



Sen. Andy Manar

**Filed: 3/31/2017**

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LRB100 06371 NHT 24463 a

1 AMENDMENT TO SENATE BILL 1

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2 Sec. 13.2. Transfers among line item appropriations.

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

1 made.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (35 ILCS 200/18-200)

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

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

11 (35 ILCS 200/18-249)

12 Sec. 18-249. Miscellaneous provisions.

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

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



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

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

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

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

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

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

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

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

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

1 (b-3).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 \$738,014,500.

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

1 after May 1, 1998.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

8 (50 ILCS 470/33)

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

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

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

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

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

1 the taxable real property within the STAR bond district.

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

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

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

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

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

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

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

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

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

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

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

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

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

1 follows:

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

1           Sec. 50. Special tax allocation fund.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 improved part of the redevelopment project area:

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

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

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

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



1 not including housing and property maintenance codes.

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

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

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

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

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

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

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

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

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

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

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

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

26                (A) Obsolete platting of vacant land that results

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



1 original use.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 agreement.

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

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

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



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

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

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

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

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

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

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

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

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

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

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

1 the redevelopment plan for the redevelopment project area.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 project is at or over its student capacity;

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

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

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

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

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



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

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

26 Any library district seeking payment under this

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

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

20 (9) Payment in lieu of taxes;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (1) The total equalized assessed value of the



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

1 50 as follows:

2 (65 ILCS 110/50)

3 Sec. 50. Special tax allocation fund.

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

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

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

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

26          (c) When the economic development projects costs,

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

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

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

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

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

5 Section 45. The School Code is amended by changing Sections  
6 1A-8, 1B-5, 1B-6, 1B-7, 1B-8, 1C-1, 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, 10-17a, 10-19, 10-22.5a, 10-22.20,  
9 10-29, 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, 27A-11.5, 34-2.3, 34-18,  
13 34-18.30, and 34-43.1 and by adding Sections 17-3.6 and 18-8.15  
14 as follows:

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

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

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

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

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

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

1 of this Code.

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

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

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

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

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



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

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

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

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

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

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

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

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

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

21 Members of the Panel shall be selected primarily on the  
22 basis of their experience and education in financial  
23 management, with consideration given to persons knowledgeable  
24 in education finance. A member of the Panel may not be a board  
25 member or employee of the district for which the Panel is

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

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

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

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

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

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

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

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

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

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

5 (a) to sue and be sued;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 funding.

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

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

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

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

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

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

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

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

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

6 (105 ILCS 5/1C-1)

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

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

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

17 (105 ILCS 5/1D-1)

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

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

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

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

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



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

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

25 (d) For fiscal year 1996 through fiscal year 2017 ~~and each~~  
26 ~~fiscal year thereafter~~, the amount of the district's block

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

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

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

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

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

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

26 (h) Notwithstanding any other provision of law, any school

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

1 entitled to receive under this Code. No classification under  
2 this subsection (h) by a district shall in any way relieve the  
3 district from or affect any requirements that otherwise would  
4 apply with respect to the block grant as provided in this  
5 Section, including any accounting of funds by source, reporting  
6 expenditures by original source and purpose, reporting  
7 requirements, or requirements of provision of services.

8 (Source: P.A. 97-238, eff. 8-2-11; 97-324, eff. 8-12-11;  
9 97-813, eff. 7-13-12.)

10 (105 ILCS 5/1E-20)

11 (This Section scheduled to be repealed in accordance with  
12 105 ILCS 5/1E-165)

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

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

1 member's term. The State Superintendent may remove a member for  
2 incompetence, malfeasance, neglect of duty, or other just  
3 cause.

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

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

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

25 (b) The first meeting of the Authority shall be held at the  
26 call of the Chairperson. The Authority shall prescribe the

1 times and places for its meetings and the manner in which  
2 regular and special meetings may be called and shall comply  
3 with the Open Meetings Act.

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

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

9 (105 ILCS 5/1F-20)

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

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

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

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

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

10 Authority members shall be paid a stipend approved by the  
11 State Superintendent of not more than \$100 per meeting and may  
12 be reimbursed by the State Board for travel and other necessary  
13 expenses incