average  
22 shall be used in calculating the amounts payable under this  
23 Section in place of the amounts shown in these categories for  
24 the specified year ending June 30, as provided in paragraphs  
25 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c).  
26 Any deficit because of State aid not yet received may not be

1 considered in determining the June 30 deficits. The same basis  
2 of accounting shall be used by all previously existing  
3 districts and by all annexing or annexed districts, as  
4 constituted prior to the annexation, in making any computation  
5 required under paragraphs (1), (2), (3), (4), (5), (6), and  
6 (6.5) of this subsection (c).

7 (8) The supplementary State aid payments under this  
8 subsection (c) shall be treated as separate from all other  
9 payments made pursuant to Section 18-8.05 of this Code.

10 (d)(1) Following the formation of a combined school  
11 district, as defined in Section 11E-20 of this Code, a new unit  
12 district, as defined in Section 11E-25 of this Code, a new  
13 elementary district or districts and a new high school district  
14 formed through a school district conversion, as defined in  
15 Section 11E-15 of this Code, a new partial elementary unit  
16 district, as defined in Section 11E-30 of this Code, or a new  
17 elementary district or districts formed through a multi-unit  
18 conversion, as defined in subsection (b) of Section 11E-30 of  
19 this Code, or the annexation of all of the territory of one or  
20 more entire school districts by one or more other school  
21 districts, as defined in Article 7 of this Code, a  
22 supplementary State aid reimbursement shall be paid for the  
23 number of school years determined under the following table to  
24 each new or annexing district equal to the sum of \$4,000 for  
25 each certified employee who is employed by the district on a  
26 full-time basis for the regular term of the school year:

1	Reorganized District's Rank	Reorganized District's Rank		
2	by type of district (unit,	in Average Daily Attendance		
3	high school, elementary)	By Quintile		
4	in Equalized Assessed Value			
5	Per Pupil by Quintile			
6				3rd, 4th,
7		1st	2nd	or 5th
8		Quintile	Quintile	Quintile
9	1st Quintile	1 year	1 year	1 year
10	2nd Quintile	1 year	2 years	2 years
11	3rd Quintile	2 years	3 years	3 years
12	4th Quintile	2 years	3 years	3 years
13	5th Quintile	2 years	3 years	3 years

14 The State Board of Education shall make a one-time calculation  
 15 of a reorganized district's quintile ranks. The average daily  
 16 attendance used in this calculation shall be the best 3 months'  
 17 average daily attendance for the district's first year. The  
 18 equalized assessed value per pupil shall be the district's real  
 19 property equalized assessed value used in calculating the  
 20 district's first-year general State aid claim, under Section  
 21 18-8.05 of this Code, or first-year evidence-based funding  
 22 claim, under Section 18-8.15 of this Code, as applicable,  
 23 divided by the best 3 months' average daily attendance.

24 No annexing or resulting school district shall be entitled



1 to supplementary State aid under this subsection (d) unless the  
2 district acquires at least 30% of the average daily attendance  
3 of the district from which the territory is being detached or  
4 divided.

5 If a district results from multiple reorganizations that  
6 would otherwise qualify the district for multiple payments  
7 under this subsection (d) in any year, then the district shall  
8 receive a single payment only for that year based solely on the  
9 most recent reorganization.

10 (2) For an elementary opt-in, as defined in subsection (d)  
11 of Section 11E-30 of this Code, the full-time certified staff  
12 incentive shall be computed in accordance with paragraph (1) of  
13 this subsection (d), equal to the sum of \$4,000 for each  
14 certified employee of the elementary district that opts-in who  
15 is employed by the optional elementary unit district on a  
16 full-time basis for the regular term of the school year. The  
17 calculation from this paragraph (2) must be paid as follows:

18 (A) If the effective date for the elementary opt-in is  
19 one year after the effective date for the optional  
20 elementary unit district, 100% of the amount calculated in  
21 this paragraph (2) shall be paid to the optional elementary  
22 unit district for the number of years calculated in  
23 paragraph (1) of this subsection (d) at the optional  
24 elementary unit district's original effective date,  
25 starting in the second year after the effective date of the  
26 elementary opt-in.

1 (B) If the effective date for the elementary opt-in is  
2 2 years after the effective date for the optional  
3 elementary unit district, 75% of the amount calculated in  
4 this paragraph (2) shall be paid to the optional elementary  
5 unit district for the number of years calculated in  
6 paragraph (1) of this subsection (d) at the optional  
7 elementary unit district's original effective date,  
8 starting in the second year after the effective date of the  
9 elementary opt-in.

10 (C) If the effective date for the elementary opt-in is  
11 3 years after the effective date for the optional  
12 elementary unit district, 50% of the amount calculated in  
13 this paragraph (2) shall be paid to the optional elementary  
14 unit district for the number of years calculated in  
15 paragraph (1) of this subsection (d) at the optional  
16 elementary unit district's original effective date,  
17 starting in the second year after the effective date of the  
18 elementary opt-in.

19 (D) If the effective date for the elementary opt-in is  
20 4 years after the effective date for the optional  
21 elementary unit district, 25% of the amount calculated in  
22 this paragraph (2) shall be paid to the optional elementary  
23 unit district for the number of years calculated in  
24 paragraph (1) of this subsection (d) at the optional  
25 elementary unit district's original effective date,  
26 starting in the second year after the effective date of the

1 elementary opt-in.

2 (E) If the effective date for the elementary opt-in is  
3 5 years after the effective date for the optional  
4 elementary unit district, the optional elementary unit  
5 district is not eligible for any additional incentives due  
6 to the elementary opt-in.

7 (2.5) Following the formation of a cooperative high school  
8 by 2 or more school districts under Section 10-22.22c of this  
9 Code, a supplementary State aid reimbursement shall be paid for  
10 3 school years to the cooperative high school equal to the sum  
11 of \$4,000 for each certified employee who is employed by the  
12 cooperative high school on a full-time basis for the regular  
13 term of any such school year. If a cooperative high school  
14 results from multiple agreements that would otherwise qualify  
15 the cooperative high school for multiple payments under this  
16 Section in any year, the cooperative high school shall receive  
17 a single payment for that year based solely on the most recent  
18 agreement.

19 (2.10) Following the annexation of territory detached from  
20 another school district whereby the enrollment of the annexing  
21 district increases 90% or more as a result of the annexation, a  
22 supplementary State aid reimbursement shall be paid to the  
23 annexing district equal to the sum of \$4,000 for each certified  
24 employee who is employed by the annexing district on a  
25 full-time basis and shall be calculated in accordance with  
26 subsection (a) of this Section. To be eligible for

1 supplementary State aid reimbursement under this Section, the  
2 intergovernmental agreement to be submitted pursuant to  
3 Section 7-14A of this Code must show that certified staff  
4 members were transferred from the control of the district  
5 losing territory to the control of the district gaining  
6 territory in the annexation. The changes to this Section made  
7 by Public Act 95-707 are intended to be retroactive and  
8 applicable to any annexation taking effect on or after July 1,  
9 2004. For annexations that are eligible for payments under this  
10 paragraph (2.10) and that are effective on or after July 1,  
11 2004, but before January 11, 2008 (the effective date of Public  
12 Act 95-707), the first required yearly payment under this  
13 paragraph (2.10) shall be paid in the second fiscal year after  
14 January 11, 2008 (the effective date of Public Act 95-707). Any  
15 subsequent required yearly payments shall be paid in subsequent  
16 fiscal years until the payment obligation under this paragraph  
17 (2.10) is complete.

18 (2.15) Following the deactivation of a school facility in  
19 accordance with Section 10-22.22b of this Code, a supplementary  
20 State aid reimbursement shall be paid for the lesser of 3  
21 school years or the length of the deactivation agreement,  
22 including any renewals of the original deactivation agreement,  
23 to each receiving school district equal to the sum of \$4,000  
24 for each certified employee who is employed by that receiving  
25 district on a full-time basis for the regular term of any such  
26 school year who was originally transferred to the control of

1 that receiving district as a result of the deactivation.  
2 Receiving districts are eligible for payments under this  
3 paragraph (2.15) based on the certified employees transferred  
4 to that receiving district as a result of the deactivation and  
5 are not required to receive at least 30% of the deactivating  
6 district's average daily attendance as required under  
7 paragraph (1) of this subsection (d) to be eligible for  
8 payments.

9 (3) The supplementary State aid reimbursement payable  
10 under this subsection (d) shall be separate from and in  
11 addition to all other payments made to the district pursuant to  
12 any other Section of this Article.

13 (4) During May of each school year for which a  
14 supplementary State aid reimbursement is to be paid to a new,  
15 annexing, or receiving school district or cooperative high  
16 school pursuant to this subsection (d), the school board or  
17 governing board shall certify to the State Board of Education,  
18 on forms furnished to the school board or governing board by  
19 the State Board of Education for purposes of this subsection  
20 (d), the number of certified employees for which the district  
21 or cooperative high school is entitled to reimbursement under  
22 this Section, together with the names, certificate numbers, and  
23 positions held by the certified employees.

24 (5) Upon certification by the State Board of Education to  
25 the State Comptroller of the amount of the supplementary State  
26 aid reimbursement to which a school district or cooperative

1 high school is entitled under this subsection (d), the State  
2 Comptroller shall draw his or her warrant upon the State  
3 Treasurer for the payment thereof to the school district or  
4 cooperative high school and shall promptly transmit the payment  
5 to the school district or cooperative high school through the  
6 appropriate school treasurer.

7 (Source: P.A. 95-331, eff. 8-21-07; 95-707, eff. 1-11-08;  
8 95-903, eff. 8-25-08; 96-328, eff. 8-11-09.)

9 (105 ILCS 5/13A-8)

10 Sec. 13A-8. Funding.

11 (a) The State of Illinois shall provide funding for the  
12 alternative school programs within each educational service  
13 region and within the Chicago public school system by line item  
14 appropriation made to the State Board of Education for that  
15 purpose. This money, when appropriated, shall be provided to  
16 the regional superintendent and to the Chicago Board of  
17 Education, who shall establish a budget, including salaries,  
18 for their alternative school programs. Each program shall  
19 receive funding in the amount of \$30,000 plus an amount based  
20 on the ratio of the region's or Chicago's best 3 months'  
21 average daily attendance in grades pre-kindergarten through 12  
22 to the statewide totals of these amounts. For purposes of this  
23 calculation, the best 3 months' average daily attendance for  
24 each region or Chicago shall be calculated by adding to the  
25 best 3 months' average daily attendance the number of

1 low-income students identified in the most recently available  
2 federal census multiplied by one-half times the percentage of  
3 the region's or Chicago's low-income students to the State's  
4 total low-income students. The State Board of Education shall  
5 retain up to 1.1% of the appropriation to be used to provide  
6 technical assistance, professional development, and  
7 evaluations for the programs.

8 (a-5) Notwithstanding any other provisions of this  
9 Section, for the 1998-1999 fiscal year, the total amount  
10 distributed under subsection (a) for an alternative school  
11 program shall be not less than the total amount that was  
12 distributed under that subsection for that alternative school  
13 program for the 1997-1998 fiscal year. If an alternative school  
14 program is to receive a total distribution under subsection (a)  
15 for the 1998-1999 fiscal year that is less than the total  
16 distribution that the program received under that subsection  
17 for the 1997-1998 fiscal year, that alternative school program  
18 shall also receive, from a separate appropriation made for  
19 purposes of this subsection (a-5), a supplementary payment  
20 equal to the amount by which its total distribution under  
21 subsection (a) for the 1997-1998 fiscal year exceeds the amount  
22 of the total distribution that the alternative school program  
23 receives under that subsection for the 1998-1999 fiscal year.  
24 If the amount appropriated for supplementary payments to  
25 alternative school programs under this subsection (a-5) is  
26 insufficient for that purpose, those supplementary payments

1 shall be prorated among the alternative school programs  
2 entitled to receive those supplementary payments according to  
3 the aggregate amount of the appropriation made for purposes of  
4 this subsection (a-5).

5 (b) An alternative school program shall be entitled to  
6 receive general State aid as calculated in subsection (K) of  
7 Section 18-8.05 or evidence-based funding as calculated in  
8 subsection (g) of Section 18-8.15 upon filing a claim as  
9 provided therein. Any time that a student who is enrolled in an  
10 alternative school program spends in work-based learning,  
11 community service, or a similar alternative educational  
12 setting shall be included in determining the student's minimum  
13 number of clock hours of daily school work that constitute a  
14 day of attendance for purposes of calculating general State aid  
15 or evidence-based funding.

16 (c) An alternative school program may receive additional  
17 funding from its school districts in such amount as may be  
18 agreed upon by the parties and necessary to support the  
19 program. In addition, an alternative school program is  
20 authorized to accept and expend gifts, legacies, and grants,  
21 including but not limited to federal grants, from any source  
22 for purposes directly related to the conduct and operation of  
23 the program.

24 (Source: P.A. 89-383, eff. 8-18-95; 89-629, eff. 8-9-96;  
25 89-636, eff. 8-9-96; 90-14, eff. 7-1-97; 90-283, eff. 7-31-97;  
26 90-802, eff. 12-15-98.)



1 (105 ILCS 5/13B-20.20)

2 Sec. 13B-20.20. Enrollment in other programs. High school  
3 equivalency testing preparation programs are not eligible for  
4 funding under this Article. A student may enroll in a program  
5 approved under Section 18-8.05 or 18-8.15 of this Code, as  
6 appropriate, or attend both the alternative learning  
7 opportunities program and the regular school program to enhance  
8 student performance and facilitate on-time graduation.

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

10 (105 ILCS 5/13B-45)

11 Sec. 13B-45. Days and hours of attendance. An alternative  
12 learning opportunities program shall provide students with at  
13 least the minimum number of days of pupil attendance required  
14 under Section 10-19 of this Code and the minimum number of  
15 daily hours of school work required under Section 18-8.05 or  
16 18-8.15 of this Code, provided that the State Board may approve  
17 exceptions to these requirements if the program meets all of  
18 the following conditions:

19 (1) The district plan submitted under Section  
20 13B-25.15 of this Code establishes that a program providing  
21 the required minimum number of days of attendance or daily  
22 hours of school work would not serve the needs of the  
23 program's students.

24 (2) Each day of attendance shall provide no fewer than

1 3 clock hours of school work, as defined under paragraph  
2 (1) of subsection (F) of Section 18-8.05 of this Code.

3 (3) Each day of attendance that provides fewer than 5  
4 clock hours of school work shall also provide supplementary  
5 services, including without limitation work-based  
6 learning, student assistance programs, counseling, case  
7 management, health and fitness programs, or life-skills or  
8 conflict resolution training, in order to provide a total  
9 daily program to the student of 5 clock hours. A program  
10 may claim general State aid or evidence-based funding for  
11 up to 2 hours of the time each day that a student is  
12 receiving supplementary services.

13 (4) Each program shall provide no fewer than 174 days  
14 of actual pupil attendance during the school term; however,  
15 approved evening programs that meet the requirements of  
16 Section 13B-45 of this Code may offer less than 174 days of  
17 actual pupil attendance during the school term.

18 (Source: P.A. 92-42, eff. 1-1-02.)

19 (105 ILCS 5/13B-50)

20 Sec. 13B-50. Eligibility to receive general State aid or  
21 evidence-based funding. In order to receive general State aid  
22 or evidence-based funding, alternative learning opportunities  
23 programs must meet the requirements for claiming general State  
24 aid as specified in Section 18-8.05 of this Code or  
25 evidence-based funding as specified in Section 18-8.15 of this

1 Code, as applicable, with the exception of the length of the  
2 instructional day, which may be less than 5 hours of school  
3 work if the program meets the criteria set forth under Sections  
4 13B-50.5 and 13B-50.10 of this Code and if the program is  
5 approved by the State Board.

6 (Source: P.A. 92-42, eff. 1-1-02.)

7 (105 ILCS 5/13B-50.10)

8 Sec. 13B-50.10. Additional criteria for general State aid  
9 or evidence-based funding. In order to claim general State aid  
10 or evidence-based funding, an alternative learning  
11 opportunities program must meet the following criteria:

12 (1) Teacher professional development plans should include  
13 education in the instruction of at-risk students.

14 (2) Facilities must meet the health, life, and safety  
15 requirements in this Code.

16 (3) The program must comply with all other State and  
17 federal laws applicable to education providers.

18 (Source: P.A. 92-42, eff. 1-1-02.)

19 (105 ILCS 5/13B-50.15)

20 Sec. 13B-50.15. Level of funding. Approved alternative  
21 learning opportunities programs are entitled to claim general  
22 State aid or evidence-based funding, subject to Sections  
23 13B-50, 13B-50.5, and 13B-50.10 of this Code. Approved programs  
24 operated by regional offices of education are entitled to

1 receive general State aid at the foundation level of support. A  
2 school district or consortium must ensure that an approved  
3 program receives supplemental general State aid,  
4 transportation reimbursements, and special education  
5 resources, if appropriate, for students enrolled in the  
6 program.

7 (Source: P.A. 92-42, eff. 1-1-02.)

8 (105 ILCS 5/14-7.02b)

9 Sec. 14-7.02b. Funding for children requiring special  
10 education services. Payments to school districts for children  
11 requiring special education services documented in their  
12 individualized education program regardless of the program  
13 from which these services are received, excluding children  
14 claimed under Sections 14-7.02 and 14-7.03 of this Code, shall  
15 be made in accordance with this Section. Funds received under  
16 this Section may be used only for the provision of special  
17 educational facilities and services as defined in Section  
18 14-1.08 of this Code.

19 The appropriation for fiscal year 2005 through fiscal year  
20 2017 ~~and thereafter~~ shall be based upon the IDEA child count of  
21 all students in the State, excluding students claimed under  
22 Sections 14-7.02 and 14-7.03 of this Code, on December 1 of the  
23 fiscal year 2 years preceding, multiplied by 17.5% of the  
24 general State aid foundation level of support established for  
25 that fiscal year under Section 18-8.05 of this Code.

1           Beginning with fiscal year 2005 and through fiscal year  
2 2007, individual school districts shall not receive payments  
3 under this Section totaling less than they received under the  
4 funding authorized under Section 14-7.02a of this Code during  
5 fiscal year 2004, pursuant to the provisions of Section  
6 14-7.02a as they were in effect before the effective date of  
7 this amendatory Act of the 93rd General Assembly. This base  
8 level funding shall be computed first.

9           Beginning with fiscal year 2008 through fiscal year 2017  
10 ~~and each fiscal year thereafter~~, individual school districts  
11 must not receive payments under this Section totaling less than  
12 they received in fiscal year 2007. This funding shall be  
13 computed last and shall be a separate calculation from any  
14 other calculation set forth in this Section. This amount is  
15 exempt from the requirements of Section 1D-1 of this Code.

16           Through fiscal year 2017, an An amount equal to 85% of the  
17 funds remaining in the appropriation shall be allocated to  
18 school districts based upon the district's average daily  
19 attendance reported for purposes of Section 18-8.05 of this  
20 Code for the preceding school year. Fifteen percent of the  
21 funds remaining in the appropriation shall be allocated to  
22 school districts based upon the district's low income eligible  
23 pupil count used in the calculation of general State aid under  
24 Section 18-8.05 of this Code for the same fiscal year. One  
25 hundred percent of the funds computed and allocated to  
26 districts under this Section shall be distributed and paid to

1 school districts.

2 For individual students with disabilities whose program  
3 costs exceed 4 times the district's per capita tuition rate as  
4 calculated under Section 10-20.12a of this Code, the costs in  
5 excess of 4 times the district's per capita tuition rate shall  
6 be paid by the State Board of Education from unexpended IDEA  
7 discretionary funds originally designated for room and board  
8 reimbursement pursuant to Section 14-8.01 of this Code. The  
9 amount of tuition for these children shall be determined by the  
10 actual cost of maintaining classes for these children, using  
11 the per capita cost formula set forth in Section 14-7.01 of  
12 this Code, with the program and cost being pre-approved by the  
13 State Superintendent of Education. Reimbursement for  
14 individual students with disabilities whose program costs  
15 exceed 4 times the district's per capita tuition rate shall be  
16 claimed beginning with costs encumbered for the 2004-2005  
17 school year and thereafter.

18 The State Board of Education shall prepare vouchers equal  
19 to one-fourth the amount allocated to districts, for  
20 transmittal to the State Comptroller on the 30th day of  
21 September, December, and March, respectively, and the final  
22 voucher, no later than June 20. The Comptroller shall make  
23 payments pursuant to this Section to school districts as soon  
24 as possible after receipt of vouchers. If the money  
25 appropriated from the General Assembly for such purposes for  
26 any year is insufficient, it shall be apportioned on the basis

1 of the payments due to school districts.

2 Nothing in this Section shall be construed to decrease or  
3 increase the percentage of all special education funds that are  
4 allocated annually under Article 1D of this Code or to alter  
5 the requirement that a school district provide special  
6 education services.

7 Nothing in this amendatory Act of the 93rd General Assembly  
8 shall eliminate any reimbursement obligation owed as of the  
9 effective date of this amendatory Act of the 93rd General  
10 Assembly to a school district with in excess of 500,000  
11 inhabitants.

12 Except for reimbursement for individual students with  
13 disabilities whose program costs exceed 4 times the district's  
14 per capita tuition rate, no funding shall be provided to school  
15 districts under this Section after fiscal year 2017.

16 (Source: P.A. 93-1022, eff. 8-24-08; 95-705, eff. 1-8-08.)

17 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

18 Sec. 14-13.01. Reimbursement payable by State; amounts for  
19 personnel and transportation.

20 (a) Through fiscal year 2017, for ~~For~~ staff working on  
21 behalf of children who have not been identified as eligible for  
22 special education and for eligible children with physical  
23 disabilities, including all eligible children whose placement  
24 has been determined under Section 14-8.02 in hospital or home  
25 instruction, 1/2 of the teacher's salary but not more than

1 \$1,000 annually per child or \$9,000 per teacher, whichever is  
2 less.

3 (a-5) A child qualifies for home or hospital instruction if  
4 it is anticipated that, due to a medical condition, the child  
5 will be unable to attend school, and instead must be instructed  
6 at home or in the hospital, for a period of 2 or more  
7 consecutive weeks or on an ongoing intermittent basis. For  
8 purposes of this Section, "ongoing intermittent basis" means  
9 that the child's medical condition is of such a nature or  
10 severity that it is anticipated that the child will be absent  
11 from school due to the medical condition for periods of at  
12 least 2 days at a time multiple times during the school year  
13 totaling at least 10 days or more of absences. There shall be  
14 no requirement that a child be absent from school a minimum  
15 number of days before the child qualifies for home or hospital  
16 instruction. In order to establish eligibility for home or  
17 hospital services, a student's parent or guardian must submit  
18 to the child's school district of residence a written statement  
19 from a physician licensed to practice medicine in all of its  
20 branches stating the existence of such medical condition, the  
21 impact on the child's ability to participate in education, and  
22 the anticipated duration or nature of the child's absence from  
23 school. Home or hospital instruction may commence upon receipt  
24 of a written physician's statement in accordance with this  
25 Section, but instruction shall commence not later than 5 school  
26 days after the school district receives the physician's



1 statement. Special education and related services required by  
2 the child's IEP or services and accommodations required by the  
3 child's federal Section 504 plan must be implemented as part of  
4 the child's home or hospital instruction, unless the IEP team  
5 or federal Section 504 plan team determines that modifications  
6 are necessary during the home or hospital instruction due to  
7 the child's condition.

8 (a-10) Through fiscal year 2017, eligible ~~Eligible~~  
9 children to be included in any reimbursement under this  
10 paragraph must regularly receive a minimum of one hour of  
11 instruction each school day, or in lieu thereof of a minimum of  
12 5 hours of instruction in each school week in order to qualify  
13 for full reimbursement under this Section. If the attending  
14 physician for such a child has certified that the child should  
15 not receive as many as 5 hours of instruction in a school week,  
16 however, reimbursement under this paragraph on account of that  
17 child shall be computed proportionate to the actual hours of  
18 instruction per week for that child divided by 5.

19 (a-15) The State Board of Education shall establish rules  
20 governing the required qualifications of staff providing home  
21 or hospital instruction.

22 (b) For children described in Section 14-1.02, 80% of the  
23 cost of transportation approved as a related service in the  
24 Individualized Education Program for each student in order to  
25 take advantage of special educational facilities.  
26 Transportation costs shall be determined in the same fashion as

1 provided in Section 29-5. For purposes of this subsection (b),  
2 the dates for processing claims specified in Section 29-5 shall  
3 apply.

4 (c) Through fiscal year 2017, for ~~For~~ each qualified  
5 worker, the annual sum of \$9,000.

6 (d) Through fiscal year 2017, for ~~For~~ one full time  
7 qualified director of the special education program of each  
8 school district which maintains a fully approved program of  
9 special education the annual sum of \$9,000. Districts  
10 participating in a joint agreement special education program  
11 shall not receive such reimbursement if reimbursement is made  
12 for a director of the joint agreement program.

13 (e) (Blank).

14 (f) (Blank).

15 (g) Through fiscal year 2017, for ~~For~~ readers, working with  
16 blind or partially seeing children 1/2 of their salary but not  
17 more than \$400 annually per child. Readers may be employed to  
18 assist such children and shall not be required to be certified  
19 but prior to employment shall meet standards set up by the  
20 State Board of Education.

21 (h) Through fiscal year 2017, for ~~For~~ non-certified  
22 employees, as defined by rules promulgated by the State Board  
23 of Education, who deliver services to students with IEPs, 1/2  
24 of the salary paid or \$3,500 per employee, whichever is less.

25 (i) The State Board of Education shall set standards and  
26 prescribe rules for determining the allocation of

1 reimbursement under this section on less than a full time basis  
2 and for less than a school year.

3 When any school district eligible for reimbursement under  
4 this Section operates a school or program approved by the State  
5 Superintendent of Education for a number of days in excess of  
6 the adopted school calendar but not to exceed 235 school days,  
7 such reimbursement shall be increased by 1/180 of the amount or  
8 rate paid hereunder for each day such school is operated in  
9 excess of 180 days per calendar year.

10 Notwithstanding any other provision of law, any school  
11 district receiving a payment under this Section or under  
12 Section 14-7.02, 14-7.02b, or 29-5 of this Code may classify  
13 all or a portion of the funds that it receives in a particular  
14 fiscal year or from evidence-based funding ~~general State aid~~  
15 pursuant to Section 18-8.15 ~~18-8.05~~ of this Code as funds  
16 received in connection with any funding program for which it is  
17 entitled to receive funds from the State in that fiscal year  
18 (including, without limitation, any funding program referenced  
19 in this Section), regardless of the source or timing of the  
20 receipt. The district may not classify more funds as funds  
21 received in connection with the funding program than the  
22 district is entitled to receive in that fiscal year for that  
23 program. Any classification by a district must be made by a  
24 resolution of its board of education. The resolution must  
25 identify the amount of any payments or evidence-based funding  
26 ~~general State aid~~ to be classified under this paragraph and

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

17 (Source: P.A. 96-257, eff. 8-11-09; 97-123, eff. 7-14-11.)

18 (105 ILCS 5/14C-1) (from Ch. 122, par. 14C-1)

19 Sec. 14C-1. The General Assembly finds that there are large  
20 numbers of children in this State who come from environments  
21 where the primary language is other than English. Experience  
22 has shown that public school classes in which instruction is  
23 given only in English are often inadequate for the education of  
24 children whose native tongue is another language. The General  
25 Assembly believes that a program of transitional bilingual

1 education can meet the needs of these children and facilitate  
2 their integration into the regular public school curriculum.  
3 Therefore, pursuant to the policy of this State to ensure equal  
4 educational opportunity to every child, and in recognition of  
5 the educational needs of English learners, it is the purpose of  
6 this Act to provide for the establishment of transitional  
7 bilingual education programs in the public schools, to provide  
8 supplemental financial assistance through fiscal year 2017 to  
9 help local school districts meet the extra costs of such  
10 programs, and to allow this State to directly or indirectly  
11 provide technical assistance and professional development to  
12 support transitional bilingual education programs statewide.  
13 (Source: P.A. 99-30, eff. 7-10-15.)

14 (105 ILCS 5/14C-12) (from Ch. 122, par. 14C-12)

15 Sec. 14C-12. Account of expenditures; Cost report;  
16 Reimbursement. Each school district with at least one English  
17 learner shall keep an accurate, detailed and separate account  
18 of all monies paid out by it for the programs in transitional  
19 bilingual education required or permitted by this Article,  
20 including transportation costs, and shall annually report  
21 thereon for the school year ending June 30 indicating the  
22 average per pupil expenditure. Through fiscal year 2017, each  
23 ~~Each~~ school district shall be reimbursed for the amount by  
24 which such costs exceed the average per pupil expenditure by  
25 such school district for the education of children of

1 comparable age who are not in any special education program. No  
2 funding shall be provided to school districts under this  
3 Section after fiscal year 2017. In fiscal year 2018 and each  
4 fiscal year thereafter, all funding received by a school  
5 district from the State pursuant to Section 18-8.15 of this  
6 Code that is attributable to instructions, supports, and  
7 interventions for English learner pupils must be used for  
8 programs and services authorized under this Article. At least  
9 60% of transitional bilingual education funding received from  
10 the State must be used for the instructional costs of programs  
11 and services authorized under this Article ~~transitional~~  
12 ~~bilingual education.~~

13 Applications for preapproval ~~for reimbursement~~ for costs  
14 of transitional bilingual education programs must be submitted  
15 to the State Superintendent of Education at least 60 days  
16 before a transitional bilingual education program is started,  
17 unless a justifiable exception is granted by the State  
18 Superintendent of Education. Applications shall set forth a  
19 plan for transitional bilingual education established and  
20 maintained in accordance with this Article.

21 Through fiscal year 2017, reimbursement ~~Reimbursement~~  
22 claims for transitional bilingual education programs shall be  
23 made as follows:

24 Each school district shall claim reimbursement on a current  
25 basis for the first 3 quarters of the fiscal year and file a  
26 final adjusted claim for the school year ended June 30

1 preceding computed in accordance with rules prescribed by the  
2 State Superintendent's Office. The State Superintendent of  
3 Education before approving any such claims shall determine  
4 their accuracy and whether they are based upon services and  
5 facilities provided under approved programs. Upon approval he  
6 shall transmit to the Comptroller the vouchers showing the  
7 amounts due for school district reimbursement claims. Upon  
8 receipt of the final adjusted claims the State Superintendent  
9 of Education shall make a final determination of the accuracy  
10 of such claims. If the money appropriated by the General  
11 Assembly for such purpose for any year is insufficient, it  
12 shall be apportioned on the basis of the claims approved.

13 Failure on the part of the school district to prepare and  
14 certify the final adjusted claims due under this Section may  
15 constitute a forfeiture by the school district of its right to  
16 be reimbursed by the State under this Section.

17 (Source: P.A. 96-1170, eff. 1-1-11.)

18 (105 ILCS 5/17-1) (from Ch. 122, par. 17-1)

19 Sec. 17-1. Annual Budget. The board of education of each  
20 school district under 500,000 inhabitants shall, within or  
21 before the first quarter of each fiscal year, adopt and file  
22 with the State Board of Education an annual balanced budget  
23 which it deems necessary to defray all necessary expenses and  
24 liabilities of the district, and in such annual budget shall  
25 specify the objects and purposes of each item and amount needed

1 for each object or purpose.

2 The budget shall be entered upon a School District Budget  
3 form prepared and provided by the State Board of Education and  
4 therein shall contain a statement of the cash on hand at the  
5 beginning of the fiscal year, an estimate of the cash expected  
6 to be received during such fiscal year from all sources, an  
7 estimate of the expenditures contemplated for such fiscal year,  
8 and a statement of the estimated cash expected to be on hand at  
9 the end of such year. The estimate of taxes to be received may  
10 be based upon the amount of actual cash receipts that may  
11 reasonably be expected by the district during such fiscal year,  
12 estimated from the experience of the district in prior years  
13 and with due regard for other circumstances that may  
14 substantially affect such receipts. Nothing in this Section  
15 shall be construed as requiring any district to change or  
16 preventing any district from changing from a cash basis of  
17 financing to a surplus or deficit basis of financing; or as  
18 requiring any district to change or preventing any district  
19 from changing its system of accounting. The budget shall  
20 conform to the requirements adopted by the State Board of  
21 Education pursuant to Section 2-3.28 of this Code.

22 To the extent that a school district's budget is not  
23 balanced, the district shall also adopt and file with the State  
24 Board of Education a deficit reduction plan to balance the  
25 district's budget within 3 years. The deficit reduction plan  
26 must be filed at the same time as the budget, but the State



1 Superintendent of Education may extend this deadline if the  
2 situation warrants.

3 If, as the result of an audit performed in compliance with  
4 Section 3-7 of this Code, the resulting Annual Financial Report  
5 required to be submitted pursuant to Section 3-15.1 of this  
6 Code reflects a deficit as defined for purposes of the  
7 preceding paragraph, then the district shall, within 30 days  
8 after acceptance of such audit report, submit a deficit  
9 reduction plan.

10 The board of education of each district shall fix a fiscal  
11 year therefor. If the beginning of the fiscal year of a  
12 district is subsequent to the time that the tax levy due to be  
13 made in such fiscal year shall be made, then such annual budget  
14 shall be adopted prior to the time such tax levy shall be made.  
15 The failure by a board of education of any district to adopt an  
16 annual budget, or to comply in any respect with the provisions  
17 of this Section, shall not affect the validity of any tax levy  
18 of the district otherwise in conformity with the law. With  
19 respect to taxes levied either before, on, or after the  
20 effective date of this amendatory Act of the 91st General  
21 Assembly, (i) a tax levy is made for the fiscal year in which  
22 the levy is due to be made regardless of which fiscal year the  
23 proceeds of the levy are expended or are intended to be  
24 expended, and (ii) except as otherwise provided by law, a board  
25 of education's adoption of an annual budget in conformity with  
26 this Section is not a prerequisite to the adoption of a valid

1 tax levy and is not a limit on the amount of the levy.

2 Such budget shall be prepared in tentative form by some  
3 person or persons designated by the board, and in such  
4 tentative form shall be made conveniently available to public  
5 inspection for at least 30 days prior to final action thereon.  
6 At least 1 public hearing shall be held as to such budget prior  
7 to final action thereon. Notice of availability for public  
8 inspection and of such public hearing shall be given by  
9 publication in a newspaper published in such district, at least  
10 30 days prior to the time of such hearing. If there is no  
11 newspaper published in such district, notice of such public  
12 hearing shall be given by posting notices thereof in 5 of the  
13 most public places in such district. It shall be the duty of  
14 the secretary of such board to make such tentative budget  
15 available to public inspection, and to arrange for such public  
16 hearing. The board may from time to time make transfers between  
17 the various items in any fund not exceeding in the aggregate  
18 10% of the total of such fund as set forth in the budget. The  
19 board may from time to time amend such budget by the same  
20 procedure as is herein provided for its original adoption.

21 Beginning July 1, 1976, the board of education, or regional  
22 superintendent, or governing board responsible for the  
23 administration of a joint agreement shall, by September 1 of  
24 each fiscal year thereafter, adopt an annual budget for the  
25 joint agreement in the same manner and subject to the same  
26 requirements as are provided in this Section.

1           The State Board of Education shall exercise powers and  
2 duties relating to budgets as provided in Section 2-3.27 of  
3 this Code and shall require school districts to submit their  
4 annual budgets, deficit reduction plans, and other financial  
5 information, including revenue and expenditure reports and  
6 borrowing and interfund transfer plans, in such form and within  
7 the timelines designated by the State Board of Education.

8           By fiscal year 1982 all school districts shall use the  
9 Program Budget Accounting System.

10          In the case of a school district receiving emergency State  
11 financial assistance under Article 1B, the school board shall  
12 also be subject to the requirements established under Article  
13 1B with respect to the annual budget.

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

15          (105 ILCS 5/17-1.2)

16          Sec. 17-1.2. Post annual budget on web site. If a school  
17 district has an Internet web site, the school district shall  
18 post its current annual budget, itemized by receipts and  
19 expenditures, on the district's Internet web site. The budget  
20 shall include information conforming to the rules adopted by  
21 the State Board of Education pursuant to Section 2-3.28 of this  
22 Code. The school district shall notify the parents or guardians  
23 of its students that the budget has been posted on the  
24 district's web site and what the web site's address is.

25          (Source: P.A. 92-438, eff. 1-1-02.)

1 (105 ILCS 5/17-1.5)

2 Sec. 17-1.5. Limitation of administrative costs.

3 (a) It is the purpose of this Section to establish  
4 limitations on the growth of administrative expenditures in  
5 order to maximize the proportion of school district resources  
6 available for the instructional program, building maintenance,  
7 and safety services for the students of each district.

8 (b) Definitions. For the purposes of this Section:

9 "Administrative expenditures" mean the annual expenditures  
10 of school districts properly attributable to expenditure  
11 functions defined by the rules of the State Board of Education  
12 as: 2320 (Executive Administration Services); 2330 (Special  
13 Area Administration Services); 2490 (Other Support Services -  
14 School Administration); 2510 (Direction of Business Support  
15 Services); 2570 (Internal Services); and 2610 (Direction of  
16 Central Support Services); provided, however, that  
17 "administrative expenditures" shall not include early  
18 retirement or other pension system obligations required by  
19 State law.

20 "School district" means all school districts having a  
21 population of less than 500,000.

22 (c) For the 1998-99 school year and each school year  
23 thereafter, each school district shall undertake budgetary and  
24 expenditure control actions so that the increase in  
25 administrative expenditures for that school year over the prior

1 school year does not exceed 5%. School districts with  
2 administrative expenditures per pupil in the 25th percentile  
3 and below for all districts of the same type, as defined by the  
4 State Board of Education, may waive the limitation imposed  
5 under this Section for any year following a public hearing and  
6 with the affirmative vote of at least two-thirds of the members  
7 of the school board of the district. Any district waiving the  
8 limitation shall notify the State Board within 45 days of such  
9 action.

10 (d) School districts shall file with the State Board of  
11 Education by November 15, 1998 and by each November 15th  
12 thereafter a one-page report that lists (i) the actual  
13 administrative expenditures for the prior year from the  
14 district's audited Annual Financial Report, and (ii) the  
15 projected administrative expenditures for the current year  
16 from the budget adopted by the school board pursuant to Section  
17 17-1 of this Code.

18 If a school district that is ineligible to waive the  
19 limitation imposed by subsection (c) of this Section by board  
20 action exceeds the limitation solely because of circumstances  
21 beyond the control of the district and the district has  
22 exhausted all available and reasonable remedies to comply with  
23 the limitation, the district may request a waiver pursuant to  
24 Section 2-3.25g. The waiver application shall specify the  
25 amount, nature, and reason for the relief requested, as well as  
26 all remedies the district has exhausted to comply with the

1 limitation. Any emergency relief so requested shall apply only  
2 to the specific school year for which the request is made. The  
3 State Board of Education shall analyze all such waivers  
4 submitted and shall recommend that the General Assembly  
5 disapprove any such waiver requested that is not due solely to  
6 circumstances beyond the control of the district and for which  
7 the district has not exhausted all available and reasonable  
8 remedies to comply with the limitation. The State  
9 Superintendent shall have no authority to impose any sanctions  
10 pursuant to this Section for any expenditures for which a  
11 waiver has been requested until such waiver has been reviewed  
12 by the General Assembly.

13 If the report and information required under this  
14 subsection (d) are not provided by the school district in a  
15 timely manner, or are subsequently determined by the State  
16 Superintendent of Education to be incomplete or inaccurate, the  
17 State Superintendent shall notify the district in writing of  
18 reporting deficiencies. The school district shall, within 60  
19 days of the notice, address the reporting deficiencies  
20 identified.

21 (e) If the State Superintendent determines that a school  
22 district has failed to comply with the administrative  
23 expenditure limitation imposed in subsection (c) of this  
24 Section, the State Superintendent shall notify the district of  
25 the violation and direct the district to undertake corrective  
26 action to bring the district's budget into compliance with the

1 administrative expenditure limitation. The district shall,  
2 within 60 days of the notice, provide adequate assurance to the  
3 State Superintendent that appropriate corrective actions have  
4 been or will be taken. If the district fails to provide  
5 adequate assurance or fails to undertake the necessary  
6 corrective actions, the State Superintendent may impose  
7 progressive sanctions against the district that may culminate  
8 in withholding all subsequent payments of general State aid due  
9 the district under Section 18-8.05 of this Code or  
10 evidence-based funding due the district under Section 18-8.15  
11 of this Code until the assurance is provided or the corrective  
12 actions taken.

13 (f) The State Superintendent shall publish a list each year  
14 of the school districts that violate the limitation imposed by  
15 subsection (c) of this Section and a list of the districts that  
16 waive the limitation by board action as provided in subsection  
17 (c) of this Section.

18 (Source: P.A. 90-548, eff. 1-1-98; 90-653, eff. 7-29-98.)

19 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

20 Sec. 17-2.11. School board power to levy a tax or to borrow  
21 money and issue bonds for fire prevention, safety, energy  
22 conservation, accessibility, school security, and specified  
23 repair purposes.

24 (a) Whenever, as a result of any lawful order of any  
25 agency, other than a school board, having authority to enforce

1 any school building code applicable to any facility that houses  
2 students, or any law or regulation for the protection and  
3 safety of the environment, pursuant to the Environmental  
4 Protection Act, any school district having a population of less  
5 than 500,000 inhabitants is required to alter or reconstruct  
6 any school building or permanent, fixed equipment; the district  
7 may, by proper resolution, levy a tax for the purpose of making  
8 such alteration or reconstruction, based on a survey report by  
9 an architect or engineer licensed in this State, upon all of  
10 the taxable property of the district at the value as assessed  
11 by the Department of Revenue and at a rate not to exceed 0.05%  
12 per year for a period sufficient to finance such alteration or  
13 reconstruction, upon the following conditions:

14 (1) When there are not sufficient funds available in  
15 the operations and maintenance fund of the school district,  
16 the school facility occupation tax fund of the district, or  
17 the fire prevention and safety fund of the district, as  
18 determined by the district on the basis of rules adopted by  
19 the State Board of Education, to make such alteration or  
20 reconstruction or to purchase and install such permanent,  
21 fixed equipment so ordered or determined as necessary.  
22 Appropriate school district records must be made available  
23 to the State Superintendent of Education, upon request, to  
24 confirm this insufficiency.

25 (2) When a certified estimate of an architect or  
26 engineer licensed in this State stating the estimated



1 amount necessary to make the alteration or reconstruction  
2 or to purchase and install the equipment so ordered has  
3 been secured by the school district, and the estimate has  
4 been approved by the regional superintendent of schools  
5 having jurisdiction over the district and the State  
6 Superintendent of Education. Approval must not be granted  
7 for any work that has already started without the prior  
8 express authorization of the State Superintendent of  
9 Education. If the estimate is not approved or is denied  
10 approval by the regional superintendent of schools within 3  
11 months after the date on which it is submitted to him or  
12 her, the school board of the district may submit the  
13 estimate directly to the State Superintendent of Education  
14 for approval or denial.

15 In the case of an emergency situation, where the estimated  
16 cost to effectuate emergency repairs is less than the amount  
17 specified in Section 10-20.21 of this Code, the school district  
18 may proceed with such repairs prior to approval by the State  
19 Superintendent of Education, but shall comply with the  
20 provisions of subdivision (2) of this subsection (a) as soon  
21 thereafter as may be as well as Section 10-20.21 of this Code.  
22 If the estimated cost to effectuate emergency repairs is  
23 greater than the amount specified in Section 10-20.21 of this  
24 Code, then the school district shall proceed in conformity with  
25 Section 10-20.21 of this Code and with rules established by the  
26 State Board of Education to address such situations. The rules

1 adopted by the State Board of Education to deal with these  
2 situations shall stipulate that emergency situations must be  
3 expedited and given priority consideration. For purposes of  
4 this paragraph, an emergency is a situation that presents an  
5 imminent and continuing threat to the health and safety of  
6 students or other occupants of a facility, requires complete or  
7 partial evacuation of a building or part of a building, or  
8 consumes one or more of the 5 emergency days built into the  
9 adopted calendar of the school or schools or would otherwise be  
10 expected to cause such school or schools to fall short of the  
11 minimum school calendar requirements.

12 (b) Whenever any such district determines that it is  
13 necessary for energy conservation purposes that any school  
14 building or permanent, fixed equipment should be altered or  
15 reconstructed and that such alterations or reconstruction will  
16 be made with funds not necessary for the completion of approved  
17 and recommended projects contained in any safety survey report  
18 or amendments thereto authorized by Section 2-3.12 of this Act;  
19 the district may levy a tax or issue bonds as provided in  
20 subsection (a) of this Section.

21 (c) Whenever any such district determines that it is  
22 necessary for accessibility purposes and to comply with the  
23 school building code that any school building or equipment  
24 should be altered or reconstructed and that such alterations or  
25 reconstruction will be made with funds not necessary for the  
26 completion of approved and recommended projects contained in

1 any safety survey report or amendments thereto authorized under  
2 Section 2-3.12 of this Act, the district may levy a tax or  
3 issue bonds as provided in subsection (a) of this Section.

4 (d) Whenever any such district determines that it is  
5 necessary for school security purposes and the related  
6 protection and safety of pupils and school personnel that any  
7 school building or property should be altered or reconstructed  
8 or that security systems and equipment (including but not  
9 limited to intercom, early detection and warning, access  
10 control and television monitoring systems) should be purchased  
11 and installed, and that such alterations, reconstruction or  
12 purchase and installation of equipment will be made with funds  
13 not necessary for the completion of approved and recommended  
14 projects contained in any safety survey report or amendment  
15 thereto authorized by Section 2-3.12 of this Act and will deter  
16 and prevent unauthorized entry or activities upon school  
17 property by unknown or dangerous persons, assure early  
18 detection and advance warning of any such actual or attempted  
19 unauthorized entry or activities and help assure the continued  
20 safety of pupils and school staff if any such unauthorized  
21 entry or activity is attempted or occurs; the district may levy  
22 a tax or issue bonds as provided in subsection (a) of this  
23 Section.

24 (e) If a school district does not need funds for other fire  
25 prevention and safety projects, including the completion of  
26 approved and recommended projects contained in any safety

1 survey report or amendments thereto authorized by Section  
2 2-3.12 of this Act, and it is determined after a public hearing  
3 (which is preceded by at least one published notice (i)  
4 occurring at least 7 days prior to the hearing in a newspaper  
5 of general circulation within the school district and (ii)  
6 setting forth the time, date, place, and general subject matter  
7 of the hearing) that there is a substantial, immediate, and  
8 otherwise unavoidable threat to the health, safety, or welfare  
9 of pupils due to disrepair of school sidewalks, playgrounds,  
10 parking lots, or school bus turnarounds and repairs must be  
11 made; then the district may levy a tax or issue bonds as  
12 provided in subsection (a) of this Section.

13 (f) For purposes of this Section a school district may  
14 replace a school building or build additions to replace  
15 portions of a building when it is determined that the  
16 effectuation of the recommendations for the existing building  
17 will cost more than the replacement costs. Such determination  
18 shall be based on a comparison of estimated costs made by an  
19 architect or engineer licensed in the State of Illinois. The  
20 new building or addition shall be equivalent in area (square  
21 feet) and comparable in purpose and grades served and may be on  
22 the same site or another site. Such replacement may only be  
23 done upon order of the regional superintendent of schools and  
24 the approval of the State Superintendent of Education.

25 (g) The filing of a certified copy of the resolution  
26 levying the tax when accompanied by the certificates of the

1 regional superintendent of schools and State Superintendent of  
2 Education shall be the authority of the county clerk to extend  
3 such tax.

4 (h) The county clerk of the county in which any school  
5 district levying a tax under the authority of this Section is  
6 located, in reducing raised levies, shall not consider any such  
7 tax as a part of the general levy for school purposes and shall  
8 not include the same in the limitation of any other tax rate  
9 which may be extended.

10 Such tax shall be levied and collected in like manner as  
11 all other taxes of school districts, subject to the provisions  
12 contained in this Section.

13 (i) The tax rate limit specified in this Section may be  
14 increased to .10% upon the approval of a proposition to effect  
15 such increase by a majority of the electors voting on that  
16 proposition at a regular scheduled election. Such proposition  
17 may be initiated by resolution of the school board and shall be  
18 certified by the secretary to the proper election authorities  
19 for submission in accordance with the general election law.

20 (j) When taxes are levied by any school district for fire  
21 prevention, safety, energy conservation, and school security  
22 purposes as specified in this Section, and the purposes for  
23 which the taxes have been levied are accomplished and paid in  
24 full, and there remain funds on hand in the Fire Prevention and  
25 Safety Fund from the proceeds of the taxes levied, including  
26 interest earnings thereon, the school board by resolution shall

1 use such excess and other board restricted funds, excluding  
2 bond proceeds and earnings from such proceeds, as follows:

3 (1) for other authorized fire prevention, safety,  
4 energy conservation, required safety inspections, school  
5 security purposes, sampling for lead in drinking water in  
6 schools, and for repair and mitigation due to lead levels  
7 in the drinking water supply; or

8 (2) for transfer to the Operations and Maintenance Fund  
9 for the purpose of abating an equal amount of operations  
10 and maintenance purposes taxes.

11 Notwithstanding subdivision (2) of this subsection (j) and  
12 subsection (k) of this Section, through June 30, 2020 ~~2019~~, the  
13 school board may, by proper resolution following a public  
14 hearing set by the school board or the president of the school  
15 board (that is preceded (i) by at least one published notice  
16 over the name of the clerk or secretary of the board, occurring  
17 at least 7 days and not more than 30 days prior to the hearing,  
18 in a newspaper of general circulation within the school  
19 district and (ii) by posted notice over the name of the clerk  
20 or secretary of the board, at least 48 hours before the  
21 hearing, at the principal office of the school board or at the  
22 building where the hearing is to be held if a principal office  
23 does not exist, with both notices setting forth the time, date,  
24 place, and subject matter of the hearing), transfer surplus  
25 life safety taxes and interest earnings thereon to the  
26 Operations and Maintenance Fund for building repair work.

1           (k) If any transfer is made to the Operation and  
2 Maintenance Fund, the secretary of the school board shall  
3 within 30 days notify the county clerk of the amount of that  
4 transfer and direct the clerk to abate the taxes to be extended  
5 for the purposes of operations and maintenance authorized under  
6 Section 17-2 of this Act by an amount equal to such transfer.

7           (l) If the proceeds from the tax levy authorized by this  
8 Section are insufficient to complete the work approved under  
9 this Section, the school board is authorized to sell bonds  
10 without referendum under the provisions of this Section in an  
11 amount that, when added to the proceeds of the tax levy  
12 authorized by this Section, will allow completion of the  
13 approved work.

14           (m) Any bonds issued pursuant to this Section shall bear  
15 interest at a rate not to exceed the maximum rate authorized by  
16 law at the time of the making of the contract, shall mature  
17 within 20 years from date, and shall be signed by the president  
18 of the school board and the treasurer of the school district.

19           (n) In order to authorize and issue such bonds, the school  
20 board shall adopt a resolution fixing the amount of bonds, the  
21 date thereof, the maturities thereof, rates of interest  
22 thereof, place of payment and denomination, which shall be in  
23 denominations of not less than \$100 and not more than \$5,000,  
24 and provide for the levy and collection of a direct annual tax  
25 upon all the taxable property in the school district sufficient  
26 to pay the principal and interest on such bonds to maturity.

1 Upon the filing in the office of the county clerk of the county  
2 in which the school district is located of a certified copy of  
3 the resolution, it is the duty of the county clerk to extend  
4 the tax therefor in addition to and in excess of all other  
5 taxes heretofore or hereafter authorized to be levied by such  
6 school district.

7 (o) After the time such bonds are issued as provided for by  
8 this Section, if additional alterations or reconstructions are  
9 required to be made because of surveys conducted by an  
10 architect or engineer licensed in the State of Illinois, the  
11 district may levy a tax at a rate not to exceed .05% per year  
12 upon all the taxable property of the district or issue  
13 additional bonds, whichever action shall be the most feasible.

14 (p) This Section is cumulative and constitutes complete  
15 authority for the issuance of bonds as provided in this Section  
16 notwithstanding any other statute or law to the contrary.

17 (q) With respect to instruments for the payment of money  
18 issued under this Section either before, on, or after the  
19 effective date of Public Act 86-004 (June 6, 1989), it is, and  
20 always has been, the intention of the General Assembly (i) that  
21 the Omnibus Bond Acts are, and always have been, supplementary  
22 grants of power to issue instruments in accordance with the  
23 Omnibus Bond Acts, regardless of any provision of this Act that  
24 may appear to be or to have been more restrictive than those  
25 Acts, (ii) that the provisions of this Section are not a  
26 limitation on the supplementary authority granted by the



1 Omnibus Bond Acts, and (iii) that instruments issued under this  
2 Section within the supplementary authority granted by the  
3 Omnibus Bond Acts are not invalid because of any provision of  
4 this Act that may appear to be or to have been more restrictive  
5 than those Acts.

6 (r) When the purposes for which the bonds are issued have  
7 been accomplished and paid for in full and there remain funds  
8 on hand from the proceeds of the bond sale and interest  
9 earnings therefrom, the board shall, by resolution, use such  
10 excess funds in accordance with the provisions of Section  
11 10-22.14 of this Act.

12 (s) Whenever any tax is levied or bonds issued for fire  
13 prevention, safety, energy conservation, and school security  
14 purposes, such proceeds shall be deposited and accounted for  
15 separately within the Fire Prevention and Safety Fund.

16 (Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14;  
17 99-143, eff. 7-27-15; 99-713, eff. 8-5-16; 99-922, eff.  
18 1-17-17.)

19 (105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)  
20 Sec. 17-2A. Interfund transfers.

21 (a) The school board of any district having a population of  
22 less than 500,000 inhabitants may, by proper resolution  
23 following a public hearing set by the school board or the  
24 president of the school board (that is preceded (i) by at least  
25 one published notice over the name of the clerk or secretary of

1 the board, occurring at least 7 days and not more than 30 days  
2 prior to the hearing, in a newspaper of general circulation  
3 within the school district and (ii) by posted notice over the  
4 name of the clerk or secretary of the board, at least 48 hours  
5 before the hearing, at the principal office of the school board  
6 or at the building where the hearing is to be held if a  
7 principal office does not exist, with both notices setting  
8 forth the time, date, place, and subject matter of the  
9 hearing), transfer money from (1) the Educational Fund to the  
10 Operations and Maintenance Fund or the Transportation Fund, (2)  
11 the Operations and Maintenance Fund to the Educational Fund or  
12 the Transportation Fund, (3) the Transportation Fund to the  
13 Educational Fund or the Operations and Maintenance Fund, or (4)  
14 the Tort Immunity Fund to the Operations and Maintenance Fund  
15 of said district, provided that, except during the period from  
16 July 1, 2003 through June 30, 2020 ~~2019~~, such transfer is made  
17 solely for the purpose of meeting one-time, non-recurring  
18 expenses. Except during the period from July 1, 2003 through  
19 June 30, 2020 ~~2019~~ and except as otherwise provided in  
20 subsection (b) of this Section, any other permanent interfund  
21 transfers authorized by any provision or judicial  
22 interpretation of this Code for which the transferee fund is  
23 not precisely and specifically set forth in the provision of  
24 this Code authorizing such transfer shall be made to the fund  
25 of the school district most in need of the funds being  
26 transferred, as determined by resolution of the school board.

1 (b) (Blank).

2 (c) Notwithstanding subsection (a) of this Section or any  
3 other provision of this Code to the contrary, the school board  
4 of any school district (i) that is subject to the Property Tax  
5 Extension Limitation Law, (ii) that is an elementary district  
6 servicing students in grades K through 8, (iii) whose territory  
7 is in one county, (iv) that is eligible for Section 7002  
8 Federal Impact Aid, and (v) that has no more than \$81,000 in  
9 funds remaining from refinancing bonds that were refinanced a  
10 minimum of 5 years prior to January 20, 2017 (the effective  
11 date of Public Act 99-926) ~~this amendatory Act of the 99th~~  
12 ~~General Assembly~~ may make a one-time transfer of the funds  
13 remaining from the refinancing bonds to the Operations and  
14 Maintenance Fund of the district by proper resolution following  
15 a public hearing set by the school board or the president of  
16 the school board, with notice as provided in subsection (a) of  
17 this Section, so long as the district meets the qualifications  
18 set forth in this subsection (c) on January 20, 2017 (the  
19 effective date of Public Act 99-926) ~~this amendatory Act of the~~  
20 ~~99th General Assembly~~.

21 (Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14; 99-713,  
22 eff. 8-5-16; 99-922, eff. 1-17-17; 99-926, eff. 1-20-17;  
23 revised 1-23-17.)

24 (105 ILCS 5/17-3.6 new)

25 Sec. 17-3.6. Educational purposes tax rate for school

1 districts subject to Property Tax Extension Limitation Law.  
2 Notwithstanding the provisions, requirements, or limitations  
3 of this Code or any other law, any tax levied for educational  
4 purposes by a school district subject to the Property Tax  
5 Extension Limitation Law for the 2016 levy year or any  
6 subsequent levy year may be extended at a rate exceeding the  
7 rate established for educational purposes by referendum or this  
8 Code, provided that the rate does not cause the school district  
9 to exceed the limiting rate applicable to the school district  
10 under the Property Tax Extension Limitation Law for that levy  
11 year.

12 (105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

13 Sec. 18-4.3. Summer school grants. Through fiscal year  
14 2017, grants ~~Grants~~ shall be determined for pupil attendance in  
15 summer schools conducted under Sections 10-22.33A and 34-18 and  
16 approved under Section 2-3.25 in the following manner.

17 The amount of grant for each accredited summer school  
18 attendance pupil shall be obtained by dividing the total amount  
19 of apportionments determined under Section 18-8.05 by the  
20 actual number of pupils in average daily attendance used for  
21 such apportionments. The number of credited summer school  
22 attendance pupils shall be determined (a) by counting clock  
23 hours of class instruction by pupils enrolled in grades 1  
24 through 12 in approved courses conducted at least 60 clock  
25 hours in summer sessions; (b) by dividing such total of clock

1 hours of class instruction by 4 to produce days of credited  
2 pupil attendance; (c) by dividing such days of credited pupil  
3 attendance by the actual number of days in the regular term as  
4 used in computation in the general apportionment in Section  
5 18-8.05; and (d) by multiplying by 1.25.

6 The amount of the grant for a summer school program  
7 approved by the State Superintendent of Education for children  
8 with disabilities, as defined in Sections 14-1.02 through  
9 14-1.07, shall be determined in the manner contained above  
10 except that average daily membership shall be utilized in lieu  
11 of average daily attendance.

12 In the case of an apportionment based on summer school  
13 attendance or membership pupils, the claim therefor shall be  
14 presented as a separate claim for the particular school year in  
15 which such summer school session ends. On or before November 1  
16 of each year the superintendent of each eligible school  
17 district shall certify to the State Superintendent of Education  
18 the claim of the district for the summer session just ended.  
19 Failure on the part of the school board to so certify shall  
20 constitute a forfeiture of its right to such payment. The State  
21 Superintendent of Education shall transmit to the Comptroller  
22 no later than December 15th of each year vouchers for payment  
23 of amounts due school districts for summer school. The State  
24 Superintendent of Education shall direct the Comptroller to  
25 draw his warrants for payments thereof by the 30th day of  
26 December. If the money appropriated by the General Assembly for

1 such purpose for any year is insufficient, it shall be  
2 apportioned on the basis of claims approved.

3 However, notwithstanding the foregoing provisions, for  
4 each fiscal year the money appropriated by the General Assembly  
5 for the purposes of this Section shall only be used for grants  
6 for approved summer school programs for those children with  
7 disabilities served pursuant to Section 14-7.02 or 14-7.02b of  
8 this Code.

9 No funding shall be provided to school districts under this  
10 Section after fiscal year 2017.

11 (Source: P.A. 93-1022, eff. 8-24-04.)

12 (105 ILCS 5/18-8.05)

13 Sec. 18-8.05. Basis for apportionment of general State  
14 financial aid and supplemental general State aid to the common  
15 schools for the 1998-1999 through the 2016-2017 ~~and subsequent~~  
16 school years.

17 (A) General Provisions.

18 (1) The provisions of this Section relating to the  
19 calculation and apportionment of general State financial aid  
20 and supplemental general State aid apply to the 1998-1999  
21 through the 2016-2017 ~~and subsequent~~ school years. The system  
22 of general State financial aid provided for in this Section is  
23 designed to assure that, through a combination of State  
24 financial aid and required local resources, the financial

1 support provided each pupil in Average Daily Attendance equals  
2 or exceeds a prescribed per pupil Foundation Level. This  
3 formula approach imputes a level of per pupil Available Local  
4 Resources and provides for the basis to calculate a per pupil  
5 level of general State financial aid that, when added to  
6 Available Local Resources, equals or exceeds the Foundation  
7 Level. The amount of per pupil general State financial aid for  
8 school districts, in general, varies in inverse relation to  
9 Available Local Resources. Per pupil amounts are based upon  
10 each school district's Average Daily Attendance as that term is  
11 defined in this Section.

12 (2) In addition to general State financial aid, school  
13 districts with specified levels or concentrations of pupils  
14 from low income households are eligible to receive supplemental  
15 general State financial aid grants as provided pursuant to  
16 subsection (H). The supplemental State aid grants provided for  
17 school districts under subsection (H) 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 (3) To receive financial assistance under this Section,  
22 school districts are required to file claims with the State  
23 Board of Education, subject to the following requirements:

24 (a) Any school district which fails for any given  
25 school year to maintain school as required by law, or to  
26 maintain a recognized school is not eligible to file for

1 such school year any claim upon the Common School Fund. In  
2 case of nonrecognition of one or more attendance centers in  
3 a school district otherwise operating recognized schools,  
4 the claim of the district shall be reduced in the  
5 proportion which the Average Daily Attendance in the  
6 attendance center or centers bear to the Average Daily  
7 Attendance in the school district. A "recognized school"  
8 means any public school which meets the standards as  
9 established for recognition by the State Board of  
10 Education. A school district or attendance center not  
11 having recognition status at the end of a school term is  
12 entitled to receive State aid payments due upon a legal  
13 claim which was filed while it was recognized.

14 (b) School district claims filed under this Section are  
15 subject to Sections 18-9 and 18-12, except as otherwise  
16 provided in this Section.

17 (c) If a school district operates a full year school  
18 under Section 10-19.1, the general State aid to the school  
19 district shall be determined by the State Board of  
20 Education in accordance with this Section as near as may be  
21 applicable.

22 (d) (Blank).

23 (4) Except as provided in subsections (H) and (L), the  
24 board of any district receiving any of the grants provided for  
25 in this Section may apply those funds to any fund so received  
26 for which that board is authorized to make expenditures by law.



1 School districts are not required to exert a minimum  
2 Operating Tax Rate in order to qualify for assistance under  
3 this Section.

4 (5) As used in this Section the following terms, when  
5 capitalized, shall have the meaning ascribed herein:

6 (a) "Average Daily Attendance": A count of pupil  
7 attendance in school, averaged as provided for in  
8 subsection (C) and utilized in deriving per pupil financial  
9 support levels.

10 (b) "Available Local Resources": A computation of  
11 local financial support, calculated on the basis of Average  
12 Daily Attendance and derived as provided pursuant to  
13 subsection (D).

14 (c) "Corporate Personal Property Replacement Taxes":  
15 Funds paid to local school districts pursuant to "An Act in  
16 relation to the abolition of ad valorem personal property  
17 tax and the replacement of revenues lost thereby, and  
18 amending and repealing certain Acts and parts of Acts in  
19 connection therewith", certified August 14, 1979, as  
20 amended (Public Act 81-1st S.S.-1).

21 (d) "Foundation Level": A prescribed level of per pupil  
22 financial support as provided for in subsection (B).

23 (e) "Operating Tax Rate": All school district property  
24 taxes extended for all purposes, except Bond and Interest,  
25 Summer School, Rent, Capital Improvement, and Vocational  
26 Education Building purposes.

1 (B) Foundation Level.

2 (1) The Foundation Level is a figure established by the  
3 State representing the minimum level of per pupil financial  
4 support that should be available to provide for the basic  
5 education of each pupil in Average Daily Attendance. As set  
6 forth in this Section, each school district is assumed to exert  
7 a sufficient local taxing effort such that, in combination with  
8 the aggregate of general State financial aid provided the  
9 district, an aggregate of State and local resources are  
10 available to meet the basic education needs of pupils in the  
11 district.

12 (2) For the 1998-1999 school year, the Foundation Level of  
13 support is \$4,225. For the 1999-2000 school year, the  
14 Foundation Level of support is \$4,325. For the 2000-2001 school  
15 year, the Foundation Level of support is \$4,425. For the  
16 2001-2002 school year and 2002-2003 school year, the Foundation  
17 Level of support is \$4,560. For the 2003-2004 school year, the  
18 Foundation Level of support is \$4,810. For the 2004-2005 school  
19 year, the Foundation Level of support is \$4,964. For the  
20 2005-2006 school year, the Foundation Level of support is  
21 \$5,164. For the 2006-2007 school year, the Foundation Level of  
22 support is \$5,334. For the 2007-2008 school year, the  
23 Foundation Level of support is \$5,734. For the 2008-2009 school  
24 year, the Foundation Level of support is \$5,959.

25 (3) For the 2009-2010 school year and each school year

1 thereafter, the Foundation Level of support is \$6,119 or such  
2 greater amount as may be established by law by the General  
3 Assembly.

4 (C) Average Daily Attendance.

5 (1) For purposes of calculating general State aid pursuant  
6 to subsection (E), an Average Daily Attendance figure shall be  
7 utilized. The Average Daily Attendance figure for formula  
8 calculation purposes shall be the monthly average of the actual  
9 number of pupils in attendance of each school district, as  
10 further averaged for the best 3 months of pupil attendance for  
11 each school district. In compiling the figures for the number  
12 of pupils in attendance, school districts and the State Board  
13 of Education shall, for purposes of general State aid funding,  
14 conform attendance figures to the requirements of subsection  
15 (F).

16 (2) The Average Daily Attendance figures utilized in  
17 subsection (E) shall be the requisite attendance data for the  
18 school year immediately preceding the school year for which  
19 general State aid is being calculated or the average of the  
20 attendance data for the 3 preceding school years, whichever is  
21 greater. The Average Daily Attendance figures utilized in  
22 subsection (H) shall be the requisite attendance data for the  
23 school year immediately preceding the school year for which  
24 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  
26 district multiplied by 2.30%, and divided by the district's

1 Average Daily Attendance figure. For school districts  
2 maintaining grades 9 through 12, local property tax revenues  
3 per pupil shall be the applicable equalized assessed valuation  
4 of the district multiplied by 1.05%, and divided by the  
5 district's Average Daily Attendance figure.

6 For partial elementary unit districts created pursuant to  
7 Article 11E of this Code, local property tax revenues per pupil  
8 shall be calculated as the product of the equalized assessed  
9 valuation for property within the partial elementary unit  
10 district for elementary purposes, as defined in Article 11E of  
11 this Code, multiplied by 2.06% and divided by the district's  
12 Average Daily Attendance figure, plus the product of the  
13 equalized assessed valuation for property within the partial  
14 elementary unit district for high school purposes, as defined  
15 in Article 11E of this Code, multiplied by 0.94% and divided by  
16 the district's Average Daily Attendance figure.

17 (4) The Corporate Personal Property Replacement Taxes paid  
18 to each school district during the calendar year one year  
19 before the calendar year in which a school year begins, divided  
20 by the Average Daily Attendance figure for that district, shall  
21 be added to the local property tax revenues per pupil as  
22 derived by the application of the immediately preceding  
23 paragraph (3). The sum of these per pupil figures for each  
24 school district shall constitute Available Local Resources as  
25 that term is utilized in subsection (E) in the calculation of  
26 general State aid.

1 (E) Computation of General State Aid.

2 (1) For each school year, the amount of general State aid  
3 allotted to a school district shall be computed by the State  
4 Board of Education as provided in this subsection.

5 (2) For any school district for which Available Local  
6 Resources per pupil is less than the product of 0.93 times the  
7 Foundation Level, general State aid for that district shall be  
8 calculated as an amount equal to the Foundation Level minus  
9 Available Local Resources, multiplied by the Average Daily  
10 Attendance of the school district.

11 (3) For any school district for which Available Local  
12 Resources per pupil is equal to or greater than the product of  
13 0.93 times the Foundation Level and less than the product of  
14 1.75 times the Foundation Level, the general State aid per  
15 pupil shall be a decimal proportion of the Foundation Level  
16 derived using a linear algorithm. Under this linear algorithm,  
17 the calculated general State aid per pupil shall decline in  
18 direct linear fashion from 0.07 times the Foundation Level for  
19 a school district with Available Local Resources equal to the  
20 product of 0.93 times the Foundation Level, to 0.05 times the  
21 Foundation Level for a school district with Available Local  
22 Resources equal to the product of 1.75 times the Foundation  
23 Level. The allocation of general State aid for school districts  
24 subject to this paragraph 3 shall be the calculated general  
25 State aid per pupil figure multiplied by the Average Daily

1 Attendance of the school district.

2 (4) For any school district for which Available Local  
3 Resources per pupil equals or exceeds the product of 1.75 times  
4 the Foundation Level, the general State aid for the school  
5 district shall be calculated as the product of \$218 multiplied  
6 by the Average Daily Attendance of the school district.

7 (5) The amount of general State aid allocated to a school  
8 district for the 1999-2000 school year meeting the requirements  
9 set forth in paragraph (4) of subsection (G) shall be increased  
10 by an amount equal to the general State aid that would have  
11 been received by the district for the 1998-1999 school year by  
12 utilizing the Extension Limitation Equalized Assessed  
13 Valuation as calculated in paragraph (4) of subsection (G) less  
14 the general State aid allotted for the 1998-1999 school year.  
15 This amount shall be deemed a one time increase, and shall not  
16 affect any future general State aid allocations.

17 (F) Compilation of Average Daily Attendance.

18 (1) Each school district shall, by July 1 of each year,  
19 submit to the State Board of Education, on forms prescribed by  
20 the State Board of Education, attendance figures for the school  
21 year that began in the preceding calendar year. The attendance  
22 information so transmitted shall identify the average daily  
23 attendance figures for each month of the school year. Beginning  
24 with the general State aid claim form for the 2002-2003 school  
25 year, districts shall calculate Average Daily Attendance as

1 provided in subdivisions (a), (b), and (c) of this paragraph  
2 (1).

3 (a) In districts that do not hold year-round classes,  
4 days of attendance in August shall be added to the month of  
5 September and any days of attendance in June shall be added  
6 to the month of May.

7 (b) In districts in which all buildings hold year-round  
8 classes, days of attendance in July and August shall be  
9 added to the month of September and any days of attendance  
10 in June shall be added to the month of May.

11 (c) In districts in which some buildings, but not all,  
12 hold year-round classes, for the non-year-round buildings,  
13 days of attendance in August shall be added to the month of  
14 September and any days of attendance in June shall be added  
15 to the month of May. The average daily attendance for the  
16 year-round buildings shall be computed as provided in  
17 subdivision (b) of this paragraph (1). To calculate the  
18 Average Daily Attendance for the district, the average  
19 daily attendance for the year-round buildings shall be  
20 multiplied by the days in session for the non-year-round  
21 buildings for each month and added to the monthly  
22 attendance of the non-year-round buildings.

23 Except as otherwise provided in this Section, days of  
24 attendance by pupils shall be counted only for sessions of not  
25 less than 5 clock hours of school work per day under direct  
26 supervision of: (i) teachers, or (ii) non-teaching personnel or



1 volunteer personnel when engaging in non-teaching duties and  
2 supervising in those instances specified in subsection (a) of  
3 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils  
4 of legal school age and in kindergarten and grades 1 through  
5 12. Days of attendance by pupils through verified participation  
6 in an e-learning program approved by the State Board of  
7 Education under Section 10-20.56 of the Code shall be  
8 considered as full days of attendance for purposes of this  
9 Section.

10 Days of attendance by tuition pupils shall be accredited  
11 only to the districts that pay the tuition to a recognized  
12 school.

13 (2) Days of attendance by pupils of less than 5 clock hours  
14 of school shall be subject to the following provisions in the  
15 compilation of Average Daily Attendance.

16 (a) Pupils regularly enrolled in a public school for  
17 only a part of the school day may be counted on the basis  
18 of 1/6 day for every class hour of instruction of 40  
19 minutes or more attended pursuant to such enrollment,  
20 unless a pupil is enrolled in a block-schedule format of 80  
21 minutes or more of instruction, in which case the pupil may  
22 be counted on the basis of the proportion of minutes of  
23 school work completed each day to the minimum number of  
24 minutes that school work is required to be held that day.

25 (b) (Blank).

26 (c) A session of 4 or more clock hours may be counted

1 as a day of attendance upon certification by the regional  
2 superintendent, and approved by the State Superintendent  
3 of Education to the extent that the district has been  
4 forced to use daily multiple sessions.

5 (d) A session of 3 or more clock hours may be counted  
6 as a day of attendance (1) when the remainder of the school  
7 day or at least 2 hours in the evening of that day is  
8 utilized for an in-service training program for teachers,  
9 up to a maximum of 5 days per school year, provided a  
10 district conducts an in-service training program for  
11 teachers in accordance with Section 10-22.39 of this Code;  
12 or, in lieu of 4 such days, 2 full days may be used, in  
13 which event each such day may be counted as a day required  
14 for a legal school calendar pursuant to Section 10-19 of  
15 this Code; (1.5) when, of the 5 days allowed under item  
16 (1), a maximum of 4 days are used for parent-teacher  
17 conferences, or, in lieu of 4 such days, 2 full days are  
18 used, in which case each such day may be counted as a  
19 calendar day required under Section 10-19 of this Code,  
20 provided that the full-day, parent-teacher conference  
21 consists of (i) a minimum of 5 clock hours of  
22 parent-teacher conferences, (ii) both a minimum of 2 clock  
23 hours of parent-teacher conferences held in the evening  
24 following a full day of student attendance, as specified in  
25 subsection (F)(1)(c), and a minimum of 3 clock hours of  
26 parent-teacher conferences held on the day immediately

1 following evening parent-teacher conferences, or (iii)  
2 multiple parent-teacher conferences held in the evenings  
3 following full days of student attendance, as specified in  
4 subsection (F)(1)(c), in which the time used for the  
5 parent-teacher conferences is equivalent to a minimum of 5  
6 clock hours; and (2) when days in addition to those  
7 provided in items (1) and (1.5) are scheduled by a school  
8 pursuant to its school improvement plan adopted under  
9 Article 34 or its revised or amended school improvement  
10 plan adopted under Article 2, provided that (i) such  
11 sessions of 3 or more clock hours are scheduled to occur at  
12 regular intervals, (ii) the remainder of the school days in  
13 which such sessions occur are utilized for in-service  
14 training programs or other staff development activities  
15 for teachers, and (iii) a sufficient number of minutes of  
16 school work under the direct supervision of teachers are  
17 added to the school days between such regularly scheduled  
18 sessions to accumulate not less than the number of minutes  
19 by which such sessions of 3 or more clock hours fall short  
20 of 5 clock hours. Any full days used for the purposes of  
21 this paragraph shall not be considered for computing  
22 average daily attendance. Days scheduled for in-service  
23 training programs, staff development activities, or  
24 parent-teacher conferences may be scheduled separately for  
25 different grade levels and different attendance centers of  
26 the district.

1 (e) A session of not less than one clock hour of  
2 teaching hospitalized or homebound pupils on-site or by  
3 telephone to the classroom may be counted as 1/2 day of  
4 attendance, however these pupils must receive 4 or more  
5 clock hours of instruction to be counted for a full day of  
6 attendance.

7 (f) A session of at least 4 clock hours may be counted  
8 as a day of attendance for first grade pupils, and pupils  
9 in full day kindergartens, and a session of 2 or more hours  
10 may be counted as 1/2 day of attendance by pupils in  
11 kindergartens which provide only 1/2 day of attendance.

12 (g) For children with disabilities who are below the  
13 age of 6 years and who cannot attend 2 or more clock hours  
14 because of their disability or immaturity, a session of not  
15 less than one clock hour may be counted as 1/2 day of  
16 attendance; however for such children whose educational  
17 needs so require a session of 4 or more clock hours may be  
18 counted as a full day of attendance.

19 (h) A recognized kindergarten which provides for only  
20 1/2 day of attendance by each pupil shall not have more  
21 than 1/2 day of attendance counted in any one day. However,  
22 kindergartens may count 2 1/2 days of attendance in any 5  
23 consecutive school days. When a pupil attends such a  
24 kindergarten for 2 half days on any one school day, the  
25 pupil shall have the following day as a day absent from  
26 school, unless the school district obtains permission in

1 writing from the State Superintendent of Education.  
2 Attendance at kindergartens which provide for a full day of  
3 attendance by each pupil shall be counted the same as  
4 attendance by first grade pupils. Only the first year of  
5 attendance in one kindergarten shall be counted, except in  
6 case of children who entered the kindergarten in their  
7 fifth year whose educational development requires a second  
8 year of kindergarten as determined under the rules and  
9 regulations of the State Board of Education.

10 (i) On the days when the assessment that includes a  
11 college and career ready determination is administered  
12 under subsection (c) of Section 2-3.64a-5 of this Code, the  
13 day of attendance for a pupil whose school day must be  
14 shortened to accommodate required testing procedures may  
15 be less than 5 clock hours and shall be counted towards the  
16 176 days of actual pupil attendance required under Section  
17 10-19 of this Code, provided that a sufficient number of  
18 minutes of school work in excess of 5 clock hours are first  
19 completed on other school days to compensate for the loss  
20 of school work on the examination days.

21 (j) Pupils enrolled in a remote educational program  
22 established under Section 10-29 of this Code may be counted  
23 on the basis of one-fifth day of attendance for every clock  
24 hour of instruction attended in the remote educational  
25 program, provided that, in any month, the school district  
26 may not claim for a student enrolled in a remote

1 educational program more days of attendance than the  
2 maximum number of days of attendance the district can claim  
3 (i) for students enrolled in a building holding year-round  
4 classes if the student is classified as participating in  
5 the remote educational program on a year-round schedule or  
6 (ii) for students enrolled in a building not holding  
7 year-round classes if the student is not classified as  
8 participating in the remote educational program on a  
9 year-round schedule.

10 (G) Equalized Assessed Valuation Data.

11 (1) For purposes of the calculation of Available Local  
12 Resources required pursuant to subsection (D), the State Board  
13 of Education shall secure from the Department of Revenue the  
14 value as equalized or assessed by the Department of Revenue of  
15 all taxable property of every school district, together with  
16 (i) the applicable tax rate used in extending taxes for the  
17 funds of the district as of September 30 of the previous year  
18 and (ii) the limiting rate for all school districts subject to  
19 property tax extension limitations as imposed under the  
20 Property Tax Extension Limitation Law.

21 The Department of Revenue shall add to the equalized  
22 assessed value of all taxable property of each school district  
23 situated entirely or partially within a county that is or was  
24 subject to the provisions of Section 15-176 or 15-177 of the  
25 Property Tax Code (a) an amount equal to the total amount by

1 which the homestead exemption allowed under Section 15-176 or  
2 15-177 of the Property Tax Code for real property situated in  
3 that school district exceeds the total amount that would have  
4 been allowed in that school district if the maximum reduction  
5 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in  
6 all other counties in tax year 2003 or (ii) \$5,000 in all  
7 counties in tax year 2004 and thereafter and (b) an amount  
8 equal to the aggregate amount for the taxable year of all  
9 additional exemptions under Section 15-175 of the Property Tax  
10 Code for owners with a household income of \$30,000 or less. The  
11 county clerk of any county that is or was subject to the  
12 provisions of Section 15-176 or 15-177 of the Property Tax Code  
13 shall annually calculate and certify to the Department of  
14 Revenue for each school district all homestead exemption  
15 amounts under Section 15-176 or 15-177 of the Property Tax Code  
16 and all amounts of additional exemptions under Section 15-175  
17 of the Property Tax Code for owners with a household income of  
18 \$30,000 or less. It is the intent of this paragraph that if the  
19 general homestead exemption for a parcel of property is  
20 determined under Section 15-176 or 15-177 of the Property Tax  
21 Code rather than Section 15-175, then the calculation of  
22 Available Local Resources shall not be affected by the  
23 difference, if any, between the amount of the general homestead  
24 exemption allowed for that parcel of property under Section  
25 15-176 or 15-177 of the Property Tax Code and the amount that  
26 would have been allowed had the general homestead exemption for

1 that parcel of property been determined under Section 15-175 of  
2 the Property Tax Code. It is further the intent of this  
3 paragraph that if additional exemptions are allowed under  
4 Section 15-175 of the Property Tax Code for owners with a  
5 household income of less than \$30,000, then the calculation of  
6 Available Local Resources shall not be affected by the  
7 difference, if any, because of those additional exemptions.

8 This equalized assessed valuation, as adjusted further by  
9 the requirements of this subsection, shall be utilized in the  
10 calculation of Available Local Resources.

11 (2) The equalized assessed valuation in paragraph (1) shall  
12 be adjusted, as applicable, in the following manner:

13 (a) For the purposes of calculating State aid under  
14 this Section, with respect to any part of a school district  
15 within a redevelopment project area in respect to which a  
16 municipality has adopted tax increment allocation  
17 financing pursuant to the Tax Increment Allocation  
18 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11  
19 of the Illinois Municipal Code or the Industrial Jobs  
20 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the  
21 Illinois Municipal Code, no part of the current equalized  
22 assessed valuation of real property located in any such  
23 project area which is attributable to an increase above the  
24 total initial equalized assessed valuation of such  
25 property shall be used as part of the equalized assessed  
26 valuation of the district, until such time as all



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

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

24 (3) For the 1999-2000 school year and each school year  
25 thereafter, if a school district meets all of the criteria of  
26 this subsection (G) (3), the school district's Available Local

1 Resources shall be calculated under subsection (D) using the  
2 district's Extension Limitation Equalized Assessed Valuation  
3 as calculated under this subsection (G) (3).

4 For purposes of this subsection (G) (3) the following terms  
5 shall have the following meanings:

6 "Budget Year": The school year for which general State  
7 aid is calculated and awarded under subsection (E).

8 "Base Tax Year": The property tax levy year used to  
9 calculate the Budget Year allocation of general State aid.

10 "Preceding Tax Year": The property tax levy year  
11 immediately preceding the Base Tax Year.

12 "Base Tax Year's Tax Extension": The product of the  
13 equalized assessed valuation utilized by the County Clerk  
14 in the Base Tax Year multiplied by the limiting rate as  
15 calculated by the County Clerk and defined in the Property  
16 Tax Extension Limitation Law.

17 "Preceding Tax Year's Tax Extension": The product of  
18 the equalized assessed valuation utilized by the County  
19 Clerk in the Preceding Tax Year multiplied by the Operating  
20 Tax Rate as defined in subsection (A).

21 "Extension Limitation Ratio": A numerical ratio,  
22 certified by the County Clerk, in which the numerator is  
23 the Base Tax Year's Tax Extension and the denominator is  
24 the Preceding Tax Year's Tax Extension.

25 "Operating Tax Rate": The operating tax rate as defined  
26 in subsection (A).

1           If a school district is subject to property tax extension  
2 limitations as imposed under the Property Tax Extension  
3 Limitation Law, the State Board of Education shall calculate  
4 the Extension Limitation Equalized Assessed Valuation of that  
5 district. For the 1999-2000 school year, the Extension  
6 Limitation Equalized Assessed Valuation of a school district as  
7 calculated by the State Board of Education shall be equal to  
8 the product of the district's 1996 Equalized Assessed Valuation  
9 and the district's Extension Limitation Ratio. Except as  
10 otherwise provided in this paragraph for a school district that  
11 has approved or does approve an increase in its limiting rate,  
12 for the 2000-2001 school year and each school year thereafter,  
13 the Extension Limitation Equalized Assessed Valuation of a  
14 school district as calculated by the State Board of Education  
15 shall be equal to the product of the Equalized Assessed  
16 Valuation last used in the calculation of general State aid and  
17 the district's Extension Limitation Ratio. If the Extension  
18 Limitation Equalized Assessed Valuation of a school district as  
19 calculated under this subsection (G)(3) is less than the  
20 district's equalized assessed valuation as calculated pursuant  
21 to subsections (G)(1) and (G)(2), then for purposes of  
22 calculating the district's general State aid for the Budget  
23 Year pursuant to subsection (E), that Extension Limitation  
24 Equalized Assessed Valuation shall be utilized to calculate the  
25 district's Available Local Resources under subsection (D). For  
26 the 2009-2010 school year and each school year thereafter, if a

1 school district has approved or does approve an increase in its  
2 limiting rate, pursuant to Section 18-190 of the Property Tax  
3 Code, affecting the Base Tax Year, the Extension Limitation  
4 Equalized Assessed Valuation of the school district, as  
5 calculated by the State Board of Education, shall be equal to  
6 the product of the Equalized Assessed Valuation last used in  
7 the calculation of general State aid times an amount equal to  
8 one plus the percentage increase, if any, in the Consumer Price  
9 Index for all Urban Consumers for all items published by the  
10 United States Department of Labor for the 12-month calendar  
11 year preceding the Base Tax Year, plus the Equalized Assessed  
12 Valuation of new property, annexed property, and recovered tax  
13 increment value and minus the Equalized Assessed Valuation of  
14 disconnected property. New property and recovered tax  
15 increment value shall have the meanings set forth in the  
16 Property Tax Extension Limitation Law.

17 Partial elementary unit districts created in accordance  
18 with Article 11E of this Code shall not be eligible for the  
19 adjustment in this subsection (G)(3) until the fifth year  
20 following the effective date of the reorganization.

21 (3.5) For the 2010-2011 school year and each school year  
22 thereafter, if a school district's boundaries span multiple  
23 counties, then the Department of Revenue shall send to the  
24 State Board of Education, for the purpose of calculating  
25 general State aid, the limiting rate and individual rates by  
26 purpose for the county that contains the majority of the school

1 district's Equalized Assessed Valuation.

2 (4) For the purposes of calculating general State aid for  
3 the 1999-2000 school year only, if a school district  
4 experienced a triennial reassessment on the equalized assessed  
5 valuation used in calculating its general State financial aid  
6 apportionment for the 1998-1999 school year, the State Board of  
7 Education shall calculate the Extension Limitation Equalized  
8 Assessed Valuation that would have been used to calculate the  
9 district's 1998-1999 general State aid. This amount shall equal  
10 the product of the equalized assessed valuation used to  
11 calculate general State aid for the 1997-1998 school year and  
12 the district's Extension Limitation Ratio. If the Extension  
13 Limitation Equalized Assessed Valuation of the school district  
14 as calculated under this paragraph (4) is less than the  
15 district's equalized assessed valuation utilized in  
16 calculating the district's 1998-1999 general State aid  
17 allocation, then for purposes of calculating the district's  
18 general State aid pursuant to paragraph (5) of subsection (E),  
19 that Extension Limitation Equalized Assessed Valuation shall  
20 be utilized to calculate the district's Available Local  
21 Resources.

22 (5) For school districts having a majority of their  
23 equalized assessed valuation in any county except Cook, DuPage,  
24 Kane, Lake, McHenry, or Will, if the amount of general State  
25 aid allocated to the school district for the 1999-2000 school  
26 year under the provisions of subsection (E), (H), and (J) of

1 this Section is less than the amount of general State aid  
2 allocated to the district for the 1998-1999 school year under  
3 these subsections, then the general State aid of the district  
4 for the 1999-2000 school year only shall be increased by the  
5 difference between these amounts. The total payments made under  
6 this paragraph (5) shall not exceed \$14,000,000. Claims shall  
7 be prorated if they exceed \$14,000,000.

8 (H) Supplemental General State Aid.

9 (1) In addition to the general State aid a school district  
10 is allotted pursuant to subsection (E), qualifying school  
11 districts shall receive a grant, paid in conjunction with a  
12 district's payments of general State aid, for supplemental  
13 general State aid based upon the concentration level of  
14 children from low-income households within the school  
15 district. Supplemental State aid grants provided for school  
16 districts under this subsection shall be appropriated for  
17 distribution to school districts as part of the same line item  
18 in which the general State financial aid of school districts is  
19 appropriated under this Section.

20 (1.5) This paragraph (1.5) applies only to those school  
21 years preceding the 2003-2004 school year. For purposes of this  
22 subsection (H), the term "Low-Income Concentration Level"  
23 shall be the low-income eligible pupil count from the most  
24 recently available federal census divided by the Average Daily  
25 Attendance of the school district. If, however, (i) the

1 percentage decrease from the 2 most recent federal censuses in  
2 the low-income eligible pupil count of a high school district  
3 with fewer than 400 students exceeds by 75% or more the  
4 percentage change in the total low-income eligible pupil count  
5 of contiguous elementary school districts, whose boundaries  
6 are coterminous with the high school district, or (ii) a high  
7 school district within 2 counties and serving 5 elementary  
8 school districts, whose boundaries are coterminous with the  
9 high school district, has a percentage decrease from the 2 most  
10 recent federal censuses in the low-income eligible pupil count  
11 and there is a percentage increase in the total low-income  
12 eligible pupil count of a majority of the elementary school  
13 districts in excess of 50% from the 2 most recent federal  
14 censuses, then the high school district's low-income eligible  
15 pupil count from the earlier federal census shall be the number  
16 used as the low-income eligible pupil count for the high school  
17 district, for purposes of this subsection (H). The changes made  
18 to this paragraph (1) by Public Act 92-28 shall apply to  
19 supplemental general State aid grants for school years  
20 preceding the 2003-2004 school year that are paid in fiscal  
21 year 1999 or thereafter and to any State aid payments made in  
22 fiscal year 1994 through fiscal year 1998 pursuant to  
23 subsection 1(n) of Section 18-8 of this Code (which was  
24 repealed on July 1, 1998), and any high school district that is  
25 affected by Public Act 92-28 is entitled to a recomputation of  
26 its supplemental general State aid grant or State aid paid in

1 any of those fiscal years. This recomputation shall not be  
2 affected by any other funding.

3 (1.10) This paragraph (1.10) applies to the 2003-2004  
4 school year and each school year thereafter through the  
5 2016-2017 school year. For purposes of this subsection (H), the  
6 term "Low-Income Concentration Level" shall, for each fiscal  
7 year, be the low-income eligible pupil count as of July 1 of  
8 the immediately preceding fiscal year (as determined by the  
9 Department of Human Services based on the number of pupils who  
10 are eligible for at least one of the following low income  
11 programs: Medicaid, the Children's Health Insurance Program,  
12 TANF, or Food Stamps, excluding pupils who are eligible for  
13 services provided by the Department of Children and Family  
14 Services, averaged over the 2 immediately preceding fiscal  
15 years for fiscal year 2004 and over the 3 immediately preceding  
16 fiscal years for each fiscal year thereafter) divided by the  
17 Average Daily Attendance of the school district.

18 (2) Supplemental general State aid pursuant to this  
19 subsection (H) shall be provided as follows for the 1998-1999,  
20 1999-2000, and 2000-2001 school years only:

21 (a) For any school district with a Low Income  
22 Concentration Level of at least 20% and less than 35%, the  
23 grant for any school year shall be \$800 multiplied by the  
24 low income eligible pupil count.

25 (b) For any school district with a Low Income  
26 Concentration Level of at least 35% and less than 50%, the



1 grant for the 1998-1999 school year shall be \$1,100  
2 multiplied by the low income eligible pupil count.

3 (c) For any school district with a Low Income  
4 Concentration Level of at least 50% and less than 60%, the  
5 grant for the 1998-99 school year shall be \$1,500  
6 multiplied by the low income eligible pupil count.

7 (d) For any school district with a Low Income  
8 Concentration Level of 60% or more, the grant for the  
9 1998-99 school year shall be \$1,900 multiplied by the low  
10 income eligible pupil count.

11 (e) For the 1999-2000 school year, the per pupil amount  
12 specified in subparagraphs (b), (c), and (d) immediately  
13 above shall be increased to \$1,243, \$1,600, and \$2,000,  
14 respectively.

15 (f) For the 2000-2001 school year, the per pupil  
16 amounts specified in subparagraphs (b), (c), and (d)  
17 immediately above shall be \$1,273, \$1,640, and \$2,050,  
18 respectively.

19 (2.5) Supplemental general State aid pursuant to this  
20 subsection (H) shall be provided as follows for the 2002-2003  
21 school year:

22 (a) For any school district with a Low Income  
23 Concentration Level of less than 10%, the grant for each  
24 school year shall be \$355 multiplied by the low income  
25 eligible pupil count.

26 (b) For any school district with a Low Income

1 Concentration Level of at least 10% and less than 20%, the  
2 grant for each school year shall be \$675 multiplied by the  
3 low income eligible pupil count.

4 (c) For any school district with a Low Income  
5 Concentration Level of at least 20% and less than 35%, the  
6 grant for each school year shall be \$1,330 multiplied by  
7 the low income eligible pupil count.

8 (d) For any school district with a Low Income  
9 Concentration Level of at least 35% and less than 50%, the  
10 grant for each school year shall be \$1,362 multiplied by  
11 the low income eligible pupil count.

12 (e) For any school district with a Low Income  
13 Concentration Level of at least 50% and less than 60%, the  
14 grant for each school year shall be \$1,680 multiplied by  
15 the low income eligible pupil count.

16 (f) For any school district with a Low Income  
17 Concentration Level of 60% or more, the grant for each  
18 school year shall be \$2,080 multiplied by the low income  
19 eligible pupil count.

20 (2.10) Except as otherwise provided, supplemental general  
21 State aid pursuant to this subsection (H) shall be provided as  
22 follows for the 2003-2004 school year and each school year  
23 thereafter:

24 (a) For any school district with a Low Income  
25 Concentration Level of 15% or less, the grant for each  
26 school year shall be \$355 multiplied by the low income

1 eligible pupil count.

2 (b) For any school district with a Low Income  
3 Concentration Level greater than 15%, the grant for each  
4 school year shall be \$294.25 added to the product of \$2,700  
5 and the square of the Low Income Concentration Level, all  
6 multiplied by the low income eligible pupil count.

7 For the 2003-2004 school year and each school year  
8 thereafter through the 2008-2009 school year only, the grant  
9 shall be no less than the grant for the 2002-2003 school year.  
10 For the 2009-2010 school year only, the grant shall be no less  
11 than the grant for the 2002-2003 school year multiplied by  
12 0.66. For the 2010-2011 school year only, the grant shall be no  
13 less than the grant for the 2002-2003 school year multiplied by  
14 0.33. Notwithstanding the provisions of this paragraph to the  
15 contrary, if for any school year supplemental general State aid  
16 grants are prorated as provided in paragraph (1) of this  
17 subsection (H), then the grants under this paragraph shall be  
18 prorated.

19 For the 2003-2004 school year only, the grant shall be no  
20 greater than the grant received during the 2002-2003 school  
21 year added to the product of 0.25 multiplied by the difference  
22 between the grant amount calculated under subsection (a) or (b)  
23 of this paragraph (2.10), whichever is applicable, and the  
24 grant received during the 2002-2003 school year. For the  
25 2004-2005 school year only, the grant shall be no greater than  
26 the grant received during the 2002-2003 school year added to

1 the product of 0.50 multiplied by the difference between the  
2 grant amount calculated under subsection (a) or (b) of this  
3 paragraph (2.10), whichever is applicable, and the grant  
4 received during the 2002-2003 school year. For the 2005-2006  
5 school year only, the grant shall be no greater than the grant  
6 received during the 2002-2003 school year added to the product  
7 of 0.75 multiplied by the difference between the grant amount  
8 calculated under subsection (a) or (b) of this paragraph  
9 (2.10), whichever is applicable, and the grant received during  
10 the 2002-2003 school year.

11 (3) School districts with an Average Daily Attendance of  
12 more than 1,000 and less than 50,000 that qualify for  
13 supplemental general State aid pursuant to this subsection  
14 shall submit a plan to the State Board of Education prior to  
15 October 30 of each year for the use of the funds resulting from  
16 this grant of supplemental general State aid for the  
17 improvement of instruction in which priority is given to  
18 meeting the education needs of disadvantaged children. Such  
19 plan shall be submitted in accordance with rules and  
20 regulations promulgated by the State Board of Education.

21 (4) School districts with an Average Daily Attendance of  
22 50,000 or more that qualify for supplemental general State aid  
23 pursuant to this subsection shall be required to distribute  
24 from funds available pursuant to this Section, no less than  
25 \$261,000,000 in accordance with the following requirements:

26 (a) The required amounts shall be distributed to the

1 attendance centers within the district in proportion to the  
2 number of pupils enrolled at each attendance center who are  
3 eligible to receive free or reduced-price lunches or  
4 breakfasts under the federal Child Nutrition Act of 1966  
5 and under the National School Lunch Act during the  
6 immediately preceding school year.

7 (b) The distribution of these portions of supplemental  
8 and general State aid among attendance centers according to  
9 these requirements shall not be compensated for or  
10 contravened by adjustments of the total of other funds  
11 appropriated to any attendance centers, and the Board of  
12 Education shall utilize funding from one or several sources  
13 in order to fully implement this provision annually prior  
14 to the opening of school.

15 (c) Each attendance center shall be provided by the  
16 school district a distribution of noncategorical funds and  
17 other categorical funds to which an attendance center is  
18 entitled under law in order that the general State aid and  
19 supplemental general State aid provided by application of  
20 this subsection supplements rather than supplants the  
21 noncategorical funds and other categorical funds provided  
22 by the school district to the attendance centers.

23 (d) Any funds made available under this subsection that  
24 by reason of the provisions of this subsection are not  
25 required to be allocated and provided to attendance centers  
26 may be used and appropriated by the board of the district

1 for any lawful school purpose.

2 (e) Funds received by an attendance center pursuant to  
3 this subsection shall be used by the attendance center at  
4 the discretion of the principal and local school council  
5 for programs to improve educational opportunities at  
6 qualifying schools through the following programs and  
7 services: early childhood education, reduced class size or  
8 improved adult to student classroom ratio, enrichment  
9 programs, remedial assistance, attendance improvement, and  
10 other educationally beneficial expenditures which  
11 supplement the regular and basic programs as determined by  
12 the State Board of Education. Funds provided shall not be  
13 expended for any political or lobbying purposes as defined  
14 by board rule.

15 (f) Each district subject to the provisions of this  
16 subdivision (H) (4) shall submit an acceptable plan to meet  
17 the educational needs of disadvantaged children, in  
18 compliance with the requirements of this paragraph, to the  
19 State Board of Education prior to July 15 of each year.  
20 This plan shall be consistent with the decisions of local  
21 school councils concerning the school expenditure plans  
22 developed in accordance with part 4 of Section 34-2.3. The  
23 State Board shall approve or reject the plan within 60 days  
24 after its submission. If the plan is rejected, the district  
25 shall give written notice of intent to modify the plan  
26 within 15 days of the notification of rejection and then

1 submit a modified plan within 30 days after the date of the  
2 written notice of intent to modify. Districts may amend  
3 approved plans pursuant to rules promulgated by the State  
4 Board of Education.

5 Upon notification by the State Board of Education that  
6 the district has not submitted a plan prior to July 15 or a  
7 modified plan within the time period specified herein, the  
8 State aid funds affected by that plan or modified plan  
9 shall be withheld by the State Board of Education until a  
10 plan or modified plan is submitted.

11 If the district fails to distribute State aid to  
12 attendance centers in accordance with an approved plan, the  
13 plan for the following year shall allocate funds, in  
14 addition to the funds otherwise required by this  
15 subsection, to those attendance centers which were  
16 underfunded during the previous year in amounts equal to  
17 such underfunding.

18 For purposes of determining compliance with this  
19 subsection in relation to the requirements of attendance  
20 center funding, each district subject to the provisions of  
21 this subsection shall submit as a separate document by  
22 December 1 of each year a report of expenditure data for  
23 the prior year in addition to any modification of its  
24 current plan. If it is determined that there has been a  
25 failure to comply with the expenditure provisions of this  
26 subsection regarding contravention or supplanting, the

1 State Superintendent of Education shall, within 60 days of  
2 receipt of the report, notify the district and any affected  
3 local school council. The district shall within 45 days of  
4 receipt of that notification inform the State  
5 Superintendent of Education of the remedial or corrective  
6 action to be taken, whether by amendment of the current  
7 plan, if feasible, or by adjustment in the plan for the  
8 following year. Failure to provide the expenditure report  
9 or the notification of remedial or corrective action in a  
10 timely manner shall result in a withholding of the affected  
11 funds.

12 The State Board of Education shall promulgate rules and  
13 regulations to implement the provisions of this  
14 subsection. No funds shall be released under this  
15 subdivision (H) (4) to any district that has not submitted a  
16 plan that has been approved by the State Board of  
17 Education.

18 (I) (Blank).

19 (J) (Blank).

20 (K) Grants to Laboratory and Alternative Schools.

21 In calculating the amount to be paid to the governing board  
22 of a public university that operates a laboratory school under  
23 this Section or to any alternative school that is operated by a



1 regional superintendent of schools, the State Board of  
2 Education shall require by rule such reporting requirements as  
3 it deems necessary.

4 As used in this Section, "laboratory school" means a public  
5 school which is created and operated by a public university and  
6 approved by the State Board of Education. The governing board  
7 of a public university which receives funds from the State  
8 Board under this subsection (K) or subsection (g) of Section  
9 18-8.15 of this Code may not increase the number of students  
10 enrolled in its laboratory school from a single district, if  
11 that district is already sending 50 or more students, except  
12 under a mutual agreement between the school board of a  
13 student's district of residence and the university which  
14 operates the laboratory school. A laboratory school may not  
15 have more than 1,000 students, excluding students with  
16 disabilities in a special education program.

17 As used in this Section, "alternative school" means a  
18 public school which is created and operated by a Regional  
19 Superintendent of Schools and approved by the State Board of  
20 Education. Such alternative schools may offer courses of  
21 instruction for which credit is given in regular school  
22 programs, courses to prepare students for the high school  
23 equivalency testing program or vocational and occupational  
24 training. A regional superintendent of schools may contract  
25 with a school district or a public community college district  
26 to operate an alternative school. An alternative school serving

1 more than one educational service region may be established by  
2 the regional superintendents of schools of the affected  
3 educational service regions. An alternative school serving  
4 more than one educational service region may be operated under  
5 such terms as the regional superintendents of schools of those  
6 educational service regions may agree.

7 Each laboratory and alternative school shall file, on forms  
8 provided by the State Superintendent of Education, an annual  
9 State aid claim which states the Average Daily Attendance of  
10 the school's students by month. The best 3 months' Average  
11 Daily Attendance shall be computed for each school. The general  
12 State aid entitlement shall be computed by multiplying the  
13 applicable Average Daily Attendance by the Foundation Level as  
14 determined under this Section.

15 (L) Payments, Additional Grants in Aid and Other Requirements.

16 (1) For a school district operating under the financial  
17 supervision of an Authority created under Article 34A, the  
18 general State aid otherwise payable to that district under this  
19 Section, but not the supplemental general State aid, shall be  
20 reduced by an amount equal to the budget for the operations of  
21 the Authority as certified by the Authority to the State Board  
22 of Education, and an amount equal to such reduction shall be  
23 paid to the Authority created for such district for its  
24 operating expenses in the manner provided in Section 18-11. The  
25 remainder of general State school aid for any such district

1 shall be paid in accordance with Article 34A when that Article  
2 provides for a disposition other than that provided by this  
3 Article.

4 (2) (Blank).

5 (3) Summer school. Summer school payments shall be made as  
6 provided in Section 18-4.3.

7 (M) Education Funding Advisory Board.

8 The Education Funding Advisory Board, hereinafter in this  
9 subsection (M) referred to as the "Board", is hereby created.  
10 The Board shall consist of 5 members who are appointed by the  
11 Governor, by and with the advice and consent of the Senate. The  
12 members appointed shall include representatives of education,  
13 business, and the general public. One of the members so  
14 appointed shall be designated by the Governor at the time the  
15 appointment is made as the chairperson of the Board. The  
16 initial members of the Board may be appointed any time after  
17 the effective date of this amendatory Act of 1997. The regular  
18 term of each member of the Board shall be for 4 years from the  
19 third Monday of January of the year in which the term of the  
20 member's appointment is to commence, except that of the 5  
21 initial members appointed to serve on the Board, the member who  
22 is appointed as the chairperson shall serve for a term that  
23 commences on the date of his or her appointment and expires on  
24 the third Monday of January, 2002, and the remaining 4 members,  
25 by lots drawn at the first meeting of the Board that is held

1 after all 5 members are appointed, shall determine 2 of their  
2 number to serve for terms that commence on the date of their  
3 respective appointments and expire on the third Monday of  
4 January, 2001, and 2 of their number to serve for terms that  
5 commence on the date of their respective appointments and  
6 expire on the third Monday of January, 2000. All members  
7 appointed to serve on the Board shall serve until their  
8 respective successors are appointed and confirmed. Vacancies  
9 shall be filled in the same manner as original appointments. If  
10 a vacancy in membership occurs at a time when the Senate is not  
11 in session, the Governor shall make a temporary appointment  
12 until the next meeting of the Senate, when he or she shall  
13 appoint, by and with the advice and consent of the Senate, a  
14 person to fill that membership for the unexpired term. If the  
15 Senate is not in session when the initial appointments are  
16 made, those appointments shall be made as in the case of  
17 vacancies.

18 The Education Funding Advisory Board shall be deemed  
19 established, and the initial members appointed by the Governor  
20 to serve as members of the Board shall take office, on the date  
21 that the Governor makes his or her appointment of the fifth  
22 initial member of the Board, whether those initial members are  
23 then serving pursuant to appointment and confirmation or  
24 pursuant to temporary appointments that are made by the  
25 Governor as in the case of vacancies.

26 The State Board of Education shall provide such staff

1 assistance to the Education Funding Advisory Board as is  
2 reasonably required for the proper performance by the Board of  
3 its responsibilities.

4 For school years after the 2000-2001 school year through  
5 the 2016-2017 school year, the Education Funding Advisory  
6 Board, in consultation with the State Board of Education, shall  
7 make recommendations as provided in this subsection (M) to the  
8 General Assembly for the foundation level under subdivision  
9 (B) (3) of this Section and for the supplemental general State  
10 aid grant level under subsection (H) of this Section for  
11 districts with high concentrations of children from poverty.  
12 The recommended foundation level shall be determined based on a  
13 methodology which incorporates the basic education  
14 expenditures of low-spending schools exhibiting high academic  
15 performance. The Education Funding Advisory Board shall make  
16 such recommendations to the General Assembly on January 1 of  
17 odd numbered years, beginning January 1, 2001.

18 (N) (Blank).

19 (O) References.

20 (1) References in other laws to the various subdivisions of  
21 Section 18-8 as that Section existed before its repeal and  
22 replacement by this Section 18-8.05 shall be deemed to refer to  
23 the corresponding provisions of this Section 18-8.05, to the  
24 extent that those references remain applicable.

1           (2) References in other laws to State Chapter 1 funds shall  
2 be deemed to refer to the supplemental general State aid  
3 provided under subsection (H) of this Section.

4           (P) Public Act 93-838 and Public Act 93-808 make inconsistent  
5 changes to this Section. Under Section 6 of the Statute on  
6 Statutes there is an irreconcilable conflict between Public Act  
7 93-808 and Public Act 93-838. Public Act 93-838, being the last  
8 acted upon, is controlling. The text of Public Act 93-838 is  
9 the law regardless of the text of Public Act 93-808.

10          (Q) State Fiscal Year 2015 Payments.

11           For payments made for State fiscal year 2015, the State  
12 Board of Education shall, for each school district, calculate  
13 that district's pro-rata share of a minimum sum of \$13,600,000  
14 or additional amounts as needed from the total net General  
15 State Aid funding as calculated under this Section that shall  
16 be deemed attributable to the provision of special educational  
17 facilities and services, as defined in Section 14-1.08 of this  
18 Code, in a manner that ensures compliance with maintenance of  
19 State financial support requirements under the federal  
20 Individuals with Disabilities Education Act. Each school  
21 district must use such funds only for the provision of special  
22 educational facilities and services, as defined in Section  
23 14-1.08 of this Code, and must comply with any expenditure  
24 verification procedures adopted by the State Board of

1 Education.

2 (R) State Fiscal Year 2016 Payments.

3 For payments made for State fiscal year 2016, the State  
4 Board of Education shall, for each school district, calculate  
5 that district's pro rata share of a minimum sum of \$1 or  
6 additional amounts as needed from the total net General State  
7 Aid funding as calculated under this Section that shall be  
8 deemed attributable to the provision of special educational  
9 facilities and services, as defined in Section 14-1.08 of this  
10 Code, in a manner that ensures compliance with maintenance of  
11 State financial support requirements under the federal  
12 Individuals with Disabilities Education Act. Each school  
13 district must use such funds only for the provision of special  
14 educational facilities and services, as defined in Section  
15 14-1.08 of this Code, and must comply with any expenditure  
16 verification procedures adopted by the State Board of  
17 Education.

18 (Source: P.A. 98-972, eff. 8-15-14; 99-2, eff. 3-26-15; 99-194,  
19 eff. 7-30-15; 99-523, eff. 6-30-16.)

20 (105 ILCS 5/18-8.10)

21 Sec. 18-8.10. Fast growth grants.

22 (a) If there has been an increase in a school district's  
23 student population over the most recent 2 school years of (i)  
24 over 1.5% in a district with over 10,000 pupils in average

1 daily attendance (as defined in Section 18-8.05 or 18-8.15 of  
2 this Code) or (ii) over 7.5% in any other district, then the  
3 district is eligible for a grant under this Section, subject to  
4 appropriation.

5 (b) The State Board of Education shall determine a per  
6 pupil grant amount for each school district. The total grant  
7 amount for a district for any given school year shall equal the  
8 per pupil grant amount multiplied by the difference between the  
9 number of pupils in average daily attendance for the 2 most  
10 recent school years.

11 (c) Funds for grants under this Section must be  
12 appropriated to the State Board of Education in a separate line  
13 item for this purpose. If the amount appropriated in any fiscal  
14 year is insufficient to pay all grants for a school year, then  
15 the amount appropriated shall be prorated among eligible  
16 districts. As soon as possible after funds have been  
17 appropriated to the State Board of Education, the State Board  
18 of Education shall distribute the grants to eligible districts.

19 (d) If a school district intentionally reports incorrect  
20 average daily attendance numbers to receive a grant under this  
21 Section, then the district shall be denied State aid in the  
22 same manner as State aid is denied for intentional incorrect  
23 reporting of average daily attendance numbers under Section  
24 18-8.05 or 18-8.15 of this Code.

25 (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  
26 to graduate from high school with the skills required to

1 pursue post-secondary education and training for a  
2 rewarding career;

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

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

11 (2) The evidence-based funding formula under this Section  
12 shall be applied to all Organizational Units in this State. As  
13 further defined and described in this Section, there are 4  
14 major components of the evidence-based funding model:

15 (A) First, the model calculates a unique adequacy  
16 target for each Organizational Unit in this State that  
17 considers the costs to implement research-based  
18 activities, the unit's student demographics, and regional  
19 wage difference.

20 (B) Second, the model calculates each Organizational  
21 Unit's local capacity, or the amount each Organizational  
22 Unit is assumed to contribute towards its adequacy target  
23 from local resources.

24 (C) Third, the model calculates how much funding the  
25 State currently contributes to the Organizational Unit,  
26 and adds that to the unit's local capacity to determine the

1 unit's overall current adequacy of funding.

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

6 (3) An Organizational Unit receiving any funding under this  
7 Section may apply those funds to any fund so received for which  
8 that Organizational Unit is authorized to make expenditures by  
9 law.

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

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

14 "Adjusted EAV" is defined in paragraph (3) of subsection  
15 (d) of this Section.

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

18 "Alternative School" means a public school that is created  
19 and operated by a regional superintendent of schools and  
20 approved by the State Board.

21 "Assessment" means any of those benchmark, progress  
22 monitoring, formative, diagnostic, and other assessments, in  
23 addition to the State accountability assessment, that assist  
24 teachers' needs in understanding the skills and meeting the  
25 needs of the students they serve.

26 "Assistant principal" means a school administrator duly

1 endorsed to be employed as an assistant principal in this  
2 State.

3 "At-risk student" means a student who is at risk of not  
4 meeting the Illinois Learning Standards or not graduating from  
5 elementary or high school and who demonstrates a need for  
6 vocational support or social services beyond that provided by  
7 the regular school program. All students included in an  
8 Organizational Unit's Low-Income Count, as well as all EL and  
9 disabled students attending the Organizational Unit, shall be  
10 considered at-risk students under this Section.

11 "Average Student Enrollment" or "ASE" means, for an  
12 Organizational Unit in a given school year, the greater of the  
13 average number of students (grades K through 12) reported to  
14 the State Board as enrolled in the Organizational Unit on  
15 October 1 and March 1, plus the special education  
16 pre-kindergarten students with services of at least more than 2  
17 hours a week as reported to the State Board on December 1, in  
18 the immediately preceding school year or the average number of  
19 students (grades K through 12) reported to the State Board as  
20 enrolled in the Organizational Unit on October 1 and March 1,  
21 plus the special education pre-kindergarten students with  
22 services of at least more than 2 hours a week as reported to  
23 the State Board on December 1, for each of the immediately  
24 preceding 3 school years. For the purposes of this definition,  
25 "enrolled in the Organizational Unit" means the number of  
26 students reported to the State Board who are enrolled in

1 schools within the Organizational Unit that the student attends  
2 or would attend if not placed or transferred to another school  
3 or program to receive needed services. For the purposes of  
4 calculating "ASE", all students, grades K through 12, shall be  
5 counted as 1.0, except that those attending half-day  
6 kindergarten shall be counted as 0.5. Special education  
7 pre-kindergarten students shall be counted as 0.5 each. If the  
8 State Board does not collect or has not collected both an  
9 October 1 and March 1 enrollment count by grade or a December 1  
10 collection of special education pre-kindergarten students as  
11 of the effective date of this amendatory Act of the 100th  
12 General Assembly, it shall establish such collection for all  
13 future years. For any year where a count by grade level was  
14 collected only once, that count shall be used as the single  
15 count available for computing a 3-year average ASE.

16 "Base Funding Guarantee" is defined in paragraph (7) of  
17 subsection (g) of this Section.

18 "Base Funding Minimum" is defined in subsection (e) of this  
19 Section.

20 "Central office" means individual administrators and  
21 support service personnel charged with managing the  
22 instructional programs, business and operations, and security  
23 of the Organizational Unit.

24 "Comparable Wage Index" or "CWI" means a regional cost  
25 differentiation metric that measures systemic, regional  
26 variations in the salaries of college graduates who are not

1 educators. The CWI utilized for this Section shall, for the  
2 first 3 years of Evidence-Based Funding implementation, be the  
3 CWI initially developed by the National Center for Education  
4 Statistics, as most recently updated by Texas A & M University.  
5 In the fourth and subsequent years of Evidence-Based Funding  
6 implementation, the State Superintendent shall re-determine  
7 the CWI using a similar methodology to that identified in the  
8 Texas A & M University study, with adjustments made no less  
9 frequently than once every 5 years.

10 "Computer technology and equipment" means computers  
11 servers, notebooks, network equipment, copiers, printers,  
12 instructional software, security software, curriculum  
13 management courseware, and other similar materials and  
14 equipment.

15 "Core subject" means mathematics; science; reading,  
16 English, writing, and language arts; history and social  
17 studies; world languages; and subjects taught as Advanced  
18 Placement in high schools.

19 "Core teacher" means a regular classroom teacher in  
20 elementary schools and teachers of a core subject in middle and  
21 high schools.

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

25 "CPPRT" means corporate personal property replacement tax  
26 funds paid to an Organizational Unit during the calendar year

1 one year before the calendar year in which a school year  
2 begins, pursuant to "An Act in relation to the abolition of ad  
3 valorem personal property tax and the replacement of revenues  
4 lost thereby, and amending and repealing certain Acts and parts  
5 of Acts in connection therewith", certified August 14, 1979, as  
6 amended (Public Act 81-1st S.S.-1).

7 "EAV" means equalized assessed valuation as defined in  
8 paragraph (1) of subsection (d) of this Section and calculated  
9 in accordance with paragraph (2) of subsection (d) of this  
10 Section.

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

16 "EIS Data" means the employment information system data  
17 maintained by the State Board on educators within  
18 Organizational Units.

19 "Employee benefits" means health, dental, and vision  
20 insurance offered to employees of an Organizational Unit, the  
21 costs associated with statutorily required payment of the  
22 normal cost of the Organizational Unit's teacher pensions,  
23 Social Security employer contributions, and Illinois Municipal  
24 Retirement Fund employer contributions.

25 "English learner" or "EL" means a child included in the  
26 definition of "English learners" under Section 14C-2 of this

1 Code participating in a program of transitional bilingual  
2 education or a transitional program of instruction meeting the  
3 requirements and program application procedures of Article 14C  
4 of this Code. For the purposes of collecting the number of EL  
5 students enrolled, the same collection and calculation  
6 methodology as defined above for "ASE" shall apply to English  
7 learners.

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

10 "Essential Elements" means those elements, resources, and  
11 educational programs that have been identified through  
12 academic research as necessary to improve student success,  
13 improve academic performance, close achievement gaps, and  
14 provide for other per student costs related to the delivery and  
15 leadership of the Organizational Unit, as well as the  
16 maintenance and operations of the unit, and which are specified  
17 in paragraph (2) of subsection (b) of this Section.

18 "Extended day" means academic and enrichment programs  
19 provided to students outside the regular school day before and  
20 after school or during non-instructional times during the  
21 school day.

22 "Final Percent of Adequacy" is defined in paragraph (5) of  
23 subsection (f) of this Section.

24 "Final Resources" is defined in paragraph (4) of subsection  
25 (f) of this Section.

26 "Full-time equivalent" or "FTE" means the full-time



1 equivalency compensation for staffing the relevant position at  
2 an Organizational Unit.

3 "Funding Gap" is defined in paragraph (1) of subsection  
4 (g).

5 "Guidance counselor" means a licensed guidance counselor  
6 who provides guidance and counseling support for students  
7 within an Organizational Unit.

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

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

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

26 "Instructional materials" means relevant instructional

1 materials for student instruction, including, but not limited  
2 to, textbooks, consumable workbooks, laboratory equipment,  
3 library books, and other similar materials.

4 "Laboratory School" means a public school that is created  
5 and operated by a public university and approved by the State  
6 Board.

7 "Librarian" means a teacher with an endorsement as a  
8 library information specialist or another individual whose  
9 primary responsibility is overseeing library resources within  
10 an Organizational Unit.

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

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

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

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

19 "Low-Income Count" means, for an Organizational Unit in a  
20 fiscal year, the higher of the average number of students for  
21 the prior school year or the immediately preceding 3 school  
22 years who, as of July 1 of the immediately preceding fiscal  
23 year (as determined by the Department of Human Services), are  
24 eligible for at least one of the following low income programs:  
25 Medicaid, the Children's Health Insurance Program, TANF, or  
26 Food Stamps, excluding pupils who are eligible for services

1 provided by the Department of Children and Family Services.

2 "Maintenance and operations" means custodial services,  
3 facility and ground maintenance, facility operations, facility  
4 security, routine facility repairs, and other similar services  
5 and functions.

6 "Minimum Funding Level" is defined in paragraph (6) of  
7 subsection (g) of this Section.

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

12 "Net State Contribution Target" means, for a given school  
13 year, the amount of State funds that would be necessary to  
14 fully meet the Adequacy Target of an Operational Unit minus the  
15 Preliminary Resources available to each unit.

16 "Nurse" means an individual licensed as a certified school  
17 nurse, in accordance with the rules established for nursing  
18 services by the State Board, who is an employee of and is  
19 available to provide health care-related services for students  
20 of an Organizational Unit.

21 "Operating Tax Rate" means the rate utilized in the  
22 previous year to extend property taxes for all purposes,  
23 except, Bond and Interest, Summer School, Rent, Capital  
24 Improvement, and Vocational Education Building purposes. For  
25 Hybrid Districts, the Operating Tax Rate shall be the combined  
26 elementary and high school rates utilized in the previous year

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

23 "Organizational Unit" means a Laboratory School, an  
24 Alternative School, or any public school district that is  
25 recognized as such by the State Board and that contains  
26 elementary schools typically serving kindergarten through 5th

1 grades, middle schools typically serving 6th through 8th  
2 grades, or high schools typically serving 9th through 12th  
3 grades. The General Assembly acknowledges that the actual grade  
4 levels served by a particular Organizational Unit may vary  
5 slightly from what is typical.

6 "Organizational Unit CWI" is determined by calculating the  
7 CWI in the region and original county in which an  
8 Organizational Unit's primary administrative office is located  
9 as set forth in this paragraph, provided that if the  
10 Organizational Unit CWI as calculated in accordance with this  
11 paragraph is less than 0.9, the Organizational Unit CWI shall  
12 be increased to 0.9. Each county's current CWI value shall be  
13 adjusted based on the CWI value of that county's neighboring  
14 Illinois counties, to create a "weighted adjusted index value".  
15 This shall be calculated by summing the CWI values of all of a  
16 county's adjacent Illinois counties and dividing by the number  
17 of adjacent Illinois counties, then taking the weighted value  
18 of the original county's CWI value and the adjacent Illinois  
19 county average. To calculate this weighted value, if the number  
20 of adjacent Illinois counties is greater than 2, the original  
21 county's CWI value will be weighted at 0.25 and the adjacent  
22 Illinois county average will be weighted at 0.75. If the number  
23 of adjacent Illinois counties is 2, the original county's CWI  
24 value will be weighted at 0.33 and the adjacent Illinois county  
25 average will be weighted at 0.66. The greater of the county's  
26 current CWI value and its weighted adjusted index value shall

1 be used as the Organizational Unit CWI.

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

4 "Preliminary Resources" is defined in paragraph (3) of  
5 subsection (f) of this Section.

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

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

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

22 "PTELL" means the Property Tax Extension Limitation Law.

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

26 "Real Receipts" is defined in paragraph (1) of subsection

1 (d) of this Section.

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

5 "Residential Boarding School Program" means a residential  
6 school for students in jeopardy of academic failure and  
7 impacted by one or more adverse childhood experiences. A  
8 residential program includes:

9 (A) a remedial, regular, and gifted curriculum for  
10 school grades 2 through 8;

11 (B) a residential component focused on social and  
12 emotional well-being, safety, and life skills;

13 (C) extracurricular activities, including a military  
14 leadership program, vocational education program, music  
15 and art, athletics, and cultural events;

16 (D) health and mental health services;

17 (E) tutoring and a learning resource center that  
18 provides individualized and small group instruction;

19 (F) community service, volunteering, and service  
20 learning activities;

21 (G) a parent partnering program, which includes family  
22 therapy (if needed), home visits, and parental support and  
23 education and promotes familial integration into all  
24 aspects of programming;

25 (H) programs that are preventative for students,  
26 diverting them from such outcomes as:

1           (i) reliance on social service programs;

2           (ii) dangerous behaviors;

3           (iii) untreated or unmanaged mental and medical  
4           illnesses;

5           (iv) unemployment;

6           (v) crime; and

7           (vi) involvement with the justice system;

8           (I) year-round programming, including summer camp and  
9           academic enrichment; and

10          (J) Professional development focused on language arts  
11          and reading standards, mathematics standards, science  
12          standards, technology standards, and developmental or life  
13          skill standards using innovative and best practices for all  
14          students.

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

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

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

25          "Specially Funded Unit" means an Alternative School, safe  
26          school, Department of Juvenile Justice school, special



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

7 "State Adequacy Level" is the sum of the Adequacy Targets  
8 of all Organizational Units.

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

10 "State Superintendent" means the State Superintendent of  
11 Education.

12 "Statewide Weighted CWI" means a figure determined by  
13 multiplying each Organizational Unit CWI times the ASE for that  
14 Organizational Unit creating a weighted value, summing all  
15 Organizational Unit's weighted values, and dividing by the  
16 total ASE of all Organizational Units, thereby creating an  
17 average weighted index.

18 "Student activities" means non-credit producing  
19 after-school programs, including, but not limited to, clubs,  
20 bands, sports, and other activities authorized by the school  
21 board of the Organizational Unit.

22 "Substitute teacher" means an individual teacher or  
23 teaching assistant who is employed by an Organizational Unit  
24 and is temporarily serving the Organizational Unit on a per  
25 diem or per period-assignment basis replacing another staff  
26 member.

1       "Summer school" means academic and enrichment programs  
2 provided to students during the summer months outside of the  
3 regular school year.

4       "Supervisory aide" means a non-licensed staff member who  
5 helps in supervising students of an Organizational Unit, but  
6 does so outside of the classroom, in situations such as, but  
7 not limited to, monitoring hallways and playgrounds,  
8 supervising lunchrooms, or supervising students when being  
9 transported in buses serving the Organizational Unit.

10       "Target Ratio" is defined in paragraph (4) of subsection  
11 (g).

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

14       "Tier 1 Aggregate Funding", "Tier 2 Aggregate Funding",  
15 "Tier 3 Aggregate Funding", and "Tier 4 Aggregate Funding" are  
16 defined in paragraph (1) of subsection (g).

17       (b) Adequacy Target calculation.

18       (1) Each Organizational Unit's Adequacy Target is the sum  
19 of the Organizational Unit's cost of providing Essential  
20 Elements, as calculated in accordance with this subsection (b),  
21 with, for an Organizational Unit with an Organizational Unit  
22 CWI higher than the Statewide Weighted CWI, the salary amounts  
23 in the Essential Elements multiplied by a Regionalization  
24 Factor calculated pursuant to paragraph (3) of this subsection  
25 (b).

26       (2) The Essential Elements are attributable on a pro-rata

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

8 (A) Core class size investments. Each Organizational  
9 Unit shall receive the funding required to support that  
10 number of FTE core teacher positions as is needed to keep  
11 the respective class sizes of the Organizational Unit to a  
12 maximum of 25 students for grades 4 through 12. For grades  
13 kindergarten through 3, the Organizational Unit shall  
14 receive funding required to support one FTE core teacher  
15 position for every 15 Low-Income Count students in such  
16 grades and one FTE core teacher position for every 25  
17 non-Low-Income Count students in such grades. The number of  
18 FTE core teacher positions for grades 4 through 12 shall be  
19 determined by dividing the ASE of the Organizational Unit  
20 for grades 4 through 12 by 25. The number of non-Low-Income  
21 Count students in grades kindergarten through 3 shall be  
22 determined by subtracting the Low-Income Count students in  
23 grades kindergarten through 3 from the ASE of the  
24 Organizational Unit for such grades.

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 through grade 12  
23 students to cover computer technology and equipment costs.

24 (R) Student activities investments. Each  
25 Organizational Unit shall receive the following funding  
26 amounts to cover student activities: \$100 per kindergarten

1 through grade 5 ASE student in elementary school, plus \$200  
2 per ASE student in middle school, plus \$675 per ASE student  
3 in high school.

4 (S) Maintenance and operations investments. Each  
5 Organizational Unit shall receive \$1,038 per student of the  
6 combined ASE of pre-kindergarten children with  
7 disabilities and all kindergarten through grade 12 for  
8 day-to-day maintenance and operations expenditures,  
9 including salary, supplies, and materials, as well as  
10 purchased services, but excluding employee benefits. The  
11 proportion of salary for the application of a  
12 Regionalization Factor and the calculation of benefits is  
13 equal to \$352.92.

14 (T) Central office investments. Each Organizational  
15 Unit shall receive \$742 per student of the combined ASE of  
16 pre-kindergarten children with disabilities and all  
17 kindergarten through grade 12 students to cover central  
18 office operations, including administrators and classified  
19 personnel charged with managing the instructional  
20 programs, business and operations of the school district,  
21 and security personnel. The proportion of salary for the  
22 application of a Regionalization Factor and the  
23 calculation of benefits is equal to \$368.48.

24 (U) Employee benefit investments. Each Organizational  
25 Unit shall receive 30% of the total of all  
26 salary-calculated elements of the Adequacy Target,



1 excluding substitute teachers and student activities  
2 investments, to cover benefit costs. For central office and  
3 maintenance and operations investments, the benefit  
4 calculation shall be based upon the salary proportion of  
5 each investment. If at any time the responsibility for  
6 funding the employer normal cost of teacher pensions is  
7 assigned to school districts, then that amount certified by  
8 the Teachers' Retirement System of the State of Illinois to  
9 be paid by the Organizational Unit for the preceding school  
10 year shall be added to the benefit investment. For any  
11 fiscal year in which a school district organized under  
12 Article 34 of this Code is responsible for paying the  
13 employer normal cost of teacher pensions, then that amount  
14 of its employer normal cost as certified by the Public  
15 School Teachers' Pension and Retirement Fund of Chicago to  
16 be paid by the school district for the preceding school  
17 year that is statutorily required to cover employer normal  
18 costs shall be added to the 30% specified in this  
19 subparagraph (U). The Public School Teachers' Pension and  
20 Retirement Fund of Chicago shall submit such information as  
21 the State Superintendent may require for the calculations  
22 set forth in this subparagraph (U).

23 (V) Additional investments in low-income students. In  
24 addition to and not in lieu of all other funding under this  
25 paragraph (2), each Organizational Unit shall receive  
26 funding based on the average teacher salary for grades K

1 through 12 to cover the costs of: (i) one FTE intervention  
2 teacher (tutor) position for every 125 Low-Income Count  
3 students; (ii) one FTE pupil support staff position for  
4 every 125 Low-Income Count students; (iii) one FTE extended  
5 day teacher position for every 120 Low-Income Count  
6 students; and (iv) one FTE summer school teacher position  
7 for every 120 Low-Income Count students.

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

13 (i) one FTE intervention teacher (tutor) position  
14 for every 125 EL students;

15 (ii) one FTE pupil support staff position for every  
16 125 EL students;

17 (iii) one FTE extended day teacher position for  
18 every 120 EL students;

19 (iv) one FTE summer school teacher position for  
20 every 120 EL students; and

21 (v) one FTE core teacher position for every 100 EL  
22 students.

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

1           (i) one FTE teacher position for every 141 combined  
2           ASE of pre-kindergarten children with disabilities and  
3           all kindergarten through grade 12 students;

4           (ii) one FTE instructional assistant for every 141  
5           combined ASE of pre-kindergarten children with  
6           disabilities and all kindergarten through grade 12  
7           students; and

8           (iii) one FTE psychologist position for every  
9           1,000 combined ASE of pre-kindergarten children with  
10           disabilities and all kindergarten through grade 12  
11           students.

12           (3) For calculating the salaries included within the  
13           Essential Elements, the State Superintendent shall annually  
14           calculate average salaries to the nearest dollar using the  
15           employment information system data maintained by the State  
16           Board, limited to public schools only and excluding special  
17           education and vocational cooperatives, schools operated by the  
18           Department of Juvenile Justice, and charter schools, for the  
19           following positions:

20           (A) Teacher for grades K through 8.

21           (B) Teacher for grades 9 through 12.

22           (C) Teacher for grades K through 12.

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

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

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

26           (G) Social worker.

1           (H) Psychologist.

2           (I) Librarian.

3           (J) Nurse.

4           (K) Principal.

5           (L) Assistant principal.

6           For the purposes of this paragraph (3), "teacher" includes core  
7           teachers, specialist and elective teachers, instructional  
8           facilitators, tutors, special education teachers, pupil  
9           support staff teachers, English learner teachers, extended-day  
10           teachers, and summer school teachers. Where specific grade data  
11           is not required for the Essential Elements, the average salary  
12           for corresponding positions shall apply. For substitute  
13           teachers, the average teacher salary for grades K through 12  
14           shall apply.

15           For calculating the salaries included within the Essential  
16           Elements for positions not included within EIS Data, the  
17           following salaries shall be used:

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

19           (ii) on-instructional assistant, instructional  
20           assistant, library aide, library media tech, or  
21           supervisory aide: \$25,000.

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

26           (c) Local capacity calculation.

1       (1) Each Organizational Unit's Local Capacity represents  
2 an amount of funding it is assumed to contribute toward its  
3 Adequacy Target for purposes of the Evidence-Based Funding  
4 formula calculation. "Local Capacity" means either (i) the  
5 Organizational Unit's Local Capacity Target as calculated in  
6 accordance with paragraph (2) of this subsection (c) if its  
7 Real Receipts are equal to or less than its Local Capacity  
8 Target or (ii) the Organizational Unit's adjusted Local  
9 Capacity, as calculated in accordance with paragraph (3) of  
10 this subsection (c) if Real Receipts are more than its Local  
11 Capacity Target. Notwithstanding anything to the contrary  
12 contained in this Section, an adjusted Local Capacity Target  
13 may not be utilized if a school district's Preliminary Percent  
14 of Adequacy is less than 75%.

15       (2) "Local Capacity Target" means, for an Organizational  
16 Unit, that dollar amount that is obtained by multiplying its  
17 Adequacy Target by its Local Capacity Percentage.

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

26       (B) An Organizational Unit's Local Capacity Ratio in a

1 given year is the percentage obtained by dividing its  
2 Adjusted EAV by its Adequacy Target, with the resulting  
3 ratio further adjusted as follows:

4 (i) for Organizational Units serving grades  
5 kindergarten through 12 and Hybrid Districts, no  
6 further adjustments shall be made;

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

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

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

18 (C) Local Capacity Percentage converts each  
19 Organizational Unit's Local Capacity Ratio to a normal  
20 curve equivalent score to determine each Organizational  
21 Unit's relative position to all other Organizational Units  
22 in this State. The Local Capacity Percentage normal curve  
23 equivalent score for each Organizational Unit shall be  
24 calculated using the standard normal distribution of the  
25 score in relation to the weighted mean and weighted  
26 standard deviation and Local Capacity Ratios of all

1 Organizational Units. If the value assigned to any  
2 Organizational Unit is in excess of 90%, the value shall be  
3 adjusted to 90%. For Laboratory Schools, the Local Capacity  
4 Percentage shall be set at 10% in recognition of the  
5 absence of EAV and resources from the public university  
6 that are allocated to the Laboratory School. The weighted  
7 mean for the Local Capacity Percentage shall be determined  
8 by multiplying each Organizational Unit's Local Capacity  
9 Ratio times the ASE for the unit creating a weighted value,  
10 summing the weighted values of all Organizational Units,  
11 and dividing by the total ASE of all Organizational Units.  
12 The weighted standard deviation shall be determined by  
13 taking the square root of the weighted variance of all  
14 Organizational Units' Local Capacity Ratio, where the  
15 variance is calculated by squaring the difference between  
16 each unit's Local Capacity Ratio and the weighted mean,  
17 then multiplying the variance for each unit times the ASE  
18 for the unit to create a weighted variance for each unit,  
19 then summing all units' weighted variance and dividing by  
20 the total ASE of all units.

21 (3) If a school district utilizes Real Receipts, then its  
22 Local Capacity shall equal an adjusted Local Capacity Target as  
23 calculated in accordance with this paragraph (3). The adjusted  
24 Local Capacity Target is calculated as the sum of the  
25 Organizational Unit's Local Capacity Target and its Real  
26 Receipts adjustment. The Real Receipts adjustment equals the

1 Organizational Unit's Real Receipts less its Local Capacity  
2 Target, with the resulting figure multiplied by its Preliminary  
3 Percent of Adequacy.

4 (d) Calculation of Real Receipts, EAV, and Adjusted EAV for  
5 purposes of the Local Capacity calculation.

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

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

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



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

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

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

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

8 (C) For Organizational Units that are Hybrid  
9 Districts, the State Superintendent shall use the lesser of  
10 the equalized assessed valuation for property within the  
11 partial elementary unit district for elementary purposes,  
12 as defined in Article 11E of this Code, or the equalized  
13 assessed valuation for property within the partial  
14 elementary unit district for high school purposes, as  
15 defined in Article 11E of this Code.

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

1 3-year average EAV or its EAV in the immediately preceding year  
2 if the adjusted EAV declines by 10% or more compared to the  
3 3-year average for the third year.

4 (e) Base Funding Minimum calculation. For the 2017-2018  
5 school year and subsequent school years, the Base Funding  
6 Minimum of an Organizational Unit, other than a Specially  
7 Funded Unit, shall be the amount of State funds distributed to  
8 the Organizational Unit during the 2016-2017 school year prior  
9 to any adjustments from the following Sections, as calculated  
10 by the State Superintendent: Section 18-8.05 of this Code  
11 (general State aid); Section 14-7.02b of this Code (funding for  
12 children requiring special education services); Section  
13 14-13.01 of this Code (special education facilities and  
14 staffing), except for reimbursement of the cost of  
15 transportation pursuant to Section 14-13.01; Section 14C-12 of  
16 this Code (English Learners); and Section 18-4.3 of this Code  
17 (summer school). For a school district organized under Article  
18 34 of this Code, the Base Funding Minimum also includes (i) the  
19 funds allocated to the school district pursuant to Section 1D-1  
20 of this Code attributable to funding programs authorized by the  
21 Sections of this Code listed in the preceding sentence and (ii)  
22 the difference between (I) the funds allocated to the school  
23 district pursuant to Section 1D-1 of this Code attributable to  
24 the funding programs authorized by Section 14-7.02 (non-public  
25 special education reimbursement), subsection (b) of Section  
26 14-13.01 (special education transportation), and Section 29-5

1 (transportation) of this Code and (II) the school district's  
2 actual expenditures for its non-public special education,  
3 special education transportation, and transportation programs,  
4 as most recently calculated and reported pursuant to subsection  
5 (f) of Section 1D-1 of this Code. For Specially Funded Units,  
6 the Base Funding Minimum shall be the total amount of State  
7 funds allotted to the Specially Funded Unit during the  
8 2016-2017 school year without any division by ASE.

9 (f) Percent of Adequacy and Final Resources calculation.

10 (1) The Evidence-Based Funding formula establishes a  
11 Percent of Adequacy for each Organizational Unit in order to  
12 place such units into tiers for the purposes of the funding  
13 distribution system described in subsection (g) of this  
14 Section. Initially, an Organizational Unit's Preliminary  
15 Percent of Adequacy is calculated pursuant to paragraph (2) of  
16 this subsection (f) and an Organizational Unit's Preliminary  
17 Resources are calculated pursuant to paragraph (3) of this  
18 subsection (f). Then an Organizational Unit's Final Resources  
19 are calculated pursuant to paragraph (4) of this subsection (f)  
20 and an Organizational Unit's Final Percent of Adequacy is  
21 calculated pursuant to paragraph (5) of this subsection (f).

22 (2) An Organizational Unit's Preliminary Percent of  
23 Adequacy is the lesser of (i) its Preliminary Resources divided  
24 by its Adequacy Target or (ii) 100%.

25 (3) An Organizational Unit's Preliminary Resources are  
26 equal to the sum of its Local Capacity Target, CPPRT, and Base

1 Funding Minimum.

2 (4) Except for Specially Funded Units, an Organizational  
3 Unit's Final Resources are equal to their Preliminary  
4 Resources. The Base Funding Minimum for each Specially Funded  
5 Unit shall serve as its Final Resources, except that the Base  
6 Funding Minimum for State-approved charter schools shall not  
7 include any portion of general State aid allocated in the prior  
8 year based on the per capita tuition charge times the charter  
9 school enrollment.

10 (5) An Organizational Unit's Final Percent of Adequacy is  
11 its Final Resources divided by its Adequacy Target.

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

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

1 Tier 2 receives an allocation of New State Funds equal to its  
2 Tier Funding Gap, as defined in the following sentence,  
3 multiplied by the tier's Allocation Rate determined pursuant to  
4 paragraph (3). For Tier 1 and Tier 2, an Organizational Unit's  
5 Funding Gap equals the Tier's Target Ratio, as specified in  
6 paragraph (4) of this subsection (g), multiplied by the  
7 Organizational Unit's Adequacy Target, with the resulting  
8 amount reduced by the Organizational Unit's Final Resources  
9 and, for Tier 2 Organizational Units, its Tier 1 funding  
10 allocation. Each Organizational Unit within Tier 3 or Tier 4  
11 receives an allocation of New State Funds equal to the product  
12 of its Adequacy Target and the Tier's Allocation Rate, as  
13 specified in paragraph (3) of this subsection (g).

14 (2) Organizational Units are placed into one of 4 tiers as  
15 follows:

16 (A) Tier 1 consists of all Organizational Units, except  
17 for Specially Funded Units, with a Percent of Adequacy less  
18 than the Tier 1 Target Ratio. The Tier 1 Target Ratio is  
19 the ratio level that allows for Tier 1 Aggregate Funding to  
20 be distributed, with the Tier 1 Allocation Rate determined  
21 pursuant to paragraph (3) of this subsection (g).

22 (B) Tier 2 consists of all Tier 1 Units and all other  
23 Organizational Units, except for Specially Funded Units,  
24 with a Percent of Adequacy of less than 0.90.

25 (C) Tier 3 consists of all Organizational Units, except  
26 for Specially Funded Units, with a Percent of Adequacy of

1 at least 0.90 and less than 1.0.

2 (D) Tier 4 consists of all Organizational Units with a  
3 Percent of Adequacy of at least 1.0 and Specially Funded  
4 Units.

5 (3) The Allocation Rates for Tiers 1 through 4 is  
6 determined as follows:

7 (A) The Tier 1 Allocation Rate is 50%, unless such rate  
8 is adjusted pursuant to paragraph (6) of this subsection  
9 (g).

10 (B) The Tier 2 Allocation Rate is the result of the  
11 following equation: Tier 2 Aggregate Funding, divided by  
12 the sum of the Funding Gaps for all Tier 2 Organizational  
13 Units, unless the result of such equation is higher than  
14 1.0. If the result of such equation is higher than 1.0,  
15 then the Tier 2 Allocation Rate is 1.0.

16 (C) The Tier 3 Allocation Rate is the result of the  
17 following equation: Tier 3 Aggregate Funding, divided by  
18 the sum of the Adequacy Targets of all Tier 3  
19 Organizational Units.

20 (D) The Tier 4 Allocation Rate is the result of the  
21 following equation: Tier 4 Aggregate Funding, divided by  
22 the sum of the Adequacy Targets of all Tier 4  
23 Organizational Units.

24 (4) A tier's Target Ratio is determined as follows:

25 (A) The Tier 1 Target Ratio is the ratio level that  
26 allows for Tier 1 Aggregate Funding to be distributed with



1       the Tier 1 Allocation Rate.

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

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

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

13       (6) Notwithstanding the distribution formulae set forth in  
14 this subsection (g), funding for each tier shall be adjusted as  
15 set forth in this paragraph (6) if New State Funds are less  
16 than the Minimum Funding Level. The Minimum Funding Level is  
17 equal to: (i) the sum of 1% of the State Adequacy Level, plus  
18 the ECI multiplied by the State Adequacy Level, less (ii) the  
19 total increase in EAV from the prior school year to the current  
20 school year. If New State Funds are less than the Minimum  
21 Funding Level, than funding for tiers shall be reduced in the  
22 following manner:

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

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

5           (C) Then, Tier 2 funding shall be reduced by an amount  
6           equal to the difference between the Minimum Funding Level  
7           and New State Funds and the reduction in Tier 4 and Tier 3  
8           funding.

9           (D) Finally, Tier 1 funding shall be reduced by an  
10          amount equal to the difference between the Minimum Funding  
11          Level and New State Funds and the reduction in Tier 2, 3,  
12          and 4 funding. In addition, the Allocation Rate for Tier 1  
13          funding shall be reduced to a percentage equal to 50%,  
14          multiplied by the result of New State Funds divided by the  
15          Minimum Funding Level.

16          (7) In the event of a decrease in the amount of the  
17          appropriation for this Section in any fiscal year after  
18          implementation of this Section, the Organizational Units  
19          receiving Tier 1 and Tier 2 funding, as determined under  
20          paragraph (2) of this subsection (g), shall be held harmless by  
21          establishing a Base Funding Guarantee equal to the per pupil  
22          kindergarten through grade 12 funding received in accordance  
23          with this Section in the prior fiscal year. Reductions shall be  
24          made to the Base Funding Minimum of Organizational Units in  
25          Tier 3 and Tier 4 on a per pupil basis equivalent to the total  
26          number of the ASE in Tier 3-funded and Tier 4-funded

1 Organizational Units divided by the total reduction in State  
2 funding. The Base Funding Minimum as reduced shall continue to  
3 be applied to Tier 3 and Tier 4 Organizational Units and  
4 adjusted by the relative formula when increases in  
5 appropriations for this Section resume. In no event may State  
6 funding reductions to Organizational Units in Tier 3 or Tier 4  
7 exceed an amount that would be less than the Base Funding  
8 Minimum established in the first year of implementation of this  
9 Section. If additional reductions are required, all school  
10 districts shall receive a reduction by a per pupil amount equal  
11 to the aggregate additional appropriation reduction divided by  
12 the total ASE of all Organizational Units.

13 (8) The State Superintendent shall make minor adjustments  
14 to the distribution formulae set forth in this subsection (g)  
15 to account for the rounding of percentages to the nearest tenth  
16 of a percentage and dollar amounts to the nearest whole dollar.  
17 Further, in the event that all Tier 2 Organizational Units  
18 receive funding at the Tier 2 Target Ratio level, the State  
19 Superintendent shall allocate any remaining New State Funds to  
20 Tier 3 and Tier 4 Organizational Units.

21 (h) State Superintendent administration of funding and  
22 district submission requirements.

23 (1) The State Superintendent shall, in accordance with  
24 appropriations made by the General Assembly, meet the funding  
25 obligations created under this Section.

26 (2) The State Superintendent shall calculate the Adequacy

1 Target for each Organizational Unit and Net State Contribution  
2 Target for each Organizational Unit under this Section. The  
3 State Superintendent shall also certify the actual amounts of  
4 the New State Funds payable for each eligible Organizational  
5 Unit based on the equitable distribution calculation to the  
6 unit's treasurer, as soon as possible after such amounts are  
7 calculated, including any applicable adjusted charge-off  
8 increase. No Evidence-Based Funding shall be distributed  
9 within an Organizational Unit without the approval of the  
10 unit's school board.

11 (3) Annually, the State Superintendent shall calculate and  
12 report to each Organizational Unit the unit's aggregate  
13 financial adequacy amount, which shall be the sum of the  
14 Adequacy Target for each Organizational Unit. The State  
15 Superintendent shall calculate and report separately for each  
16 Organizational Unit the unit's total State funds allocated for  
17 its students with disabilities. The State Superintendent shall  
18 calculate and report separately for each Organizational Unit  
19 the amount of funding and applicable FTE calculated for each  
20 Essential Element of the unit's Adequacy Target.

21 (4) Moneys distributed under this Section shall be  
22 calculated on a school year basis, but paid on a fiscal year  
23 basis, with payments beginning in August and extending through  
24 June. Unless otherwise provided, the moneys appropriated for  
25 each fiscal year shall be distributed in 22 equal payments at  
26 least 2 times monthly to each Organizational Unit. The State

1 Board shall publish a yearly distribution schedule at its  
2 meeting in June. If moneys appropriated for any fiscal year are  
3 distributed other than monthly, the distribution shall be on  
4 the same basis for each Organizational Unit.

5 (5) Any school district that fails, for any given school  
6 year, to maintain school as required by law or to maintain a  
7 recognized school is not eligible to receive Evidence-Based  
8 Funding. In case of non-recognition of one or more attendance  
9 centers in a school district otherwise operating recognized  
10 schools, the claim of the district shall be reduced in the  
11 proportion that the enrollment in the attendance center or  
12 centers bears to the enrollment of the school district.  
13 "Recognized school" means any public school that meets the  
14 standards for recognition by the State Board. A school district  
15 or attendance center not having recognition status at the end  
16 of a school term is entitled to receive State aid payments due  
17 upon a legal claim that was filed while it was recognized.

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

21 (7) Each fiscal year, the State Superintendent shall  
22 calculate for each Organizational Unit an amount of its Base  
23 Funding Minimum and Evidence-Based Funding that shall be deemed  
24 attributable to the provision of special educational  
25 facilities and services, as defined in Section 14-1.08 of this  
26 Code, in a manner that ensures compliance with maintenance of

1 State financial support requirements under the federal  
2 Individuals with Disabilities Education Act. An Organizational  
3 Unit must use such funds only for the provision of special  
4 educational facilities and services, as defined in Section  
5 14-1.08 of this Code, and must comply with any expenditure  
6 verification procedures adopted by the State Board.

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

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

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

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

6           (C) application and enhancement of the current  
7           financial accountability measures and the Illinois  
8           Balanced Accountability Measures in relation to elements  
9           of the Evidence-Based Funding model; and

10           (D) implementation of an effective school adequacy  
11           funding system based on projected and recommended funding  
12           levels from the General Assembly.

13           (i) Professional Judgment Panel.

14           (1) A Professional Judgment Panel is created to study and  
15           review the implementation and effect of the Evidence-Based  
16           Funding model under this Section and to recommend continual  
17           recalibration and future study topics. The Panel shall be  
18           appointed by the State Superintendent, except as otherwise  
19           provided in paragraph (2) of this subsection (i) and include  
20           the following members:

21           (A) Two appointees that represent district  
22           superintendents, recommended by a statewide organization  
23           that represents district superintendents.

24           (B) Two appointees that represent school boards,  
25           recommended by a statewide organization that represents  
26           school boards.

1           (C) Two appointees from districts that represent  
2           school business officials, recommended by a statewide  
3           organization that represents school business officials.

4           (D) Two appointees that represent school principals,  
5           recommended by a statewide organization that represents  
6           school principals.

7           (E) Two appointees that represent teachers,  
8           recommended by a statewide organization that represents  
9           teachers.

10           (F) Two appointees that represent teachers,  
11           recommended by another statewide organization that  
12           represents teachers.

13           (G) Two appointees that represent regional  
14           superintendents of schools, recommended by organizations  
15           that represent regional superintendents.

16           (H) Two independent experts selected solely by the  
17           State Superintendent.

18           (I) Two independent experts recommended by public  
19           universities in this State.

20           (J) One member recommended by a statewide organization  
21           that represents parents.

22           (K) Two representatives recommended by collective  
23           impact organizations that represent major metropolitan  
24           areas or geographic areas in Illinois.

25           (L) One member from a statewide organization focused on  
26           research-based education policy to support a school system



1 that prepares all students for college, a career, and  
2 democratic citizenship.

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

5 The State Superintendent shall ensure that the membership of  
6 the Panel includes representatives from school districts and  
7 communities reflecting the geographic and socio-economic  
8 diversity of this State. Staff from the State Board shall staff  
9 the Panel.

10 (2) In addition to those Panel members appointed by the  
11 State Superintendent, 4 members of the General Assembly shall  
12 be appointed as follows: one member of the House of  
13 Representatives appointed by the Speaker of the House of  
14 Representatives, one member of the Senate appointed by the  
15 President of the Senate, one member of the House of  
16 Representatives appointed by the Minority Leader of the House  
17 of Representatives, and one member of the Senate appointed by  
18 the Minority Leader of the Senate.

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

24 (A) gifted under subparagraph (M) of paragraph (2) of  
25 subsection (b) of this Section;

26 (B) instructional materials under subparagraph (O) of

1 paragraph (2) of subsection (b) of this Section;

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

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

6 (E) maintenance and operations under subparagraph (S)  
7 of paragraph (2) of subsection (b) of this Section; and

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

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

14 (A) The format and scope of annual spending plans  
15 referenced in subsection (h) paragraph (8) of this Section.

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

19 (C) Maintenance and operations. Within 5 years after  
20 the implementation of this Section, the Panel shall make  
21 recommendations for the further study of maintenance and  
22 operations costs, including capital maintenance costs, and  
23 recommend any additional reporting data required from  
24 Organizational Units.

25 (D) "At-risk student" definition. Within 5 years after  
26 the implementation of this Section, the Panel shall make

1 recommendations for the further study and determination of  
2 an "at-risk student" definition.

3 (E) Benefits. Within 5 years after the implementation  
4 of this Section, the Panel shall make recommendations for  
5 further study of benefit costs.

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

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

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

1           (I) Funding for college and career acceleration  
2           strategies. By the beginning of the 2021-2022 school year,  
3           the Panel shall study and make recommendations regarding  
4           funding levels to support college and career acceleration  
5           strategies in high school that have been demonstrated to  
6           result in improved secondary and postsecondary outcomes,  
7           including Advanced Placement, dual-credit opportunities,  
8           and college and career pathway systems.

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

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

24           (j) Average Student Enrollment count adjustment for  
25           residential boarding school within identified school district.  
26           For the purposes of providing unique educational opportunities

1 to dependents or youths who are academic underperformers or who  
2 could become academic underperformers due to circumstances,  
3 but who have the potential to progress to high-performers who  
4 are high school and college bound, a school district may  
5 include eligible students that attend a Residential Boarding  
6 School Program within that same district within the district's  
7 Average Student Enrollment count should both parties deem  
8 appropriate.

9 As used in this subsection (j), "eligible student" means a  
10 student who is entitled to attend school, is at risk of  
11 academic failure, is currently enrolled in grades 1 through 8,  
12 is from a family who is low income, and meets at least one of  
13 the following additional risk factors:

14 (1) The student is in foster care or has been declared  
15 an adjudicated dependent by the court.

16 (2) The student's head of household is not the  
17 student's custodial parent.

18 (3) The student has been residing in a household that  
19 receives a housing voucher or has been determined eligible  
20 for public housing assistance or is homeless.

21 (4) The student is from an impoverished community.

22 (5) A member of the student's immediate family has been  
23 incarcerated.

24 (6) The student has experienced or is experiencing  
25 traumatic events identified as adverse childhood  
26 experiences that directly impact his or her educational

1           success, such as:

2                   (A) abuse or neglect;

3                   (B) bullying or exclusion;

4                   (C) poverty or homelessness;

5                   (D) discrimination;

6                   (E) a household with substance abuse;

7                   (F) witnessing or being a victim of violence;

8                   (G) household mental illness; and

9                   (H) divorce, deportation, or other family  
10                   separation.

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

16           (105 ILCS 5/18-9) (from Ch. 122, par. 18-9)

17           Sec. 18-9. Requirement for special equalization and  
18           supplementary State aid. If property comprising an aggregate  
19           assessed valuation equal to 6% or more of the total assessed  
20           valuation of all taxable property in a school district is owned  
21           by a person or corporation that is the subject of bankruptcy  
22           proceedings or that has been adjudged bankrupt and, as a result  
23           thereof, has not paid taxes on the property, then the district  
24           may amend its general State aid or evidence-based funding claim

25           (i) back to the inception of the bankruptcy, not to exceed 6

1 years, in which time those taxes were not paid and (ii) for  
2 each succeeding year that those taxes remain unpaid, by adding  
3 to the claim an amount determined by multiplying the assessed  
4 valuation of the property on which taxes have not been paid due  
5 to the bankruptcy by the lesser of the total tax rate for the  
6 district for the tax year for which the taxes are unpaid or the  
7 applicable rate used in calculating the district's general  
8 State aid under paragraph (3) of subsection (D) of Section  
9 18-8.05 of this Code or evidence-based funding under Section  
10 18-8.15 of this Code, as applicable. If at any time a district  
11 that receives additional State aid under this Section receives  
12 tax revenue from the property for the years that taxes were not  
13 paid, the district's next claim for State aid shall be reduced  
14 in an amount equal to the taxes paid on the property, not to  
15 exceed the additional State aid received under this Section.  
16 Claims under this Section shall be filed on forms prescribed by  
17 the State Superintendent of Education, and the State  
18 Superintendent of Education, upon receipt of a claim, shall  
19 adjust the claim in accordance with the provisions of this  
20 Section. Supplementary State aid for each succeeding year under  
21 this Section shall be paid beginning with the first general  
22 State aid or evidence-based funding claim paid after the  
23 district has filed a completed claim in accordance with this  
24 Section.

25 (Source: P.A. 95-496, eff. 8-28-07.)

1 (105 ILCS 5/18-12) (from Ch. 122, par. 18-12)

2 Sec. 18-12. Dates for filing State aid claims. The school  
3 board of each school district, a regional office of education,  
4 a laboratory school, or a State-authorized charter school shall  
5 require teachers, principals, or superintendents to furnish  
6 from records kept by them such data as it needs in preparing  
7 and certifying to the State Superintendent of Education its  
8 report of claims provided in Section 18-8.05 of this Code. The  
9 claim shall be based on the latest available equalized assessed  
10 valuation and tax rates, as provided in Section 18-8.05 or  
11 18-8.15, shall use the average daily attendance as determined  
12 by the method outlined in Section 18-8.05 or 18-8.15, and shall  
13 be certified and filed with the State Superintendent of  
14 Education by June 21 for districts and State-authorized charter  
15 schools with an official school calendar end date before June  
16 15 or within 2 weeks following the official school calendar end  
17 date for districts, regional offices of education, laboratory  
18 schools, or State-authorized charter schools with a school year  
19 end date of June 15 or later. Failure to so file by these  
20 deadlines constitutes a forfeiture of the right to receive  
21 payment by the State until such claim is filed. The State  
22 Superintendent of Education shall voucher for payment those  
23 claims to the State Comptroller as provided in Section 18-11.

24 Except as otherwise provided in this Section, if any school  
25 district fails to provide the minimum school term specified in  
26 Section 10-19, the State aid claim for that year shall be



1 reduced by the State Superintendent of Education in an amount  
2 equivalent to 1/176 or .56818% for each day less than the  
3 number of days required by this Code.

4 If the State Superintendent of Education determines that  
5 the failure to provide the minimum school term was occasioned  
6 by an act or acts of God, or was occasioned by conditions  
7 beyond the control of the school district which posed a  
8 hazardous threat to the health and safety of pupils, the State  
9 aid claim need not be reduced.

10 If a school district is precluded from providing the  
11 minimum hours of instruction required for a full day of  
12 attendance due to an adverse weather condition or a condition  
13 beyond the control of the school district that poses a  
14 hazardous threat to the health and safety of students, then the  
15 partial day of attendance may be counted if (i) the school  
16 district has provided at least one hour of instruction prior to  
17 the closure of the school district, (ii) a school building has  
18 provided at least one hour of instruction prior to the closure  
19 of the school building, or (iii) the normal start time of the  
20 school district is delayed.

21 If, prior to providing any instruction, a school district  
22 must close one or more but not all school buildings after  
23 consultation with a local emergency response agency or due to a  
24 condition beyond the control of the school district, then the  
25 school district may claim attendance for up to 2 school days  
26 based on the average attendance of the 3 school days

1 immediately preceding the closure of the affected school  
2 building or, if approved by the State Board of Education,  
3 utilize the provisions of an e-learning program for the  
4 affected school building as prescribed in Section 10-20.56 of  
5 this Code. The partial or no day of attendance described in  
6 this Section and the reasons therefore shall be certified  
7 within a month of the closing or delayed start by the school  
8 district superintendent to the regional superintendent of  
9 schools for forwarding to the State Superintendent of Education  
10 for approval.

11 Other than the utilization of any e-learning days as  
12 prescribed in Section 10-20.56 of this Code, no exception to  
13 the requirement of providing a minimum school term may be  
14 approved by the State Superintendent of Education pursuant to  
15 this Section unless a school district has first used all  
16 emergency days provided for in its regular calendar.

17 If the State Superintendent of Education declares that an  
18 energy shortage exists during any part of the school year for  
19 the State or a designated portion of the State, a district may  
20 operate the school attendance centers within the district 4  
21 days of the week during the time of the shortage by extending  
22 each existing school day by one clock hour of school work, and  
23 the State aid claim shall not be reduced, nor shall the  
24 employees of that district suffer any reduction in salary or  
25 benefits as a result thereof. A district may operate all  
26 attendance centers on this revised schedule, or may apply the

1 schedule to selected attendance centers, taking into  
2 consideration such factors as pupil transportation schedules  
3 and patterns and sources of energy for individual attendance  
4 centers.

5 Electronically submitted State aid claims shall be  
6 submitted by duly authorized district individuals over a secure  
7 network that is password protected. The electronic submission  
8 of a State aid claim must be accompanied with an affirmation  
9 that all of the provisions of Sections 18-8.05, 10-22.5, and  
10 24-4 of this Code are met in all respects.

11 (Source: P.A. 99-194, eff. 7-30-15; 99-657, eff. 7-28-16.)

12 (105 ILCS 5/26-16)

13 Sec. 26-16. Graduation incentives program.

14 (a) The General Assembly finds that it is critical to  
15 provide options for children to succeed in school. The purpose  
16 of this Section is to provide incentives for and encourage all  
17 Illinois students who have experienced or are experiencing  
18 difficulty in the traditional education system to enroll in  
19 alternative programs.

20 (b) Any student who is below the age of 20 years is  
21 eligible to enroll in a graduation incentives program if he or  
22 she:

23 (1) is considered a dropout pursuant to Section 26-2a  
24 of this Code;

25 (2) has been suspended or expelled pursuant to Section

1 10-22.6 or 34-19 of this Code;

2 (3) is pregnant or is a parent;

3 (4) has been assessed as chemically dependent; or

4 (5) is enrolled in a bilingual education or LEP  
5 program.

6 (c) The following programs qualify as graduation  
7 incentives programs for students meeting the criteria  
8 established in this Section:

9 (1) Any public elementary or secondary education  
10 graduation incentives program established by a school  
11 district or by a regional office of education.

12 (2) Any alternative learning opportunities program  
13 established pursuant to Article 13B of this Code.

14 (3) Vocational or job training courses approved by the  
15 State Superintendent of Education that are available  
16 through the Illinois public community college system.  
17 Students may apply for reimbursement of 50% of tuition  
18 costs for one course per semester or a maximum of 3 courses  
19 per school year. Subject to available funds, students may  
20 apply for reimbursement of up to 100% of tuition costs upon  
21 a showing of employment within 6 months after completion of  
22 a vocational or job training program. The qualifications  
23 for reimbursement shall be established by the State  
24 Superintendent of Education by rule.

25 (4) Job and career programs approved by the State  
26 Superintendent of Education that are available through

1 Illinois-accredited private business and vocational  
2 schools. Subject to available funds, pupils may apply for  
3 reimbursement of up to 100% of tuition costs upon a showing  
4 of employment within 6 months after completion of a job or  
5 career program. The State Superintendent of Education  
6 shall establish, by rule, the qualifications for  
7 reimbursement, criteria for determining reimbursement  
8 amounts, and limits on reimbursement.

9 (5) Adult education courses that offer preparation for  
10 high school equivalency testing.

11 (d) Graduation incentives programs established by school  
12 districts are entitled to claim general State aid and  
13 evidence-based funding, subject to Sections 13B-50, 13B-50.5,  
14 and 13B-50.10 of this Code. Graduation incentives programs  
15 operated by regional offices of education are entitled to  
16 receive general State aid and evidence-based funding at the  
17 foundation level of support per pupil enrolled. A school  
18 district must ensure that its graduation incentives program  
19 receives supplemental general State aid, transportation  
20 reimbursements, and special education resources, if  
21 appropriate, for students enrolled in the program.

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

23 (105 ILCS 5/27-8.1) (from Ch. 122, par. 27-8.1)

24 (Text of Section before amendment by P.A. 99-927)

25 Sec. 27-8.1. Health examinations and immunizations.

1           (1) In compliance with rules and regulations which the  
2 Department of Public Health shall promulgate, and except as  
3 hereinafter provided, all children in Illinois shall have a  
4 health examination as follows: within one year prior to  
5 entering kindergarten or the first grade of any public,  
6 private, or parochial elementary school; upon entering the  
7 sixth and ninth grades of any public, private, or parochial  
8 school; prior to entrance into any public, private, or  
9 parochial nursery school; and, irrespective of grade,  
10 immediately prior to or upon entrance into any public, private,  
11 or parochial school or nursery school, each child shall present  
12 proof of having been examined in accordance with this Section  
13 and the rules and regulations promulgated hereunder. Any child  
14 who received a health examination within one year prior to  
15 entering the fifth grade for the 2007-2008 school year is not  
16 required to receive an additional health examination in order  
17 to comply with the provisions of Public Act 95-422 when he or  
18 she attends school for the 2008-2009 school year, unless the  
19 child is attending school for the first time as provided in  
20 this paragraph.

21           A tuberculosis skin test screening shall be included as a  
22 required part of each health examination included under this  
23 Section if the child resides in an area designated by the  
24 Department of Public Health as having a high incidence of  
25 tuberculosis. Additional health examinations of pupils,  
26 including eye examinations, may be required when deemed

1 necessary by school authorities. Parents are encouraged to have  
2 their children undergo eye examinations at the same points in  
3 time required for health examinations.

4 (1.5) In compliance with rules adopted by the Department of  
5 Public Health and except as otherwise provided in this Section,  
6 all children in kindergarten and the second and sixth grades of  
7 any public, private, or parochial school shall have a dental  
8 examination. Each of these children shall present proof of  
9 having been examined by a dentist in accordance with this  
10 Section and rules adopted under this Section before May 15th of  
11 the school year. If a child in the second or sixth grade fails  
12 to present proof by May 15th, the school may hold the child's  
13 report card until one of the following occurs: (i) the child  
14 presents proof of a completed dental examination or (ii) the  
15 child presents proof that a dental examination will take place  
16 within 60 days after May 15th. The Department of Public Health  
17 shall establish, by rule, a waiver for children who show an  
18 undue burden or a lack of access to a dentist. Each public,  
19 private, and parochial school must give notice of this dental  
20 examination requirement to the parents and guardians of  
21 students at least 60 days before May 15th of each school year.

22 (1.10) Except as otherwise provided in this Section, all  
23 children enrolling in kindergarten in a public, private, or  
24 parochial school on or after the effective date of this  
25 amendatory Act of the 95th General Assembly and any student  
26 enrolling for the first time in a public, private, or parochial

1 school on or after the effective date of this amendatory Act of  
2 the 95th General Assembly shall have an eye examination. Each  
3 of these children shall present proof of having been examined  
4 by a physician licensed to practice medicine in all of its  
5 branches or a licensed optometrist within the previous year, in  
6 accordance with this Section and rules adopted under this  
7 Section, before October 15th of the school year. If the child  
8 fails to present proof by October 15th, the school may hold the  
9 child's report card until one of the following occurs: (i) the  
10 child presents proof of a completed eye examination or (ii) the  
11 child presents proof that an eye examination will take place  
12 within 60 days after October 15th. The Department of Public  
13 Health shall establish, by rule, a waiver for children who show  
14 an undue burden or a lack of access to a physician licensed to  
15 practice medicine in all of its branches who provides eye  
16 examinations or to a licensed optometrist. Each public,  
17 private, and parochial school must give notice of this eye  
18 examination requirement to the parents and guardians of  
19 students in compliance with rules of the Department of Public  
20 Health. Nothing in this Section shall be construed to allow a  
21 school to exclude a child from attending because of a parent's  
22 or guardian's failure to obtain an eye examination for the  
23 child.

24 (2) The Department of Public Health shall promulgate rules  
25 and regulations specifying the examinations and procedures  
26 that constitute a health examination, which shall include the



1 collection of data relating to obesity (including at a minimum,  
2 date of birth, gender, height, weight, blood pressure, and date  
3 of exam), and a dental examination and may recommend by rule  
4 that certain additional examinations be performed. The rules  
5 and regulations of the Department of Public Health shall  
6 specify that a tuberculosis skin test screening shall be  
7 included as a required part of each health examination included  
8 under this Section if the child resides in an area designated  
9 by the Department of Public Health as having a high incidence  
10 of tuberculosis. The Department of Public Health shall specify  
11 that a diabetes screening as defined by rule shall be included  
12 as a required part of each health examination. Diabetes testing  
13 is not required.

14 Physicians licensed to practice medicine in all of its  
15 branches, licensed advanced practice nurses, or licensed  
16 physician assistants shall be responsible for the performance  
17 of the health examinations, other than dental examinations, eye  
18 examinations, and vision and hearing screening, and shall sign  
19 all report forms required by subsection (4) of this Section  
20 that pertain to those portions of the health examination for  
21 which the physician, advanced practice nurse, or physician  
22 assistant is responsible. If a registered nurse performs any  
23 part of a health examination, then a physician licensed to  
24 practice medicine in all of its branches must review and sign  
25 all required report forms. Licensed dentists shall perform all  
26 dental examinations and shall sign all report forms required by

1 subsection (4) of this Section that pertain to the dental  
2 examinations. Physicians licensed to practice medicine in all  
3 its branches or licensed optometrists shall perform all eye  
4 examinations required by this Section and shall sign all report  
5 forms required by subsection (4) of this Section that pertain  
6 to the eye examination. For purposes of this Section, an eye  
7 examination shall at a minimum include history, visual acuity,  
8 subjective refraction to best visual acuity near and far,  
9 internal and external examination, and a glaucoma evaluation,  
10 as well as any other tests or observations that in the  
11 professional judgment of the doctor are necessary. Vision and  
12 hearing screening tests, which shall not be considered  
13 examinations as that term is used in this Section, shall be  
14 conducted in accordance with rules and regulations of the  
15 Department of Public Health, and by individuals whom the  
16 Department of Public Health has certified. In these rules and  
17 regulations, the Department of Public Health shall require that  
18 individuals conducting vision screening tests give a child's  
19 parent or guardian written notification, before the vision  
20 screening is conducted, that states, "Vision screening is not a  
21 substitute for a complete eye and vision evaluation by an eye  
22 doctor. Your child is not required to undergo this vision  
23 screening if an optometrist or ophthalmologist has completed  
24 and signed a report form indicating that an examination has  
25 been administered within the previous 12 months."

26 (3) Every child shall, at or about the same time as he or

1 she receives a health examination required by subsection (1) of  
2 this Section, present to the local school proof of having  
3 received such immunizations against preventable communicable  
4 diseases as the Department of Public Health shall require by  
5 rules and regulations promulgated pursuant to this Section and  
6 the Communicable Disease Prevention Act.

7 (4) The individuals conducting the health examination,  
8 dental examination, or eye examination shall record the fact of  
9 having conducted the examination, and such additional  
10 information as required, including for a health examination  
11 data relating to obesity (including at a minimum, date of  
12 birth, gender, height, weight, blood pressure, and date of  
13 exam), on uniform forms which the Department of Public Health  
14 and the State Board of Education shall prescribe for statewide  
15 use. The examiner shall summarize on the report form any  
16 condition that he or she suspects indicates a need for special  
17 services, including for a health examination factors relating  
18 to obesity. The individuals confirming the administration of  
19 required immunizations shall record as indicated on the form  
20 that the immunizations were administered.

21 (5) If a child does not submit proof of having had either  
22 the health examination or the immunization as required, then  
23 the child shall be examined or receive the immunization, as the  
24 case may be, and present proof by October 15 of the current  
25 school year, or by an earlier date of the current school year  
26 established by a school district. To establish a date before

1 October 15 of the current school year for the health  
2 examination or immunization as required, a school district must  
3 give notice of the requirements of this Section 60 days prior  
4 to the earlier established date. If for medical reasons one or  
5 more of the required immunizations must be given after October  
6 15 of the current school year, or after an earlier established  
7 date of the current school year, then the child shall present,  
8 by October 15, or by the earlier established date, a schedule  
9 for the administration of the immunizations and a statement of  
10 the medical reasons causing the delay, both the schedule and  
11 the statement being issued by the physician, advanced practice  
12 nurse, physician assistant, registered nurse, or local health  
13 department that will be responsible for administration of the  
14 remaining required immunizations. If a child does not comply by  
15 October 15, or by the earlier established date of the current  
16 school year, with the requirements of this subsection, then the  
17 local school authority shall exclude that child from school  
18 until such time as the child presents proof of having had the  
19 health examination as required and presents proof of having  
20 received those required immunizations which are medically  
21 possible to receive immediately. During a child's exclusion  
22 from school for noncompliance with this subsection, the child's  
23 parents or legal guardian shall be considered in violation of  
24 Section 26-1 and subject to any penalty imposed by Section  
25 26-10. This subsection (5) does not apply to dental  
26 examinations and eye examinations. If the student is an

1 out-of-state transfer student and does not have the proof  
2 required under this subsection (5) before October 15 of the  
3 current year or whatever date is set by the school district,  
4 then he or she may only attend classes (i) if he or she has  
5 proof that an appointment for the required vaccinations has  
6 been scheduled with a party authorized to submit proof of the  
7 required vaccinations. If the proof of vaccination required  
8 under this subsection (5) is not submitted within 30 days after  
9 the student is permitted to attend classes, then the student is  
10 not to be permitted to attend classes until proof of the  
11 vaccinations has been properly submitted. No school district or  
12 employee of a school district shall be held liable for any  
13 injury or illness to another person that results from admitting  
14 an out-of-state transfer student to class that has an  
15 appointment scheduled pursuant to this subsection (5).

16 (6) Every school shall report to the State Board of  
17 Education by November 15, in the manner which that agency shall  
18 require, the number of children who have received the necessary  
19 immunizations and the health examination (other than a dental  
20 examination or eye examination) as required, indicating, of  
21 those who have not received the immunizations and examination  
22 as required, the number of children who are exempt from health  
23 examination and immunization requirements on religious or  
24 medical grounds as provided in subsection (8). On or before  
25 December 1 of each year, every public school district and  
26 registered nonpublic school shall make publicly available the

1 immunization data they are required to submit to the State  
2 Board of Education by November 15. The immunization data made  
3 publicly available must be identical to the data the school  
4 district or school has reported to the State Board of  
5 Education.

6 Every school shall report to the State Board of Education  
7 by June 30, in the manner that the State Board requires, the  
8 number of children who have received the required dental  
9 examination, indicating, of those who have not received the  
10 required dental examination, the number of children who are  
11 exempt from the dental examination on religious grounds as  
12 provided in subsection (8) of this Section and the number of  
13 children who have received a waiver under subsection (1.5) of  
14 this Section.

15 Every school shall report to the State Board of Education  
16 by June 30, in the manner that the State Board requires, the  
17 number of children who have received the required eye  
18 examination, indicating, of those who have not received the  
19 required eye examination, the number of children who are exempt  
20 from the eye examination as provided in subsection (8) of this  
21 Section, the number of children who have received a waiver  
22 under subsection (1.10) of this Section, and the total number  
23 of children in noncompliance with the eye examination  
24 requirement.

25 The reported information under this subsection (6) shall be  
26 provided to the Department of Public Health by the State Board

1 of Education.

2 (7) Upon determining that the number of pupils who are  
3 required to be in compliance with subsection (5) of this  
4 Section is below 90% of the number of pupils enrolled in the  
5 school district, 10% of each State aid payment made pursuant to  
6 Section 18-8.05 or 18-8.15 to the school district for such year  
7 may be withheld by the State Board of Education until the  
8 number of students in compliance with subsection (5) is the  
9 applicable specified percentage or higher.

10 (8) Children of parents or legal guardians who object to  
11 health, dental, or eye examinations or any part thereof, to  
12 immunizations, or to vision and hearing screening tests on  
13 religious grounds shall not be required to undergo the  
14 examinations, tests, or immunizations to which they so object  
15 if such parents or legal guardians present to the appropriate  
16 local school authority a signed Certificate of Religious  
17 Exemption detailing the grounds for objection and the specific  
18 immunizations, tests, or examinations to which they object. The  
19 grounds for objection must set forth the specific religious  
20 belief that conflicts with the examination, test,  
21 immunization, or other medical intervention. The signed  
22 certificate shall also reflect the parent's or legal guardian's  
23 understanding of the school's exclusion policies in the case of  
24 a vaccine-preventable disease outbreak or exposure. The  
25 certificate must also be signed by the authorized examining  
26 health care provider responsible for the performance of the

1 child's health examination confirming that the provider  
2 provided education to the parent or legal guardian on the  
3 benefits of immunization and the health risks to the student  
4 and to the community of the communicable diseases for which  
5 immunization is required in this State. However, the health  
6 care provider's signature on the certificate reflects only that  
7 education was provided and does not allow a health care  
8 provider grounds to determine a religious exemption. Those  
9 receiving immunizations required under this Code shall be  
10 provided with the relevant vaccine information statements that  
11 are required to be disseminated by the federal National  
12 Childhood Vaccine Injury Act of 1986, which may contain  
13 information on circumstances when a vaccine should not be  
14 administered, prior to administering a vaccine. A healthcare  
15 provider may consider including without limitation the  
16 nationally accepted recommendations from federal agencies such  
17 as the Advisory Committee on Immunization Practices, the  
18 information outlined in the relevant vaccine information  
19 statement, and vaccine package inserts, along with the  
20 healthcare provider's clinical judgment, to determine whether  
21 any child may be more susceptible to experiencing an adverse  
22 vaccine reaction than the general population, and, if so, the  
23 healthcare provider may exempt the child from an immunization  
24 or adopt an individualized immunization schedule. The  
25 Certificate of Religious Exemption shall be created by the  
26 Department of Public Health and shall be made available and



1 used by parents and legal guardians by the beginning of the  
2 2015-2016 school year. Parents or legal guardians must submit  
3 the Certificate of Religious Exemption to their local school  
4 authority prior to entering kindergarten, sixth grade, and  
5 ninth grade for each child for which they are requesting an  
6 exemption. The religious objection stated need not be directed  
7 by the tenets of an established religious organization.  
8 However, general philosophical or moral reluctance to allow  
9 physical examinations, eye examinations, immunizations, vision  
10 and hearing screenings, or dental examinations does not provide  
11 a sufficient basis for an exception to statutory requirements.  
12 The local school authority is responsible for determining if  
13 the content of the Certificate of Religious Exemption  
14 constitutes a valid religious objection. The local school  
15 authority shall inform the parent or legal guardian of  
16 exclusion procedures, in accordance with the Department's  
17 rules under Part 690 of Title 77 of the Illinois Administrative  
18 Code, at the time the objection is presented.

19 If the physical condition of the child is such that any one  
20 or more of the immunizing agents should not be administered,  
21 the examining physician, advanced practice nurse, or physician  
22 assistant responsible for the performance of the health  
23 examination shall endorse that fact upon the health examination  
24 form.

25 Exempting a child from the health, dental, or eye  
26 examination does not exempt the child from participation in the

1 program of physical education training provided in Sections  
2 27-5 through 27-7 of this Code.

3 (9) For the purposes of this Section, "nursery schools"  
4 means those nursery schools operated by elementary school  
5 systems or secondary level school units or institutions of  
6 higher learning.

7 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;  
8 99-249, eff. 8-3-15; 99-642, eff. 7-28-16.)

9 (Text of Section after amendment by P.A. 99-927)

10 Sec. 27-8.1. Health examinations and immunizations.

11 (1) In compliance with rules and regulations which the  
12 Department of Public Health shall promulgate, and except as  
13 hereinafter provided, all children in Illinois shall have a  
14 health examination as follows: within one year prior to  
15 entering kindergarten or the first grade of any public,  
16 private, or parochial elementary school; upon entering the  
17 sixth and ninth grades of any public, private, or parochial  
18 school; prior to entrance into any public, private, or  
19 parochial nursery school; and, irrespective of grade,  
20 immediately prior to or upon entrance into any public, private,  
21 or parochial school or nursery school, each child shall present  
22 proof of having been examined in accordance with this Section  
23 and the rules and regulations promulgated hereunder. Any child  
24 who received a health examination within one year prior to  
25 entering the fifth grade for the 2007-2008 school year is not

1 required to receive an additional health examination in order  
2 to comply with the provisions of Public Act 95-422 when he or  
3 she attends school for the 2008-2009 school year, unless the  
4 child is attending school for the first time as provided in  
5 this paragraph.

6 A tuberculosis skin test screening shall be included as a  
7 required part of each health examination included under this  
8 Section if the child resides in an area designated by the  
9 Department of Public Health as having a high incidence of  
10 tuberculosis. Additional health examinations of pupils,  
11 including eye examinations, may be required when deemed  
12 necessary by school authorities. Parents are encouraged to have  
13 their children undergo eye examinations at the same points in  
14 time required for health examinations.

15 (1.5) In compliance with rules adopted by the Department of  
16 Public Health and except as otherwise provided in this Section,  
17 all children in kindergarten and the second and sixth grades of  
18 any public, private, or parochial school shall have a dental  
19 examination. Each of these children shall present proof of  
20 having been examined by a dentist in accordance with this  
21 Section and rules adopted under this Section before May 15th of  
22 the school year. If a child in the second or sixth grade fails  
23 to present proof by May 15th, the school may hold the child's  
24 report card until one of the following occurs: (i) the child  
25 presents proof of a completed dental examination or (ii) the  
26 child presents proof that a dental examination will take place

1 within 60 days after May 15th. The Department of Public Health  
2 shall establish, by rule, a waiver for children who show an  
3 undue burden or a lack of access to a dentist. Each public,  
4 private, and parochial school must give notice of this dental  
5 examination requirement to the parents and guardians of  
6 students at least 60 days before May 15th of each school year.

7 (1.10) Except as otherwise provided in this Section, all  
8 children enrolling in kindergarten in a public, private, or  
9 parochial school on or after the effective date of this  
10 amendatory Act of the 95th General Assembly and any student  
11 enrolling for the first time in a public, private, or parochial  
12 school on or after the effective date of this amendatory Act of  
13 the 95th General Assembly shall have an eye examination. Each  
14 of these children shall present proof of having been examined  
15 by a physician licensed to practice medicine in all of its  
16 branches or a licensed optometrist within the previous year, in  
17 accordance with this Section and rules adopted under this  
18 Section, before October 15th of the school year. If the child  
19 fails to present proof by October 15th, the school may hold the  
20 child's report card until one of the following occurs: (i) the  
21 child presents proof of a completed eye examination or (ii) the  
22 child presents proof that an eye examination will take place  
23 within 60 days after October 15th. The Department of Public  
24 Health shall establish, by rule, a waiver for children who show  
25 an undue burden or a lack of access to a physician licensed to  
26 practice medicine in all of its branches who provides eye

1 examinations or to a licensed optometrist. Each public,  
2 private, and parochial school must give notice of this eye  
3 examination requirement to the parents and guardians of  
4 students in compliance with rules of the Department of Public  
5 Health. Nothing in this Section shall be construed to allow a  
6 school to exclude a child from attending because of a parent's  
7 or guardian's failure to obtain an eye examination for the  
8 child.

9 (2) The Department of Public Health shall promulgate rules  
10 and regulations specifying the examinations and procedures  
11 that constitute a health examination, which shall include an  
12 age-appropriate developmental screening, an age-appropriate  
13 social and emotional screening, and the collection of data  
14 relating to obesity (including at a minimum, date of birth,  
15 gender, height, weight, blood pressure, and date of exam), and  
16 a dental examination and may recommend by rule that certain  
17 additional examinations be performed. The rules and  
18 regulations of the Department of Public Health shall specify  
19 that a tuberculosis skin test screening shall be included as a  
20 required part of each health examination included under this  
21 Section if the child resides in an area designated by the  
22 Department of Public Health as having a high incidence of  
23 tuberculosis. With respect to the developmental screening and  
24 the social and emotional screening, the Department of Public  
25 Health must develop rules and appropriate revisions to the  
26 Child Health Examination form in conjunction with a statewide

1 organization representing school boards; a statewide  
2 organization representing pediatricians; statewide  
3 organizations representing individuals holding Illinois  
4 educator licenses with school support personnel endorsements,  
5 including school social workers, school psychologists, and  
6 school nurses; a statewide organization representing  
7 children's mental health experts; a statewide organization  
8 representing school principals; the Director of Healthcare and  
9 Family Services or his or her designee, the State  
10 Superintendent of Education or his or her designee; and  
11 representatives of other appropriate State agencies and, at a  
12 minimum, must recommend the use of validated screening tools  
13 appropriate to the child's age or grade, and, with regard to  
14 the social and emotional screening, require recording only  
15 whether or not the screening was completed. The rules shall  
16 take into consideration the screening recommendations of the  
17 American Academy of Pediatrics and must be consistent with the  
18 State Board of Education's social and emotional learning  
19 standards. The Department of Public Health shall specify that a  
20 diabetes screening as defined by rule shall be included as a  
21 required part of each health examination. Diabetes testing is  
22 not required.

23 Physicians licensed to practice medicine in all of its  
24 branches, licensed advanced practice nurses, or licensed  
25 physician assistants shall be responsible for the performance  
26 of the health examinations, other than dental examinations, eye

1 examinations, and vision and hearing screening, and shall sign  
2 all report forms required by subsection (4) of this Section  
3 that pertain to those portions of the health examination for  
4 which the physician, advanced practice nurse, or physician  
5 assistant is responsible. If a registered nurse performs any  
6 part of a health examination, then a physician licensed to  
7 practice medicine in all of its branches must review and sign  
8 all required report forms. Licensed dentists shall perform all  
9 dental examinations and shall sign all report forms required by  
10 subsection (4) of this Section that pertain to the dental  
11 examinations. Physicians licensed to practice medicine in all  
12 its branches or licensed optometrists shall perform all eye  
13 examinations required by this Section and shall sign all report  
14 forms required by subsection (4) of this Section that pertain  
15 to the eye examination. For purposes of this Section, an eye  
16 examination shall at a minimum include history, visual acuity,  
17 subjective refraction to best visual acuity near and far,  
18 internal and external examination, and a glaucoma evaluation,  
19 as well as any other tests or observations that in the  
20 professional judgment of the doctor are necessary. Vision and  
21 hearing screening tests, which shall not be considered  
22 examinations as that term is used in this Section, shall be  
23 conducted in accordance with rules and regulations of the  
24 Department of Public Health, and by individuals whom the  
25 Department of Public Health has certified. In these rules and  
26 regulations, the Department of Public Health shall require that

1 individuals conducting vision screening tests give a child's  
2 parent or guardian written notification, before the vision  
3 screening is conducted, that states, "Vision screening is not a  
4 substitute for a complete eye and vision evaluation by an eye  
5 doctor. Your child is not required to undergo this vision  
6 screening if an optometrist or ophthalmologist has completed  
7 and signed a report form indicating that an examination has  
8 been administered within the previous 12 months."

9 (2.5) With respect to the developmental screening and the  
10 social and emotional screening portion of the health  
11 examination, each child may present proof of having been  
12 screened in accordance with this Section and the rules adopted  
13 under this Section before October 15th of the school year. With  
14 regard to the social and emotional screening only, the  
15 examining health care provider shall only record whether or not  
16 the screening was completed. If the child fails to present  
17 proof of the developmental screening or the social and  
18 emotional screening portions of the health examination by  
19 October 15th of the school year, qualified school support  
20 personnel may, with a parent's or guardian's consent, offer the  
21 developmental screening or the social and emotional screening  
22 to the child. Each public, private, and parochial school must  
23 give notice of the developmental screening and social and  
24 emotional screening requirements to the parents and guardians  
25 of students in compliance with the rules of the Department of  
26 Public Health. Nothing in this Section shall be construed to



1 allow a school to exclude a child from attending because of a  
2 parent's or guardian's failure to obtain a developmental  
3 screening or a social and emotional screening for the child.  
4 Once a developmental screening or a social and emotional  
5 screening is completed and proof has been presented to the  
6 school, the school may, with a parent's or guardian's consent,  
7 make available appropriate school personnel to work with the  
8 parent or guardian, the child, and the provider who signed the  
9 screening form to obtain any appropriate evaluations and  
10 services as indicated on the form and in other information and  
11 documentation provided by the parents, guardians, or provider.

12 (3) Every child shall, at or about the same time as he or  
13 she receives a health examination required by subsection (1) of  
14 this Section, present to the local school proof of having  
15 received such immunizations against preventable communicable  
16 diseases as the Department of Public Health shall require by  
17 rules and regulations promulgated pursuant to this Section and  
18 the Communicable Disease Prevention Act.

19 (4) The individuals conducting the health examination,  
20 dental examination, or eye examination shall record the fact of  
21 having conducted the examination, and such additional  
22 information as required, including for a health examination  
23 data relating to obesity (including at a minimum, date of  
24 birth, gender, height, weight, blood pressure, and date of  
25 exam), on uniform forms which the Department of Public Health  
26 and the State Board of Education shall prescribe for statewide

1 use. The examiner shall summarize on the report form any  
2 condition that he or she suspects indicates a need for special  
3 services, including for a health examination factors relating  
4 to obesity. The duty to summarize on the report form does not  
5 apply to social and emotional screenings. The confidentiality  
6 of the information and records relating to the developmental  
7 screening and the social and emotional screening shall be  
8 determined by the statutes, rules, and professional ethics  
9 governing the type of provider conducting the screening. The  
10 individuals confirming the administration of required  
11 immunizations shall record as indicated on the form that the  
12 immunizations were administered.

13 (5) If a child does not submit proof of having had either  
14 the health examination or the immunization as required, then  
15 the child shall be examined or receive the immunization, as the  
16 case may be, and present proof by October 15 of the current  
17 school year, or by an earlier date of the current school year  
18 established by a school district. To establish a date before  
19 October 15 of the current school year for the health  
20 examination or immunization as required, a school district must  
21 give notice of the requirements of this Section 60 days prior  
22 to the earlier established date. If for medical reasons one or  
23 more of the required immunizations must be given after October  
24 15 of the current school year, or after an earlier established  
25 date of the current school year, then the child shall present,  
26 by October 15, or by the earlier established date, a schedule

1 for the administration of the immunizations and a statement of  
2 the medical reasons causing the delay, both the schedule and  
3 the statement being issued by the physician, advanced practice  
4 nurse, physician assistant, registered nurse, or local health  
5 department that will be responsible for administration of the  
6 remaining required immunizations. If a child does not comply by  
7 October 15, or by the earlier established date of the current  
8 school year, with the requirements of this subsection, then the  
9 local school authority shall exclude that child from school  
10 until such time as the child presents proof of having had the  
11 health examination as required and presents proof of having  
12 received those required immunizations which are medically  
13 possible to receive immediately. During a child's exclusion  
14 from school for noncompliance with this subsection, the child's  
15 parents or legal guardian shall be considered in violation of  
16 Section 26-1 and subject to any penalty imposed by Section  
17 26-10. This subsection (5) does not apply to dental  
18 examinations, eye examinations, and the developmental  
19 screening and the social and emotional screening portions of  
20 the health examination. If the student is an out-of-state  
21 transfer student and does not have the proof required under  
22 this subsection (5) before October 15 of the current year or  
23 whatever date is set by the school district, then he or she may  
24 only attend classes (i) if he or she has proof that an  
25 appointment for the required vaccinations has been scheduled  
26 with a party authorized to submit proof of the required

1 vaccinations. If the proof of vaccination required under this  
2 subsection (5) is not submitted within 30 days after the  
3 student is permitted to attend classes, then the student is not  
4 to be permitted to attend classes until proof of the  
5 vaccinations has been properly submitted. No school district or  
6 employee of a school district shall be held liable for any  
7 injury or illness to another person that results from admitting  
8 an out-of-state transfer student to class that has an  
9 appointment scheduled pursuant to this subsection (5).

10 (6) Every school shall report to the State Board of  
11 Education by November 15, in the manner which that agency shall  
12 require, the number of children who have received the necessary  
13 immunizations and the health examination (other than a dental  
14 examination or eye examination) as required, indicating, of  
15 those who have not received the immunizations and examination  
16 as required, the number of children who are exempt from health  
17 examination and immunization requirements on religious or  
18 medical grounds as provided in subsection (8). On or before  
19 December 1 of each year, every public school district and  
20 registered nonpublic school shall make publicly available the  
21 immunization data they are required to submit to the State  
22 Board of Education by November 15. The immunization data made  
23 publicly available must be identical to the data the school  
24 district or school has reported to the State Board of  
25 Education.

26 Every school shall report to the State Board of Education

1 by June 30, in the manner that the State Board requires, the  
2 number of children who have received the required dental  
3 examination, indicating, of those who have not received the  
4 required dental examination, the number of children who are  
5 exempt from the dental examination on religious grounds as  
6 provided in subsection (8) of this Section and the number of  
7 children who have received a waiver under subsection (1.5) of  
8 this Section.

9 Every school shall report to the State Board of Education  
10 by June 30, in the manner that the State Board requires, the  
11 number of children who have received the required eye  
12 examination, indicating, of those who have not received the  
13 required eye examination, the number of children who are exempt  
14 from the eye examination as provided in subsection (8) of this  
15 Section, the number of children who have received a waiver  
16 under subsection (1.10) of this Section, and the total number  
17 of children in noncompliance with the eye examination  
18 requirement.

19 The reported information under this subsection (6) shall be  
20 provided to the Department of Public Health by the State Board  
21 of Education.

22 (7) Upon determining that the number of pupils who are  
23 required to be in compliance with subsection (5) of this  
24 Section is below 90% of the number of pupils enrolled in the  
25 school district, 10% of each State aid payment made pursuant to  
26 Section 18-8.05 or 18-8.15 to the school district for such year

1 may be withheld by the State Board of Education until the  
2 number of students in compliance with subsection (5) is the  
3 applicable specified percentage or higher.

4 (8) Children of parents or legal guardians who object to  
5 health, dental, or eye examinations or any part thereof, to  
6 immunizations, or to vision and hearing screening tests on  
7 religious grounds shall not be required to undergo the  
8 examinations, tests, or immunizations to which they so object  
9 if such parents or legal guardians present to the appropriate  
10 local school authority a signed Certificate of Religious  
11 Exemption detailing the grounds for objection and the specific  
12 immunizations, tests, or examinations to which they object. The  
13 grounds for objection must set forth the specific religious  
14 belief that conflicts with the examination, test,  
15 immunization, or other medical intervention. The signed  
16 certificate shall also reflect the parent's or legal guardian's  
17 understanding of the school's exclusion policies in the case of  
18 a vaccine-preventable disease outbreak or exposure. The  
19 certificate must also be signed by the authorized examining  
20 health care provider responsible for the performance of the  
21 child's health examination confirming that the provider  
22 provided education to the parent or legal guardian on the  
23 benefits of immunization and the health risks to the student  
24 and to the community of the communicable diseases for which  
25 immunization is required in this State. However, the health  
26 care provider's signature on the certificate reflects only that

1 education was provided and does not allow a health care  
2 provider grounds to determine a religious exemption. Those  
3 receiving immunizations required under this Code shall be  
4 provided with the relevant vaccine information statements that  
5 are required to be disseminated by the federal National  
6 Childhood Vaccine Injury Act of 1986, which may contain  
7 information on circumstances when a vaccine should not be  
8 administered, prior to administering a vaccine. A healthcare  
9 provider may consider including without limitation the  
10 nationally accepted recommendations from federal agencies such  
11 as the Advisory Committee on Immunization Practices, the  
12 information outlined in the relevant vaccine information  
13 statement, and vaccine package inserts, along with the  
14 healthcare provider's clinical judgment, to determine whether  
15 any child may be more susceptible to experiencing an adverse  
16 vaccine reaction than the general population, and, if so, the  
17 healthcare provider may exempt the child from an immunization  
18 or adopt an individualized immunization schedule. The  
19 Certificate of Religious Exemption shall be created by the  
20 Department of Public Health and shall be made available and  
21 used by parents and legal guardians by the beginning of the  
22 2015-2016 school year. Parents or legal guardians must submit  
23 the Certificate of Religious Exemption to their local school  
24 authority prior to entering kindergarten, sixth grade, and  
25 ninth grade for each child for which they are requesting an  
26 exemption. The religious objection stated need not be directed

1 by the tenets of an established religious organization.  
2 However, general philosophical or moral reluctance to allow  
3 physical examinations, eye examinations, immunizations, vision  
4 and hearing screenings, or dental examinations does not provide  
5 a sufficient basis for an exception to statutory requirements.  
6 The local school authority is responsible for determining if  
7 the content of the Certificate of Religious Exemption  
8 constitutes a valid religious objection. The local school  
9 authority shall inform the parent or legal guardian of  
10 exclusion procedures, in accordance with the Department's  
11 rules under Part 690 of Title 77 of the Illinois Administrative  
12 Code, at the time the objection is presented.

13 If the physical condition of the child is such that any one  
14 or more of the immunizing agents should not be administered,  
15 the examining physician, advanced practice nurse, or physician  
16 assistant responsible for the performance of the health  
17 examination shall endorse that fact upon the health examination  
18 form.

19 Exempting a child from the health, dental, or eye  
20 examination does not exempt the child from participation in the  
21 program of physical education training provided in Sections  
22 27-5 through 27-7 of this Code.

23 (9) For the purposes of this Section, "nursery schools"  
24 means those nursery schools operated by elementary school  
25 systems or secondary level school units or institutions of  
26 higher learning.



1 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;  
2 99-249, eff. 8-3-15; 99-642, eff. 7-28-16; 99-927, eff.  
3 6-1-17.)

4 (105 ILCS 5/27A-9)

5 Sec. 27A-9. Term of charter; renewal.

6 (a) For charters granted before January 1, 2017 (the  
7 effective date of Public Act 99-840) ~~this amendatory Act of the~~  
8 ~~99th General Assembly~~, a charter may be granted for a period  
9 not less than 5 and not more than 10 school years. For charters  
10 granted on or after January 1, 2017 (the effective date of  
11 Public Act 99-840) ~~this amendatory Act of the 99th General~~  
12 ~~Assembly~~, a charter shall be granted for a period of 5 school  
13 years. For charters renewed 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 renewed in incremental  
16 periods not to exceed 5 school years. For charters renewed on  
17 or after January 1, 2017 (the effective date of Public Act  
18 99-840) ~~this amendatory Act of the 99th General Assembly~~, a  
19 charter may be renewed in incremental periods not to exceed 10  
20 school years; however, the Commission may renew a charter only  
21 in incremental periods not to exceed 5 years. Authorizers shall  
22 ensure that every charter granted on or after January 1, 2017  
23 (the effective date of Public Act 99-840) ~~this amendatory Act~~  
24 ~~of the 99th General Assembly~~ includes standards and goals for  
25 academic, organizational, and financial performance. A charter

1 must meet all standards and goals for academic, organizational,  
2 and financial performance set forth by the authorizer in order  
3 to be renewed for a term in excess of 5 years but not more than  
4 10 years. If an authorizer fails to establish standards and  
5 goals, a charter shall not be renewed for a term in excess of 5  
6 years. Nothing contained in this Section shall require an  
7 authorizer to grant a full 10-year renewal term to any  
8 particular charter school, but an authorizer may award a full  
9 10-year renewal term to charter schools that have a  
10 demonstrated track record of improving student performance.

11 (b) A charter school renewal proposal submitted to the  
12 local school board or the Commission, as the chartering entity,  
13 shall contain:

14 (1) A report on the progress of the charter school in  
15 achieving the goals, objectives, pupil performance  
16 standards, content standards, and other terms of the  
17 initial approved charter proposal; and

18 (2) A financial statement that discloses the costs of  
19 administration, instruction, and other spending categories  
20 for the charter school that is understandable to the  
21 general public and that will allow comparison of those  
22 costs to other schools or other comparable organizations,  
23 in a format required by the State Board.

24 (c) A charter may be revoked or not renewed if the local  
25 school board or the Commission, as the chartering entity,  
26 clearly demonstrates that the charter school did any of the

1 following, or otherwise failed to comply with the requirements  
2 of this law:

3 (1) Committed a material violation of any of the  
4 conditions, standards, or procedures set forth in the  
5 charter.

6 (2) Failed to meet or make reasonable progress toward  
7 achievement of the content standards or pupil performance  
8 standards identified in the charter.

9 (3) Failed to meet generally accepted standards of  
10 fiscal management.

11 (4) Violated any provision of law from which the  
12 charter school was not exempted.

13 In the case of revocation, the local school board or the  
14 Commission, as the chartering entity, shall notify the charter  
15 school in writing of the reason why the charter is subject to  
16 revocation. The charter school shall submit a written plan to  
17 the local school board or the Commission, whichever is  
18 applicable, to rectify the problem. The plan shall include a  
19 timeline for implementation, which shall not exceed 2 years or  
20 the date of the charter's expiration, whichever is earlier. If  
21 the local school board or the Commission, as the chartering  
22 entity, finds that the charter school has failed to implement  
23 the plan of remediation and adhere to the timeline, then the  
24 chartering entity shall revoke the charter. Except in  
25 situations of an emergency where the health, safety, or  
26 education of the charter school's students is at risk, the

1 revocation shall take place at the end of a school year.  
2 Nothing in Public Act 96-105 ~~this amendatory Act of the 96th~~  
3 ~~General Assembly~~ shall be construed to prohibit an  
4 implementation timetable that is less than 2 years in duration.

5 (d) (Blank).

6 (e) Notice of a local school board's decision to deny,  
7 revoke, l or not ~~to~~ renew a charter shall be provided to the  
8 Commission and the State Board. The Commission may reverse a  
9 local board's decision if the Commission finds that the charter  
10 school or charter school proposal (i) is in compliance with  
11 this Article, and (ii) is in the best interests of the students  
12 it is designed to serve. The Commission may condition the  
13 granting of an appeal on the acceptance by the charter school  
14 of funding in an amount less than that requested in the  
15 proposal submitted to the local school board. Final decisions  
16 of the Commission shall be subject to judicial review under the  
17 Administrative Review Law.

18 (f) Notwithstanding other provisions of this Article, if  
19 the Commission on appeal reverses a local board's decision or  
20 if a charter school is approved by referendum, the Commission  
21 shall act as the authorized chartering entity for the charter  
22 school. The Commission shall approve the charter and shall  
23 perform all functions under this Article otherwise performed by  
24 the local school board. The State Board shall determine whether  
25 the charter proposal approved by the Commission is consistent  
26 with the provisions of this Article and, if the approved

1 proposal complies, certify the proposal pursuant to this  
2 Article. The State Board shall report the aggregate number of  
3 charter school pupils resident in a school district to that  
4 district and shall notify the district of the amount of funding  
5 to be paid by the State Board to the charter school enrolling  
6 such students. The Commission shall require the charter school  
7 to maintain accurate records of daily attendance that shall be  
8 deemed sufficient to file claims under Section 18-8.05 or  
9 18-8.15 notwithstanding any other requirements of that Section  
10 regarding hours of instruction and teacher certification. The  
11 State Board shall withhold from funds otherwise due the  
12 district the funds authorized by this Article to be paid to the  
13 charter school and shall pay such amounts to the charter  
14 school.

15 (g) For charter schools authorized by the Commission, the  
16 Commission shall quarterly certify to the State Board the  
17 student enrollment for each of its charter schools.

18 (h) For charter schools authorized by the Commission, the  
19 State Board shall pay directly to a charter school any federal  
20 or State aid attributable to a student with a disability  
21 attending the school.

22 (Source: P.A. 98-739, eff. 7-16-14; 99-840, eff. 1-1-17;  
23 revised 10-27-16.)

24 (105 ILCS 5/27A-11)

25 Sec. 27A-11. Local financing.

1 (a) For purposes of the School Code, pupils enrolled in a  
2 charter school shall be included in the pupil enrollment of the  
3 school district within which the pupil resides. Each charter  
4 school (i) shall determine the school district in which each  
5 pupil who is enrolled in the charter school resides, (ii) shall  
6 report the aggregate number of pupils resident of a school  
7 district who are enrolled in the charter school to the school  
8 district in which those pupils reside, and (iii) shall maintain  
9 accurate records of daily attendance that shall be deemed  
10 sufficient to file claims under Section 18-8 or 18-8.15  
11 notwithstanding any other requirements of that Section  
12 regarding hours of instruction and teacher certification.

13 (b) Except for a charter school established by referendum  
14 under Section 27A-6.5, as part of a charter school contract,  
15 the charter school and the local school board shall agree on  
16 funding and any services to be provided by the school district  
17 to the charter school. Agreed funding that a charter school is  
18 to receive from the local school board for a school year shall  
19 be paid in equal quarterly installments with the payment of the  
20 installment for the first quarter being made not later than  
21 July 1, unless the charter establishes a different payment  
22 schedule. However, if a charter school dismisses a pupil from  
23 the charter school after receiving a quarterly payment, the  
24 charter school shall return to the school district, on a  
25 quarterly basis, the prorated portion of public funding  
26 provided for the education of that pupil for the time the

1 student is not enrolled at the charter school. Likewise, if a  
2 pupil transfers to a charter school between quarterly payments,  
3 the school district shall provide, on a quarterly basis, a  
4 prorated portion of the public funding to the charter school to  
5 provide for the education of that pupil.

6 All services centrally or otherwise provided by the school  
7 district including, but not limited to, rent, food services,  
8 custodial services, maintenance, curriculum, media services,  
9 libraries, transportation, and warehousing shall be subject to  
10 negotiation between a charter school and the local school board  
11 and paid for out of the revenues negotiated pursuant to this  
12 subsection (b); provided that the local school board shall not  
13 attempt, by negotiation or otherwise, to obligate a charter  
14 school to provide pupil transportation for pupils for whom a  
15 district is not required to provide transportation under the  
16 criteria set forth in subsection (a) (13) of Section 27A-7.

17 In no event shall the funding be less than 97% ~~75%~~ or more  
18 than 100% ~~125%~~ of the school district's per capita student  
19 tuition multiplied by the number of students residing in the  
20 district who are enrolled in the charter school.

21 It is the intent of the General Assembly that funding and  
22 service agreements under this subsection (b) shall be neither a  
23 financial incentive nor a financial disincentive to the  
24 establishment of a charter school.

25 The charter school may set and collect reasonable fees.  
26 Fees collected from students enrolled at a charter school shall

1 be retained by the charter school.

2 (c) Notwithstanding subsection (b) of this Section, the  
3 proportionate share of State and federal resources generated by  
4 students with disabilities or staff serving them shall be  
5 directed to charter schools enrolling those students by their  
6 school districts or administrative units. The proportionate  
7 share of moneys generated under other federal or State  
8 categorical aid programs shall be directed to charter schools  
9 serving students eligible for that aid.

10 (d) The governing body of a charter school is authorized to  
11 accept gifts, donations, or grants of any kind made to the  
12 charter school and to expend or use gifts, donations, or grants  
13 in accordance with the conditions prescribed by the donor;  
14 however, a gift, donation, or grant may not be accepted by the  
15 governing body if it is subject to any condition contrary to  
16 applicable law or contrary to the terms of the contract between  
17 the charter school and the local school board. Charter schools  
18 shall be encouraged to solicit and utilize community volunteer  
19 speakers and other instructional resources when providing  
20 instruction on the Holocaust and other historical events.

21 (e) (Blank).

22 (f) The Commission shall provide technical assistance to  
23 persons and groups preparing or revising charter applications.

24 (g) At the non-renewal or revocation of its charter, each  
25 charter school shall refund to the local board of education all  
26 unspent funds.



1 (h) A charter school is authorized to incur temporary,  
2 short term debt to pay operating expenses in anticipation of  
3 receipt of funds from the local school board.

4 (Source: P.A. 98-640, eff. 6-9-14; 98-739, eff. 7-16-14; 99-78,  
5 eff. 7-20-15.)

6 (105 ILCS 5/34-2.3) (from Ch. 122, par. 34-2.3)

7 Sec. 34-2.3. Local school councils - Powers and duties.  
8 Each local school council shall have and exercise, consistent  
9 with the provisions of this Article and the powers and duties  
10 of the board of education, the following powers and duties:

11 1. (A) To annually evaluate the performance of the  
12 principal of the attendance center using a Board approved  
13 principal evaluation form, which shall include the evaluation  
14 of (i) student academic improvement, as defined by the school  
15 improvement plan, (ii) student absenteeism rates at the school,  
16 (iii) instructional leadership, (iv) the effective  
17 implementation of programs, policies, or strategies to improve  
18 student academic achievement, (v) school management, and (vi)  
19 any other factors deemed relevant by the local school council,  
20 including, without limitation, the principal's communication  
21 skills and ability to create and maintain a student-centered  
22 learning environment, to develop opportunities for  
23 professional development, and to encourage parental  
24 involvement and community partnerships to achieve school  
25 improvement;

1 (B) to determine in the manner provided by subsection (c)  
2 of Section 34-2.2 and subdivision 1.5 of this Section whether  
3 the performance contract of the principal shall be renewed; and

4 (C) to directly select, in the manner provided by  
5 subsection (c) of Section 34-2.2, a new principal (including a  
6 new principal to fill a vacancy) -- without submitting any list  
7 of candidates for that position to the general superintendent  
8 as provided in paragraph 2 of this Section -- to serve under a  
9 4 year performance contract; provided that (i) the  
10 determination of whether the principal's performance contract  
11 is to be renewed, based upon the evaluation required by  
12 subdivision 1.5 of this Section, shall be made no later than  
13 150 days prior to the expiration of the current  
14 performance-based contract of the principal, (ii) in cases  
15 where such performance contract is not renewed -- a direct  
16 selection of a new principal -- to serve under a 4 year  
17 performance contract shall be made by the local school council  
18 no later than 45 days prior to the expiration of the current  
19 performance contract of the principal, and (iii) a selection by  
20 the local school council of a new principal to fill a vacancy  
21 under a 4 year performance contract shall be made within 90  
22 days after the date such vacancy occurs. A Council shall be  
23 required, if requested by the principal, to provide in writing  
24 the reasons for the council's not renewing the principal's  
25 contract.

26 1.5. The local school council's determination of whether to

1 renew the principal's contract shall be based on an evaluation  
2 to assess the educational and administrative progress made at  
3 the school during the principal's current performance-based  
4 contract. The local school council shall base its evaluation on  
5 (i) student academic improvement, as defined by the school  
6 improvement plan, (ii) student absenteeism rates at the school,  
7 (iii) instructional leadership, (iv) the effective  
8 implementation of programs, policies, or strategies to improve  
9 student academic achievement, (v) school management, and (vi)  
10 any other factors deemed relevant by the local school council,  
11 including, without limitation, the principal's communication  
12 skills and ability to create and maintain a student-centered  
13 learning environment, to develop opportunities for  
14 professional development, and to encourage parental  
15 involvement and community partnerships to achieve school  
16 improvement. If a local school council fails to renew the  
17 performance contract of a principal rated by the general  
18 superintendent, or his or her designee, in the previous years'  
19 evaluations as meeting or exceeding expectations, the  
20 principal, within 15 days after the local school council's  
21 decision not to renew the contract, may request a review of the  
22 local school council's principal non-retention decision by a  
23 hearing officer appointed by the American Arbitration  
24 Association. A local school council member or members or the  
25 general superintendent may support the principal's request for  
26 review. During the period of the hearing officer's review of

1 the local school council's decision on whether or not to retain  
2 the principal, the local school council shall maintain all  
3 authority to search for and contract with a person to serve as  
4 interim or acting principal, or as the principal of the  
5 attendance center under a 4-year performance contract,  
6 provided that any performance contract entered into by the  
7 local school council shall be voidable or modified in  
8 accordance with the decision of the hearing officer. The  
9 principal may request review only once while at that attendance  
10 center. If a local school council renews the contract of a  
11 principal who failed to obtain a rating of "meets" or "exceeds  
12 expectations" in the general superintendent's evaluation for  
13 the previous year, the general superintendent, within 15 days  
14 after the local school council's decision to renew the  
15 contract, may request a review of the local school council's  
16 principal retention decision by a hearing officer appointed by  
17 the American Arbitration Association. The general  
18 superintendent may request a review only once for that  
19 principal at that attendance center. All requests to review the  
20 retention or non-retention of a principal shall be submitted to  
21 the general superintendent, who shall, in turn, forward such  
22 requests, within 14 days of receipt, to the American  
23 Arbitration Association. The general superintendent shall send  
24 a contemporaneous copy of the request that was forwarded to the  
25 American Arbitration Association to the principal and to each  
26 local school council member and shall inform the local school

1 council of its rights and responsibilities under the  
2 arbitration process, including the local school council's  
3 right to representation and the manner and process by which the  
4 Board shall pay the costs of the council's representation. If  
5 the local school council retains the principal and the general  
6 superintendent requests a review of the retention decision, the  
7 local school council and the general superintendent shall be  
8 considered parties to the arbitration, a hearing officer shall  
9 be chosen between those 2 parties pursuant to procedures  
10 promulgated by the State Board of Education, and the principal  
11 may retain counsel and participate in the arbitration. If the  
12 local school council does not retain the principal and the  
13 principal requests a review of the retention decision, the  
14 local school council and the principal shall be considered  
15 parties to the arbitration and a hearing officer shall be  
16 chosen between those 2 parties pursuant to procedures  
17 promulgated by the State Board of Education. The hearing shall  
18 begin (i) within 45 days after the initial request for review  
19 is submitted by the principal to the general superintendent or  
20 (ii) if the initial request for review is made by the general  
21 superintendent, within 45 days after that request is mailed to  
22 the American Arbitration Association. The hearing officer  
23 shall render a decision within 45 days after the hearing begins  
24 and within 90 days after the initial request for review. The  
25 Board shall contract with the American Arbitration Association  
26 for all of the hearing officer's reasonable and necessary

1 costs. In addition, the Board shall pay any reasonable costs  
2 incurred by a local school council for representation before a  
3 hearing officer.

4 1.10. The hearing officer shall conduct a hearing, which  
5 shall include (i) a review of the principal's performance,  
6 evaluations, and other evidence of the principal's service at  
7 the school, (ii) reasons provided by the local school council  
8 for its decision, and (iii) documentation evidencing views of  
9 interested persons, including, without limitation, students,  
10 parents, local school council members, school faculty and  
11 staff, the principal, the general superintendent or his or her  
12 designee, and members of the community. The burden of proof in  
13 establishing that the local school council's decision was  
14 arbitrary and capricious shall be on the party requesting the  
15 arbitration, and this party shall sustain the burden by a  
16 preponderance of the evidence. The hearing officer shall set  
17 the local school council decision aside if that decision, in  
18 light of the record developed at the hearing, is arbitrary and  
19 capricious. The decision of the hearing officer may not be  
20 appealed to the Board or the State Board of Education. If the  
21 hearing officer decides that the principal shall be retained,  
22 the retention period shall not exceed 2 years.

23 2. In the event (i) the local school council does not renew  
24 the performance contract of the principal, or the principal  
25 fails to receive a satisfactory rating as provided in  
26 subsection (h) of Section 34-8.3, or the principal is removed

1 for cause during the term of his or her performance contract in  
2 the manner provided by Section 34-85, or a vacancy in the  
3 position of principal otherwise occurs prior to the expiration  
4 of the term of a principal's performance contract, and (ii) the  
5 local school council fails to directly select a new principal  
6 to serve under a 4 year performance contract, the local school  
7 council in such event shall submit to the general  
8 superintendent a list of 3 candidates -- listed in the local  
9 school council's order of preference -- for the position of  
10 principal, one of which shall be selected by the general  
11 superintendent to serve as principal of the attendance center.  
12 If the general superintendent fails or refuses to select one of  
13 the candidates on the list to serve as principal within 30 days  
14 after being furnished with the candidate list, the general  
15 superintendent shall select and place a principal on an interim  
16 basis (i) for a period not to exceed one year or (ii) until the  
17 local school council selects a new principal with 7 affirmative  
18 votes as provided in subsection (c) of Section 34-2.2,  
19 whichever occurs first. If the local school council fails or  
20 refuses to select and appoint a new principal, as specified by  
21 subsection (c) of Section 34-2.2, the general superintendent  
22 may select and appoint a new principal on an interim basis for  
23 an additional year or until a new contract principal is  
24 selected by the local school council. There shall be no  
25 discrimination on the basis of race, sex, creed, color or  
26 disability unrelated to ability to perform in connection with

1 the submission of candidates for, and the selection of a  
2 candidate to serve as principal of an attendance center. No  
3 person shall be directly selected, listed as a candidate for,  
4 or selected to serve as principal of an attendance center (i)  
5 if such person has been removed for cause from employment by  
6 the Board or (ii) if such person does not hold a valid  
7 administrative certificate issued or exchanged under Article  
8 21 and endorsed as required by that Article for the position of  
9 principal. A principal whose performance contract is not  
10 renewed as provided under subsection (c) of Section 34-2.2 may  
11 nevertheless, if otherwise qualified and certified as herein  
12 provided and if he or she has received a satisfactory rating as  
13 provided in subsection (h) of Section 34-8.3, be included by a  
14 local school council as one of the 3 candidates listed in order  
15 of preference on any candidate list from which one person is to  
16 be selected to serve as principal of the attendance center  
17 under a new performance contract. The initial candidate list  
18 required to be submitted by a local school council to the  
19 general superintendent in cases where the local school council  
20 does not renew the performance contract of its principal and  
21 does not directly select a new principal to serve under a 4  
22 year performance contract shall be submitted not later than 30  
23 days prior to the expiration of the current performance  
24 contract. In cases where the local school council fails or  
25 refuses to submit the candidate list to the general  
26 superintendent no later than 30 days prior to the expiration of



1 the incumbent principal's contract, the general superintendent  
2 may appoint a principal on an interim basis for a period not to  
3 exceed one year, during which time the local school council  
4 shall be able to select a new principal with 7 affirmative  
5 votes as provided in subsection (c) of Section 34-2.2. In cases  
6 where a principal is removed for cause or a vacancy otherwise  
7 occurs in the position of principal and the vacancy is not  
8 filled by direct selection by the local school council, the  
9 candidate list shall be submitted by the local school council  
10 to the general superintendent within 90 days after the date  
11 such removal or vacancy occurs. In cases where the local school  
12 council fails or refuses to submit the candidate list to the  
13 general superintendent within 90 days after the date of the  
14 vacancy, the general superintendent may appoint a principal on  
15 an interim basis for a period of one year, during which time  
16 the local school council shall be able to select a new  
17 principal with 7 affirmative votes as provided in subsection  
18 (c) of Section 34-2.2.

19 2.5. Whenever a vacancy in the office of a principal occurs  
20 for any reason, the vacancy shall be filled in the manner  
21 provided by this Section by the selection of a new principal to  
22 serve under a 4 year performance contract.

23 3. To establish additional criteria to be included as part  
24 of the performance contract of its principal, provided that  
25 such additional criteria shall not discriminate on the basis of  
26 race, sex, creed, color or disability unrelated to ability to

1 perform, and shall not be inconsistent with the uniform 4 year  
2 performance contract for principals developed by the board as  
3 provided in Section 34-8.1 of the School Code or with other  
4 provisions of this Article governing the authority and  
5 responsibility of principals.

6 4. To approve the expenditure plan prepared by the  
7 principal with respect to all funds allocated and distributed  
8 to the attendance center by the Board. The expenditure plan  
9 shall be administered by the principal. Notwithstanding any  
10 other provision of this Act or any other law, any expenditure  
11 plan approved and administered under this Section 34-2.3 shall  
12 be consistent with and subject to the terms of any contract for  
13 services with a third party entered into by the Chicago School  
14 Reform Board of Trustees or the board under this Act.

15 Via a supermajority vote of 7 members of the local school  
16 council or 8 members of a high school local school council, the  
17 Council may transfer allocations pursuant to Section 34-2.3  
18 within funds; provided that such a transfer is consistent with  
19 applicable law and collective bargaining agreements.

20 Beginning in fiscal year 1991 and in each fiscal year  
21 thereafter, the Board may reserve up to 1% of its total fiscal  
22 year budget for distribution on a prioritized basis to schools  
23 throughout the school system in order to assure adequate  
24 programs to meet the needs of special student populations as  
25 determined by the Board. This distribution shall take into  
26 account the needs catalogued in the Systemwide Plan and the

1 various local school improvement plans of the local school  
2 councils. Information about these centrally funded programs  
3 shall be distributed to the local school councils so that their  
4 subsequent planning and programming will account for these  
5 provisions.

6 Beginning in fiscal year 1991 and in each fiscal year  
7 thereafter, from other amounts available in the applicable  
8 fiscal year budget, the board shall allocate a lump sum amount  
9 to each local school based upon such formula as the board shall  
10 determine taking into account the special needs of the student  
11 body. The local school principal shall develop an expenditure  
12 plan in consultation with the local school council, the  
13 professional personnel leadership committee and with all other  
14 school personnel, which reflects the priorities and activities  
15 as described in the school's local school improvement plan and  
16 is consistent with applicable law and collective bargaining  
17 agreements and with board policies and standards; however, the  
18 local school council shall have the right to request waivers of  
19 board policy from the board of education and waivers of  
20 employee collective bargaining agreements pursuant to Section  
21 34-8.1a.

22 The expenditure plan developed by the principal with  
23 respect to amounts available from the fund for prioritized  
24 special needs programs and the allocated lump sum amount must  
25 be approved by the local school council.

26 The lump sum allocation shall take into account the

1 following principles:

2 a. Teachers: Each school shall be allocated funds equal  
3 to the amount appropriated in the previous school year for  
4 compensation for teachers (regular grades kindergarten  
5 through 12th grade) plus whatever increases in  
6 compensation have been negotiated contractually or through  
7 longevity as provided in the negotiated agreement.  
8 Adjustments shall be made due to layoff or reduction in  
9 force, lack of funds or work, change in subject  
10 requirements, enrollment changes, or contracts with third  
11 parties for the performance of services or to rectify any  
12 inconsistencies with system-wide allocation formulas or  
13 for other legitimate reasons.

14 b. Other personnel: Funds for other teacher  
15 certificated and uncertificated personnel paid through  
16 non-categorical funds shall be provided according to  
17 system-wide formulas based on student enrollment and the  
18 special needs of the school as determined by the Board.

19 c. Non-compensation items: Appropriations for all  
20 non-compensation items shall be based on system-wide  
21 formulas based on student enrollment and on the special  
22 needs of the school or factors related to the physical  
23 plant, including but not limited to textbooks, electronic  
24 textbooks and the technological equipment necessary to  
25 gain access to and use electronic textbooks, supplies,  
26 electricity, equipment, and routine maintenance.

1           d. Funds for categorical programs: Schools shall  
2 receive personnel and funds based on, and shall use such  
3 personnel and funds in accordance with State and Federal  
4 requirements applicable to each categorical program  
5 provided to meet the special needs of the student body  
6 (including but not limited to, Federal Chapter I,  
7 Bilingual, and Special Education).

8           d.1. Funds for State Title I: Each school shall receive  
9 funds based on State and Board requirements applicable to  
10 each State Title I pupil provided to meet the special needs  
11 of the student body. Each school shall receive the  
12 proportion of funds as provided in Section 18-8 or 18-8.15  
13 to which they are entitled. These funds shall be spent only  
14 with the budgetary approval of the Local School Council as  
15 provided in Section 34-2.3.

16           e. The Local School Council shall have the right to  
17 request the principal to close positions and open new ones  
18 consistent with the provisions of the local school  
19 improvement plan provided that these decisions are  
20 consistent with applicable law and collective bargaining  
21 agreements. If a position is closed, pursuant to this  
22 paragraph, the local school shall have for its use the  
23 system-wide average compensation for the closed position.

24           f. Operating within existing laws and collective  
25 bargaining agreements, the local school council shall have  
26 the right to direct the principal to shift expenditures

1           within funds.

2           g. (Blank).

3           Any funds unexpended at the end of the fiscal year shall be  
4 available to the board of education for use as part of its  
5 budget for the following fiscal year.

6           5. To make recommendations to the principal concerning  
7 textbook selection and concerning curriculum developed  
8 pursuant to the school improvement plan which is consistent  
9 with systemwide curriculum objectives in accordance with  
10 Sections 34-8 and 34-18 of the School Code and in conformity  
11 with the collective bargaining agreement.

12          6. To advise the principal concerning the attendance and  
13 disciplinary policies for the attendance center, subject to the  
14 provisions of this Article and Article 26, and consistent with  
15 the uniform system of discipline established by the board  
16 pursuant to Section 34-19.

17          7. To approve a school improvement plan developed as  
18 provided in Section 34-2.4. The process and schedule for plan  
19 development shall be publicized to the entire school community,  
20 and the community shall be afforded the opportunity to make  
21 recommendations concerning the plan. At least twice a year the  
22 principal and local school council shall report publicly on  
23 progress and problems with respect to plan implementation.

24          8. To evaluate the allocation of teaching resources and  
25 other certificated and uncertificated staff to the attendance  
26 center to determine whether such allocation is consistent with

1 and in furtherance of instructional objectives and school  
2 programs reflective of the school improvement plan adopted for  
3 the attendance center; and to make recommendations to the  
4 board, the general superintendent and the principal concerning  
5 any reallocation of teaching resources or other staff whenever  
6 the council determines that any such reallocation is  
7 appropriate because the qualifications of any existing staff at  
8 the attendance center do not adequately match or support  
9 instructional objectives or school programs which reflect the  
10 school improvement plan.

11 9. To make recommendations to the principal and the general  
12 superintendent concerning their respective appointments, after  
13 August 31, 1989, and in the manner provided by Section 34-8 and  
14 Section 34-8.1, of persons to fill any vacant, additional or  
15 newly created positions for teachers at the attendance center  
16 or at attendance centers which include the attendance center  
17 served by the local school council.

18 10. To request of the Board the manner in which training  
19 and assistance shall be provided to the local school council.  
20 Pursuant to Board guidelines a local school council is  
21 authorized to direct the Board of Education to contract with  
22 personnel or not-for-profit organizations not associated with  
23 the school district to train or assist council members. If  
24 training or assistance is provided by contract with personnel  
25 or organizations not associated with the school district, the  
26 period of training or assistance shall not exceed 30 hours

1 during a given school year; person shall not be employed on a  
2 continuous basis longer than said period and shall not have  
3 been employed by the Chicago Board of Education within the  
4 preceding six months. Council members shall receive training in  
5 at least the following areas:

6 1. school budgets;

7 2. educational theory pertinent to the attendance  
8 center's particular needs, including the development of  
9 the school improvement plan and the principal's  
10 performance contract; and

11 3. personnel selection.

12 Council members shall, to the greatest extent possible,  
13 complete such training within 90 days of election.

14 11. In accordance with systemwide guidelines contained in  
15 the System-Wide Educational Reform Goals and Objectives Plan,  
16 criteria for evaluation of performance shall be established for  
17 local school councils and local school council members. If a  
18 local school council persists in noncompliance with systemwide  
19 requirements, the Board may impose sanctions and take necessary  
20 corrective action, consistent with Section 34-8.3.

21 12. Each local school council shall comply with the Open  
22 Meetings Act and the Freedom of Information Act. Each local  
23 school council shall issue and transmit to its school community  
24 a detailed annual report accounting for its activities  
25 programmatically and financially. Each local school council  
26 shall convene at least 2 well-publicized meetings annually with



1 its entire school community. These meetings shall include  
2 presentation of the proposed local school improvement plan, of  
3 the proposed school expenditure plan, and the annual report,  
4 and shall provide an opportunity for public comment.

5 13. Each local school council is encouraged to involve  
6 additional non-voting members of the school community in  
7 facilitating the council's exercise of its responsibilities.

8 14. The local school council may adopt a school uniform or  
9 dress code policy that governs the attendance center and that  
10 is necessary to maintain the orderly process of a school  
11 function or prevent endangerment of student health or safety,  
12 consistent with the policies and rules of the Board of  
13 Education. A school uniform or dress code policy adopted by a  
14 local school council: (i) shall not be applied in such manner  
15 as to discipline or deny attendance to a transfer student or  
16 any other student for noncompliance with that policy during  
17 such period of time as is reasonably necessary to enable the  
18 student to acquire a school uniform or otherwise comply with  
19 the dress code policy that is in effect at the attendance  
20 center into which the student's enrollment is transferred; and  
21 (ii) shall include criteria and procedures under which the  
22 local school council will accommodate the needs of or otherwise  
23 provide appropriate resources to assist a student from an  
24 indigent family in complying with an applicable school uniform  
25 or dress code policy. A student whose parents or legal  
26 guardians object on religious grounds to the student's

1 compliance with an applicable school uniform or dress code  
2 policy shall not be required to comply with that policy if the  
3 student's parents or legal guardians present to the local  
4 school council a signed statement of objection detailing the  
5 grounds for the objection.

6 15. All decisions made and actions taken by the local  
7 school council in the exercise of its powers and duties shall  
8 comply with State and federal laws, all applicable collective  
9 bargaining agreements, court orders and rules properly  
10 promulgated by the Board.

11 15a. To grant, in accordance with board rules and policies,  
12 the use of assembly halls and classrooms when not otherwise  
13 needed, including lighting, heat, and attendants, for public  
14 lectures, concerts, and other educational and social  
15 activities.

16 15b. To approve, in accordance with board rules and  
17 policies, receipts and expenditures for all internal accounts  
18 of the attendance center, and to approve all fund-raising  
19 activities by nonschool organizations that use the school  
20 building.

21 16. (Blank).

22 17. Names and addresses of local school council members  
23 shall be a matter of public record.

24 (Source: P.A. 96-1403, eff. 7-29-10.)

25 (105 ILCS 5/34-18) (from Ch. 122, par. 34-18)

1           Sec. 34-18. Powers of the board. The board shall exercise  
2 general supervision and jurisdiction over the public education  
3 and the public school system of the city, and, except as  
4 otherwise provided by this Article, shall have power:

5           1. To make suitable provision for the establishment and  
6 maintenance throughout the year or for such portion thereof  
7 as it may direct, not less than 9 months, of schools of all  
8 grades and kinds, including normal schools, high schools,  
9 night schools, schools for defectives and delinquents,  
10 parental and truant schools, schools for the blind, the  
11 deaf and persons with physical disabilities, schools or  
12 classes in manual training, constructural and vocational  
13 teaching, domestic arts and physical culture, vocation and  
14 extension schools and lecture courses, and all other  
15 educational courses and facilities, including  
16 establishing, equipping, maintaining and operating  
17 playgrounds and recreational programs, when such programs  
18 are conducted in, adjacent to, or connected with any public  
19 school under the general supervision and jurisdiction of  
20 the board; provided that the calendar for the school term  
21 and any changes must be submitted to and approved by the  
22 State Board of Education before the calendar or changes may  
23 take effect, and provided that in allocating funds from  
24 year to year for the operation of all attendance centers  
25 within the district, the board shall ensure that  
26 supplemental general State aid or supplemental grant funds

1 are allocated and applied in accordance with Section 18-8,  
2 ~~or~~ 18-8.05, or 18-8.15. To admit to such schools without  
3 charge foreign exchange students who are participants in an  
4 organized exchange student program which is authorized by  
5 the board. The board shall permit all students to enroll in  
6 apprenticeship programs in trade schools operated by the  
7 board, whether those programs are union-sponsored or not.  
8 No student shall be refused admission into or be excluded  
9 from any course of instruction offered in the common  
10 schools by reason of that student's sex. No student shall  
11 be denied equal access to physical education and  
12 interscholastic athletic programs supported from school  
13 district funds or denied participation in comparable  
14 physical education and athletic programs solely by reason  
15 of the student's sex. Equal access to programs supported  
16 from school district funds and comparable programs will be  
17 defined in rules promulgated by the State Board of  
18 Education in consultation with the Illinois High School  
19 Association. Notwithstanding any other provision of this  
20 Article, neither the board of education nor any local  
21 school council or other school official shall recommend  
22 that children with disabilities be placed into regular  
23 education classrooms unless those children with  
24 disabilities are provided with supplementary services to  
25 assist them so that they benefit from the regular classroom  
26 instruction and are included on the teacher's regular

1 education class register;

2 2. To furnish lunches to pupils, to make a reasonable  
3 charge therefor, and to use school funds for the payment of  
4 such expenses as the board may determine are necessary in  
5 conducting the school lunch program;

6 3. To co-operate with the circuit court;

7 4. To make arrangements with the public or quasi-public  
8 libraries and museums for the use of their facilities by  
9 teachers and pupils of the public schools;

10 5. To employ dentists and prescribe their duties for  
11 the purpose of treating the pupils in the schools, but  
12 accepting such treatment shall be optional with parents or  
13 guardians;

14 6. To grant the use of assembly halls and classrooms  
15 when not otherwise needed, including light, heat, and  
16 attendants, for free public lectures, concerts, and other  
17 educational and social interests, free of charge, under  
18 such provisions and control as the principal of the  
19 affected attendance center may prescribe;

20 7. To apportion the pupils to the several schools;  
21 provided that no pupil shall be excluded from or segregated  
22 in any such school on account of his color, race, sex, or  
23 nationality. The board shall take into consideration the  
24 prevention of segregation and the elimination of  
25 separation of children in public schools because of color,  
26 race, sex, or nationality. Except that children may be

1 committed to or attend parental and social adjustment  
2 schools established and maintained either for boys or girls  
3 only. All records pertaining to the creation, alteration or  
4 revision of attendance areas shall be open to the public.  
5 Nothing herein shall limit the board's authority to  
6 establish multi-area attendance centers or other student  
7 assignment systems for desegregation purposes or  
8 otherwise, and to apportion the pupils to the several  
9 schools. Furthermore, beginning in school year 1994-95,  
10 pursuant to a board plan adopted by October 1, 1993, the  
11 board shall offer, commencing on a phased-in basis, the  
12 opportunity for families within the school district to  
13 apply for enrollment of their children in any attendance  
14 center within the school district which does not have  
15 selective admission requirements approved by the board.  
16 The appropriate geographical area in which such open  
17 enrollment may be exercised shall be determined by the  
18 board of education. Such children may be admitted to any  
19 such attendance center on a space available basis after all  
20 children residing within such attendance center's area  
21 have been accommodated. If the number of applicants from  
22 outside the attendance area exceed the space available,  
23 then successful applicants shall be selected by lottery.  
24 The board of education's open enrollment plan must include  
25 provisions that allow low income students to have access to  
26 transportation needed to exercise school choice. Open

1 enrollment shall be in compliance with the provisions of  
2 the Consent Decree and Desegregation Plan cited in Section  
3 34-1.01;

4 8. To approve programs and policies for providing  
5 transportation services to students. Nothing herein shall  
6 be construed to permit or empower the State Board of  
7 Education to order, mandate, or require busing or other  
8 transportation of pupils for the purpose of achieving  
9 racial balance in any school;

10 9. Subject to the limitations in this Article, to  
11 establish and approve system-wide curriculum objectives  
12 and standards, including graduation standards, which  
13 reflect the multi-cultural diversity in the city and are  
14 consistent with State law, provided that for all purposes  
15 of this Article courses or proficiency in American Sign  
16 Language shall be deemed to constitute courses or  
17 proficiency in a foreign language; and to employ principals  
18 and teachers, appointed as provided in this Article, and  
19 fix their compensation. The board shall prepare such  
20 reports related to minimal competency testing as may be  
21 requested by the State Board of Education, and in addition  
22 shall monitor and approve special education and bilingual  
23 education programs and policies within the district to  
24 assure that appropriate services are provided in  
25 accordance with applicable State and federal laws to  
26 children requiring services and education in those areas;

1           10. To employ non-teaching personnel or utilize  
2 volunteer personnel for: (i) non-teaching duties not  
3 requiring instructional judgment or evaluation of pupils,  
4 including library duties; and (ii) supervising study  
5 halls, long distance teaching reception areas used  
6 incident to instructional programs transmitted by  
7 electronic media such as computers, video, and audio,  
8 detention and discipline areas, and school-sponsored  
9 extracurricular activities. The board may further utilize  
10 volunteer non-certificated personnel or employ  
11 non-certificated personnel to assist in the instruction of  
12 pupils under the immediate supervision of a teacher holding  
13 a valid certificate, directly engaged in teaching subject  
14 matter or conducting activities; provided that the teacher  
15 shall be continuously aware of the non-certificated  
16 persons' activities and shall be able to control or modify  
17 them. The general superintendent shall determine  
18 qualifications of such personnel and shall prescribe rules  
19 for determining the duties and activities to be assigned to  
20 such personnel;

21           10.5. To utilize volunteer personnel from a regional  
22 School Crisis Assistance Team (S.C.A.T.), created as part  
23 of the Safe to Learn Program established pursuant to  
24 Section 25 of the Illinois Violence Prevention Act of 1995,  
25 to provide assistance to schools in times of violence or  
26 other traumatic incidents within a school community by



1 providing crisis intervention services to lessen the  
2 effects of emotional trauma on individuals and the  
3 community; the School Crisis Assistance Team Steering  
4 Committee shall determine the qualifications for  
5 volunteers;

6 11. To provide television studio facilities in not to  
7 exceed one school building and to provide programs for  
8 educational purposes, provided, however, that the board  
9 shall not construct, acquire, operate, or maintain a  
10 television transmitter; to grant the use of its studio  
11 facilities to a licensed television station located in the  
12 school district; and to maintain and operate not to exceed  
13 one school radio transmitting station and provide programs  
14 for educational purposes;

15 12. To offer, if deemed appropriate, outdoor education  
16 courses, including field trips within the State of  
17 Illinois, or adjacent states, and to use school educational  
18 funds for the expense of the said outdoor educational  
19 programs, whether within the school district or not;

20 13. During that period of the calendar year not  
21 embraced within the regular school term, to provide and  
22 conduct courses in subject matters normally embraced in the  
23 program of the schools during the regular school term and  
24 to give regular school credit for satisfactory completion  
25 by the student of such courses as may be approved for  
26 credit by the State Board of Education;

1           14. To insure against any loss or liability of the  
2 board, the former School Board Nominating Commission,  
3 Local School Councils, the Chicago Schools Academic  
4 Accountability Council, or the former Subdistrict Councils  
5 or of any member, officer, agent or employee thereof,  
6 resulting from alleged violations of civil rights arising  
7 from incidents occurring on or after September 5, 1967 or  
8 from the wrongful or negligent act or omission of any such  
9 person whether occurring within or without the school  
10 premises, provided the officer, agent or employee was, at  
11 the time of the alleged violation of civil rights or  
12 wrongful act or omission, acting within the scope of his  
13 employment or under direction of the board, the former  
14 School Board Nominating Commission, the Chicago Schools  
15 Academic Accountability Council, Local School Councils, or  
16 the former Subdistrict Councils; and to provide for or  
17 participate in insurance plans for its officers and  
18 employees, including but not limited to retirement  
19 annuities, medical, surgical and hospitalization benefits  
20 in such types and amounts as may be determined by the  
21 board; provided, however, that the board shall contract for  
22 such insurance only with an insurance company authorized to  
23 do business in this State. Such insurance may include  
24 provision for employees who rely on treatment by prayer or  
25 spiritual means alone for healing, in accordance with the  
26 tenets and practice of a recognized religious

1 denomination;

2 15. To contract with the corporate authorities of any  
3 municipality or the county board of any county, as the case  
4 may be, to provide for the regulation of traffic in parking  
5 areas of property used for school purposes, in such manner  
6 as is provided by Section 11-209 of The Illinois Vehicle  
7 Code, approved September 29, 1969, as amended;

8 16. (a) To provide, on an equal basis, access to a high  
9 school campus and student directory information to the  
10 official recruiting representatives of the armed forces of  
11 Illinois and the United States for the purposes of  
12 informing students of the educational and career  
13 opportunities available in the military if the board has  
14 provided such access to persons or groups whose purpose is  
15 to acquaint students with educational or occupational  
16 opportunities available to them. The board is not required  
17 to give greater notice regarding the right of access to  
18 recruiting representatives than is given to other persons  
19 and groups. In this paragraph 16, "directory information"  
20 means a high school student's name, address, and telephone  
21 number.

22 (b) If a student or his or her parent or guardian  
23 submits a signed, written request to the high school before  
24 the end of the student's sophomore year (or if the student  
25 is a transfer student, by another time set by the high  
26 school) that indicates that the student or his or her

1 parent or guardian does not want the student's directory  
2 information to be provided to official recruiting  
3 representatives under subsection (a) of this Section, the  
4 high school may not provide access to the student's  
5 directory information to these recruiting representatives.  
6 The high school shall notify its students and their parents  
7 or guardians of the provisions of this subsection (b).

8 (c) A high school may require official recruiting  
9 representatives of the armed forces of Illinois and the  
10 United States to pay a fee for copying and mailing a  
11 student's directory information in an amount that is not  
12 more than the actual costs incurred by the high school.

13 (d) Information received by an official recruiting  
14 representative under this Section may be used only to  
15 provide information to students concerning educational and  
16 career opportunities available in the military and may not  
17 be released to a person who is not involved in recruiting  
18 students for the armed forces of Illinois or the United  
19 States;

20 17. (a) To sell or market any computer program  
21 developed by an employee of the school district, provided  
22 that such employee developed the computer program as a  
23 direct result of his or her duties with the school district  
24 or through the utilization of the school district resources  
25 or facilities. The employee who developed the computer  
26 program shall be entitled to share in the proceeds of such

1 sale or marketing of the computer program. The distribution  
2 of such proceeds between the employee and the school  
3 district shall be as agreed upon by the employee and the  
4 school district, except that neither the employee nor the  
5 school district may receive more than 90% of such proceeds.  
6 The negotiation for an employee who is represented by an  
7 exclusive bargaining representative may be conducted by  
8 such bargaining representative at the employee's request.

9 (b) For the purpose of this paragraph 17:

10 (1) "Computer" means an internally programmed,  
11 general purpose digital device capable of  
12 automatically accepting data, processing data and  
13 supplying the results of the operation.

14 (2) "Computer program" means a series of coded  
15 instructions or statements in a form acceptable to a  
16 computer, which causes the computer to process data in  
17 order to achieve a certain result.

18 (3) "Proceeds" means profits derived from  
19 marketing or sale of a product after deducting the  
20 expenses of developing and marketing such product;

21 18. To delegate to the general superintendent of  
22 schools, by resolution, the authority to approve contracts  
23 and expenditures in amounts of \$10,000 or less;

24 19. Upon the written request of an employee, to  
25 withhold from the compensation of that employee any dues,  
26 payments or contributions payable by such employee to any

1 labor organization as defined in the Illinois Educational  
2 Labor Relations Act. Under such arrangement, an amount  
3 shall be withheld from each regular payroll period which is  
4 equal to the pro rata share of the annual dues plus any  
5 payments or contributions, and the board shall transmit  
6 such withholdings to the specified labor organization  
7 within 10 working days from the time of the withholding;

8 19a. Upon receipt of notice from the comptroller of a  
9 municipality with a population of 500,000 or more, a county  
10 with a population of 3,000,000 or more, the Cook County  
11 Forest Preserve District, the Chicago Park District, the  
12 Metropolitan Water Reclamation District, the Chicago  
13 Transit Authority, or a housing authority of a municipality  
14 with a population of 500,000 or more that a debt is due and  
15 owing the municipality, the county, the Cook County Forest  
16 Preserve District, the Chicago Park District, the  
17 Metropolitan Water Reclamation District, the Chicago  
18 Transit Authority, or the housing authority by an employee  
19 of the Chicago Board of Education, to withhold, from the  
20 compensation of that employee, the amount of the debt that  
21 is due and owing and pay the amount withheld to the  
22 municipality, the county, the Cook County Forest Preserve  
23 District, the Chicago Park District, the Metropolitan  
24 Water Reclamation District, the Chicago Transit Authority,  
25 or the housing authority; provided, however, that the  
26 amount deducted from any one salary or wage payment shall

1 not exceed 25% of the net amount of the payment. Before the  
2 Board deducts any amount from any salary or wage of an  
3 employee under this paragraph, the municipality, the  
4 county, the Cook County Forest Preserve District, the  
5 Chicago Park District, the Metropolitan Water Reclamation  
6 District, the Chicago Transit Authority, or the housing  
7 authority shall certify that (i) the employee has been  
8 afforded an opportunity for a hearing to dispute the debt  
9 that is due and owing the municipality, the county, the  
10 Cook County Forest Preserve District, the Chicago Park  
11 District, the Metropolitan Water Reclamation District, the  
12 Chicago Transit Authority, or the housing authority and  
13 (ii) the employee has received notice of a wage deduction  
14 order and has been afforded an opportunity for a hearing to  
15 object to the order. For purposes of this paragraph, "net  
16 amount" means that part of the salary or wage payment  
17 remaining after the deduction of any amounts required by  
18 law to be deducted and "debt due and owing" means (i) a  
19 specified sum of money owed to the municipality, the  
20 county, the Cook County Forest Preserve District, the  
21 Chicago Park District, the Metropolitan Water Reclamation  
22 District, the Chicago Transit Authority, or the housing  
23 authority for services, work, or goods, after the period  
24 granted for payment has expired, or (ii) a specified sum of  
25 money owed to the municipality, the county, the Cook County  
26 Forest Preserve District, the Chicago Park District, the

1 Metropolitan Water Reclamation District, the Chicago  
2 Transit Authority, or the housing authority pursuant to a  
3 court order or order of an administrative hearing officer  
4 after the exhaustion of, or the failure to exhaust,  
5 judicial review;

6 20. The board is encouraged to employ a sufficient  
7 number of certified school counselors to maintain a  
8 student/counselor ratio of 250 to 1 by July 1, 1990. Each  
9 counselor shall spend at least 75% of his work time in  
10 direct contact with students and shall maintain a record of  
11 such time;

12 21. To make available to students vocational and career  
13 counseling and to establish 5 special career counseling  
14 days for students and parents. On these days  
15 representatives of local businesses and industries shall  
16 be invited to the school campus and shall inform students  
17 of career opportunities available to them in the various  
18 businesses and industries. Special consideration shall be  
19 given to counseling minority students as to career  
20 opportunities available to them in various fields. For the  
21 purposes of this paragraph, minority student means a person  
22 who is any of the following:

23 (a) American Indian or Alaska Native (a person having  
24 origins in any of the original peoples of North and South  
25 America, including Central America, and who maintains  
26 tribal affiliation or community attachment).



1           (b) Asian (a person having origins in any of the  
2 original peoples of the Far East, Southeast Asia, or the  
3 Indian subcontinent, including, but not limited to,  
4 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,  
5 the Philippine Islands, Thailand, and Vietnam).

6           (c) Black or African American (a person having origins  
7 in any of the black racial groups of Africa). Terms such as  
8 "Haitian" or "Negro" can be used in addition to "Black or  
9 African American".

10          (d) Hispanic or Latino (a person of Cuban, Mexican,  
11 Puerto Rican, South or Central American, or other Spanish  
12 culture or origin, regardless of race).

13          (e) Native Hawaiian or Other Pacific Islander (a person  
14 having origins in any of the original peoples of Hawaii,  
15 Guam, Samoa, or other Pacific Islands).

16          Counseling days shall not be in lieu of regular school  
17 days;

18          22. To report to the State Board of Education the  
19 annual student dropout rate and number of students who  
20 graduate from, transfer from or otherwise leave bilingual  
21 programs;

22          23. Except as otherwise provided in the Abused and  
23 Neglected Child Reporting Act or other applicable State or  
24 federal law, to permit school officials to withhold, from  
25 any person, information on the whereabouts of any child  
26 removed from school premises when the child has been taken

1 into protective custody as a victim of suspected child  
2 abuse. School officials shall direct such person to the  
3 Department of Children and Family Services, or to the local  
4 law enforcement agency if appropriate;

5 24. To develop a policy, based on the current state of  
6 existing school facilities, projected enrollment and  
7 efficient utilization of available resources, for capital  
8 improvement of schools and school buildings within the  
9 district, addressing in that policy both the relative  
10 priority for major repairs, renovations and additions to  
11 school facilities, and the advisability or necessity of  
12 building new school facilities or closing existing schools  
13 to meet current or projected demographic patterns within  
14 the district;

15 25. To make available to the students in every high  
16 school attendance center the ability to take all courses  
17 necessary to comply with the Board of Higher Education's  
18 college entrance criteria effective in 1993;

19 26. To encourage mid-career changes into the teaching  
20 profession, whereby qualified professionals become  
21 certified teachers, by allowing credit for professional  
22 employment in related fields when determining point of  
23 entry on teacher pay scale;

24 27. To provide or contract out training programs for  
25 administrative personnel and principals with revised or  
26 expanded duties pursuant to this Act in order to assure

1 they have the knowledge and skills to perform their duties;

2 28. To establish a fund for the prioritized special  
3 needs programs, and to allocate such funds and other lump  
4 sum amounts to each attendance center in a manner  
5 consistent with the provisions of part 4 of Section 34-2.3.  
6 Nothing in this paragraph shall be construed to require any  
7 additional appropriations of State funds for this purpose;

8 29. (Blank);

9 30. Notwithstanding any other provision of this Act or  
10 any other law to the contrary, to contract with third  
11 parties for services otherwise performed by employees,  
12 including those in a bargaining unit, and to layoff those  
13 employees upon 14 days written notice to the affected  
14 employees. Those contracts may be for a period not to  
15 exceed 5 years and may be awarded on a system-wide basis.  
16 The board may not operate more than 30 contract schools,  
17 provided that the board may operate an additional 5  
18 contract turnaround schools pursuant to item (5.5) of  
19 subsection (d) of Section 34-8.3 of this Code;

20 31. To promulgate rules establishing procedures  
21 governing the layoff or reduction in force of employees and  
22 the recall of such employees, including, but not limited  
23 to, criteria for such layoffs, reductions in force or  
24 recall rights of such employees and the weight to be given  
25 to any particular criterion. Such criteria shall take into  
26 account factors including, but not be limited to,

1 qualifications, certifications, experience, performance  
2 ratings or evaluations, and any other factors relating to  
3 an employee's job performance;

4 32. To develop a policy to prevent nepotism in the  
5 hiring of personnel or the selection of contractors;

6 33. To enter into a partnership agreement, as required  
7 by Section 34-3.5 of this Code, and, notwithstanding any  
8 other provision of law to the contrary, to promulgate  
9 policies, enter into contracts, and take any other action  
10 necessary to accomplish the objectives and implement the  
11 requirements of that agreement; and

12 34. To establish a Labor Management Council to the  
13 board comprised of representatives of the board, the chief  
14 executive officer, and those labor organizations that are  
15 the exclusive representatives of employees of the board and  
16 to promulgate policies and procedures for the operation of  
17 the Council.

18 The specifications of the powers herein granted are not to  
19 be construed as exclusive but the board shall also exercise all  
20 other powers that they may be requisite or proper for the  
21 maintenance and the development of a public school system, not  
22 inconsistent with the other provisions of this Article or  
23 provisions of this Code which apply to all school districts.

24 In addition to the powers herein granted and authorized to  
25 be exercised by the board, it shall be the duty of the board to  
26 review or to direct independent reviews of special education

1 expenditures and services. The board shall file a report of  
2 such review with the General Assembly on or before May 1, 1990.  
3 (Source: P.A. 99-143, eff. 7-27-15.)

4 (105 ILCS 5/34-18.30)

5 Sec. 34-18.30. Dependents of military personnel; no  
6 tuition charge. If, at the time of enrollment, a dependent of  
7 United States military personnel is housed in temporary housing  
8 located outside of the school district, but will be living  
9 within the district within 60 days after the time of initial  
10 enrollment, the dependent must be allowed to enroll, subject to  
11 the requirements of this Section, and must not be charged  
12 tuition. Any United States military personnel attempting to  
13 enroll a dependent under this Section shall provide proof that  
14 the dependent will be living within the district within 60 days  
15 after the time of initial enrollment. Proof of residency may  
16 include, but is not limited to, postmarked mail addressed to  
17 the military personnel and sent to an address located within  
18 the district, a lease agreement for occupancy of a residence  
19 located within the district, or proof of ownership of a  
20 residence located within the district. Non-resident dependents  
21 of United States military personnel attending school on a  
22 tuition-free basis may be counted for the purposes of  
23 determining the apportionment of State aid provided under  
24 Section 18-8.05 or 18-8.15 of this Code.

25 (Source: P.A. 95-331, eff. 8-21-07.)

1 (105 ILCS 5/34-43.1) (from Ch. 122, par. 34-43.1)

2 Sec. 34-43.1. (A) Limitation of noninstructional costs. It  
3 is the purpose of this Section to establish for the Board of  
4 Education and the general superintendent of schools  
5 requirements and standards which maximize the proportion of  
6 school district resources in direct support of educational,  
7 program, and building maintenance and safety services for the  
8 pupils of the district, and which correspondingly minimize the  
9 amount and proportion of such resources associated with  
10 centralized administration, administrative support services,  
11 and other noninstructional services.

12 For the 1989-90 school year and for all subsequent school  
13 years, the Board of Education shall undertake budgetary and  
14 expenditure control actions which limit the administrative  
15 expenditures of the Board of Education to levels, as provided  
16 for in this Section, which represent an average of the  
17 administrative expenses of all school districts in this State  
18 not subject to Article 34.

19 (B) Certification of expenses by the State Superintendent  
20 of Education. The State Superintendent of Education shall  
21 annually certify, on or before May 1, to the Board of Education  
22 and the School Finance Authority, for the applicable school  
23 year, the following information:

24 (1) the annual expenditures of all school districts of  
25 the State not subject to Article 34 properly attributable

1 to expenditure functions defined by the rules and  
2 regulations of the State Board of Education as: 2210  
3 (Improvement of Instructional Services); 2300 (Support  
4 Services - General Administration) excluding, however,  
5 2320 (Executive Administrative Services); 2490 (Other  
6 Support Services - School Administration); 2500 (Support  
7 Services - Business); 2600 (Support Services - Central);

8 (2) the total annual expenditures of all school  
9 districts not subject to Article 34 attributable to the  
10 Education Fund, the Operations, Building and Maintenance  
11 Fund, the Transportation Fund and the Illinois Municipal  
12 Retirement Fund of the several districts, as defined by the  
13 rules and regulations of the State Board of Education; and

14 (3) a ratio, to be called the statewide average of  
15 administrative expenditures, derived by dividing the  
16 expenditures certified pursuant to paragraph (B) (1) by the  
17 expenditures certified pursuant to paragraph (B) (2).

18 For purposes of the annual certification of expenditures  
19 and ratios required by this Section, the "applicable year" of  
20 certification shall initially be the 1986-87 school year and,  
21 in sequent years, each succeeding school year.

22 The State Superintendent of Education shall consult with  
23 the Board of Education to ascertain whether particular  
24 expenditure items allocable to the administrative functions  
25 enumerated in paragraph (B) (1) are appropriately or  
26 necessarily higher in the applicable school district than in

1 the rest of the State due to noncomparable factors. The State  
2 Superintendent shall also review the relevant cost proportions  
3 in other large urban school districts. The State Superintendent  
4 shall also review the expenditure categories in paragraph  
5 (B)(1) to ascertain whether they contain school-level  
6 expenses. If he or she finds that adjustments to the formula  
7 are appropriate or necessary to establish a more fair and  
8 comparable standard for administrative cost for the Board of  
9 Education or to exclude school-level expenses, the State  
10 Superintendent shall recommend to the School Finance Authority  
11 rules and regulations adjusting particular subcategories in  
12 this subsection (B) or adjusting certain costs in determining  
13 the budget and expenditure items properly attributable to the  
14 functions or otherwise adjust the formula.

15 (C) Administrative expenditure limitations. The annual  
16 budget of the Board of Education, as adopted and implemented,  
17 and the related annual expenditures for the school year, shall  
18 reflect a limitation on administrative outlays as required by  
19 the following provisions, taking into account any adjustments  
20 established by the State Superintendent of Education: (1) the  
21 budget and expenditures of the Board of Education for the  
22 1989-90 school year shall reflect a ratio of administrative  
23 expenditures to total expenditures equal to or less than the  
24 statewide average of administrative expenditures for the  
25 1986-87 school year as certified by the State Superintendent of  
26 Education pursuant to paragraph (B)(3); (2) for the 1990-91



1 school year and for all subsequent school years, the budget and  
2 expenditures of the Board of Education shall reflect a ratio of  
3 administrative expenditures to total expenditures equal to or  
4 less than the statewide average of administrative expenditures  
5 certified by the State Superintendent of Education for the  
6 applicable year pursuant to paragraph (B)(3); (3) if for any  
7 school year the budget of the Board of Education reflects a  
8 ratio of administrative expenditures to total expenditures  
9 which exceeds the applicable statewide average, the Board of  
10 Education shall reduce expenditure items allocable to the  
11 administrative functions enumerated in paragraph (B)(1) such  
12 that the Board of Education's ratio of administrative  
13 expenditures to total expenditures is equal to or less than the  
14 applicable statewide average ratio.

15 For purposes of this Section, the ratio of administrative  
16 expenditures to the total expenditures of the Board of  
17 Education, as applied to the budget of the Board of Education,  
18 shall mean: the budgeted expenditure items of the Board of  
19 Education properly attributable to the expenditure functions  
20 identified in paragraph (B)(1) divided by the total budgeted  
21 expenditures of the Board of Education properly attributable to  
22 the Board of Education funds corresponding to those funds  
23 identified in paragraph (B)(2), exclusive of any monies  
24 budgeted for payment to the Public School Teachers' Pension and  
25 Retirement System, attributable to payments due from the  
26 General Funds of the State of Illinois.

1           The annual expenditure of the Board of Education for 2320  
2           (Executive Administrative Services) for the 1989-90 school  
3           year shall be no greater than the 2320 expenditure for the  
4           1988-89 school year. The annual expenditure of the Board of  
5           Education for 2320 for the 1990-91 school year and each  
6           subsequent school year shall be no greater than the 2320  
7           expenditure for the immediately preceding school year or the  
8           1988-89 school year, whichever is less. This annual expenditure  
9           limitation may be adjusted in each year in an amount not to  
10          exceed any change effective during the applicable school year  
11          in salary to be paid under the collective bargaining agreement  
12          with instructional personnel to which the Board is a party and  
13          in benefit costs either required by law or such collective  
14          bargaining agreement.

15          (D) Cost control measures. In undertaking actions to  
16          control or reduce expenditure items necessitated by the  
17          administrative expenditure limitations of this Section, the  
18          Board of Education shall give priority consideration to  
19          reductions or cost controls with the least effect upon direct  
20          services to students or instructional services for pupils, and  
21          upon the safety and well-being of pupils, and, as applicable,  
22          with the particular costs or functions to which the Board of  
23          Education is higher than the statewide average.

24          For purposes of assuring that the cost control priorities  
25          of this subsection (D) are met, the State Superintendent of  
26          Education shall, with the assistance of the Board of Education,

1 review the cost allocation practices of the Board of Education,  
2 and the State Superintendent of Education shall thereafter  
3 recommend to the School Finance Authority rules and regulations  
4 which define administrative areas which most impact upon the  
5 direct and instructional needs of students and upon the safety  
6 and well-being of the pupils of the district. No position  
7 closed shall be reopened using State or federal categorical  
8 funds.

9 (E) Report of Audited Information. For the 1988-89 school  
10 year and for all subsequent school years, the Board of  
11 Education shall file with the State Board of Education the  
12 Annual Financial Report and its audit, as required by the rules  
13 of the State Board of Education. Such reports shall be filed no  
14 later than February 15 following the end of the school year of  
15 the Board of Education, beginning with the report to be filed  
16 no later than February 15, 1990 for the 1988-89 school year.

17 As part of the required Annual Financial Report, the Board  
18 of Education shall provide a detailed accounting of the central  
19 level, district, bureau and department costs and personnel  
20 included within expenditure functions included in paragraph  
21 (B)(1). The nature and detail of the reporting required for  
22 these functions shall be prescribed by the State Board of  
23 Education in rules and regulations. A copy of this detailed  
24 accounting shall also be provided annually to the School  
25 Finance Authority and the public. This report shall contain a  
26 reconciliation to the board of education's adopted budget for

1 that fiscal year, specifically delineating administrative  
2 functions.

3 If the information required under this Section is not  
4 provided by the Board of Education in a timely manner, or is  
5 initially or subsequently determined by the State  
6 Superintendent of Education to be incomplete or inaccurate, the  
7 State Superintendent shall, in writing, notify the Board of  
8 Education of reporting deficiencies. The Board of Education  
9 shall, within 60 days of such notice, address the reporting  
10 deficiencies identified. If the State Superintendent of  
11 Education does not receive satisfactory response to these  
12 reporting deficiencies within 60 days, the next payment of  
13 general State aid or evidence-based funding due the Board of  
14 Education under Section 18-8 or Section 18-8.15, as applicable,  
15 and all subsequent payments, shall be withheld by the State  
16 Superintendent of Education until the enumerated deficiencies  
17 have been addressed.

18 Utilizing the Annual Financial Report, the State  
19 Superintendent of Education shall certify on or before May 1 to  
20 the School Finance Authority the Board of Education's ratio of  
21 administrative expenditures to total expenditures for the  
22 1988-89 school year and for each succeeding school year. Such  
23 certification shall indicate the extent to which the  
24 administrative expenditure ratio of the Board of Education  
25 conformed to the limitations required in subsection (C) of this  
26 Section, taking into account any adjustments of the limitations

1 which may have been recommended by the State Superintendent of  
2 Education to the School Finance Authority. In deriving the  
3 administrative expenditure ratio of the Chicago Board of  
4 Education, the State Superintendent of Education shall utilize  
5 the definition of this ratio prescribed in subsection (C) of  
6 this Section, except that the actual expenditures of the Board  
7 of Education shall be substituted for budgeted expenditure  
8 items.

9 (F) Approval and adjustments to administrative expenditure  
10 limitations. The School Finance Authority organized under  
11 Article 34A shall monitor the Board of Education's adherence to  
12 the requirements of this Section. As part of its responsibility  
13 the School Finance Authority shall determine whether the Board  
14 of Education's budget for the next school year, and the  
15 expenditures for a prior school year, comply with the  
16 limitation of administrative expenditures required by this  
17 Section. The Board of Education and the State Board of  
18 Education shall provide such information as is required by the  
19 School Finance Authority in order for the Authority to  
20 determine compliance with the provisions of this Section. If  
21 the Authority determines that the budget proposed by the Board  
22 of Education does not meet the cost control requirements of  
23 this Section, the Board of Education shall undertake budgetary  
24 reductions, consistent with the requirements of this Section,  
25 to bring the proposed budget into compliance with such cost  
26 control limitations.

1           If, in formulating cost control and cost reduction  
2 alternatives, the Board of Education believes that meeting the  
3 cost control requirements of this Section related to the budget  
4 for the ensuing year would impair the education, safety, or  
5 well-being of the pupils of the school district, the Board of  
6 Education may request that the School Finance Authority make  
7 adjustments to the limitations required by this Section. The  
8 Board of Education shall specify the amount, nature, and  
9 reasons for the relief required and shall also identify cost  
10 reductions which can be made in expenditure functions not  
11 enumerated in paragraph (B) (1), which would serve the purposes  
12 of this Section.

13           The School Finance Authority shall consult with the State  
14 Superintendent of Education concerning the reasonableness from  
15 an educational administration perspective of the adjustments  
16 sought by the Board of Education. The School Finance Authority  
17 shall provide an opportunity for the public to comment upon the  
18 reasonableness of the Board's request. If, after such  
19 consultation, the School Finance Authority determines that all  
20 or a portion of the adjustments sought by the Board of  
21 Education are reasonably appropriate or necessary, the  
22 Authority may grant such relief from the provisions of this  
23 Section which the Authority deems appropriate. Adjustments so  
24 granted apply only to the specific school year for which the  
25 request was made.

26           In the event that the School Finance Authority determines

1 that the Board of Education has failed to achieve the required  
2 administrative expenditure limitations for a prior school  
3 year, or if the Authority determines that the Board of  
4 Education has not met the requirements of subsection (F), the  
5 Authority shall make recommendations to the Board of Education  
6 concerning appropriate corrective actions. If the Board of  
7 Education fails to provide adequate assurance to the Authority  
8 that appropriate corrective actions have been or will be taken,  
9 the Authority may, within 60 days thereafter, require the board  
10 to adjust its current budget to correct for the prior year's  
11 shortage or may recommend to the members of the General  
12 Assembly and the Governor such sanctions or remedial actions as  
13 will serve to deter any further such failures on the part of  
14 the Board of Education.

15 To assist the Authority in its monitoring  
16 responsibilities, the Board of Education shall provide such  
17 reports and information as are from time to time required by  
18 the Authority.

19 (G) Independent reviews of administrative expenditures.  
20 The School Finance Authority may direct independent reviews of  
21 the administrative and administrative support expenditures and  
22 services and other non-instructional expenditure functions of  
23 the Board of Education. The Board of Education shall afford  
24 full cooperation to the School Finance Authority in such review  
25 activity. The purpose of such reviews shall be to verify  
26 specific targets for improved operating efficiencies of the

1 Board of Education, to identify other areas of potential  
2 efficiencies, and to assure full and proper compliance by the  
3 Board of Education with all requirements of this Section.

4 In the conduct of reviews under this subsection, the  
5 Authority may request the assistance and consultation of the  
6 State Superintendent of Education with regard to questions of  
7 efficiency and effectiveness in educational administration.

8 (H) Reports to Governor and General Assembly. On or before  
9 May 1, 1991 and no less frequently than yearly thereafter, the  
10 School Finance Authority shall provide to the Governor, the  
11 State Board of Education, and the members of the General  
12 Assembly an annual report, as outlined in Section 34A-606,  
13 which includes the following information: (1) documenting the  
14 compliance or non-compliance of the Board of Education with the  
15 requirements of this Section; (2) summarizing the costs,  
16 findings, and recommendations of any reviews directed by the  
17 School Finance Authority, and the response to such  
18 recommendations made by the Board of Education; and (3)  
19 recommending sanctions or legislation necessary to fulfill the  
20 intent of this Section.

21 (Source: P.A. 86-124; 86-1477.)

22 Section 50. The Educational Opportunity for Military  
23 Children Act is amended by changing Section 25 as follows:

24 (105 ILCS 70/25)



1           Sec. 25. Tuition for children of active duty military  
2 personnel who are transfer students. If a student who is a  
3 child of active duty military personnel is (i) placed with a  
4 non-custodial parent and (ii) as a result of placement, must  
5 attend a non-resident school district, then the student must  
6 not be charged the tuition of the school that the student  
7 attends as a result of placement with the non-custodial parent  
8 and the student must be counted in the calculation of average  
9 daily attendance under Section 18-8.05 or 18-8.15 of the School  
10 Code.

11           (Source: P.A. 98-673, eff. 6-30-14.)

12           Section 95. No acceleration or delay. Where this Act makes  
13 changes in a statute that is represented in this Act by text  
14 that is not yet or no longer in effect (for example, a Section  
15 represented by multiple versions), the use of that text does  
16 not accelerate or delay the taking effect of (i) the changes  
17 made by this Act or (ii) provisions derived from any other  
18 Public Act.

19           Section 97. Savings clause. Any repeal or amendment made by  
20 this Act shall not affect or impair any of the following: suits  
21 pending or rights existing at the time this Act takes effect;  
22 any grant or conveyance made or right acquired or cause of  
23 action now existing under any Section, Article, or Act repealed  
24 or amended by this Act; the validity of any bonds or other

1 obligations issued or sold and constituting valid obligations  
2 of the issuing authority at the time this Act takes effect; the  
3 validity of any contract; the validity of any tax levied under  
4 any law in effect prior to the effective date of this Act; or  
5 any offense committed, act done, penalty, punishment, or  
6 forfeiture incurred or any claim, right, power, or remedy  
7 accrued under any law in effect prior to the effective date of  
8 this Act.

9 Section 99. Effective date. This Act takes effect upon  
10 becoming law, but this Act does not take effect at all unless  
11 Senate Bills 3, 4, 5, 6, 7, 8, 9, 10, 12, 13, and 16 of the  
12 100th General Assembly become law."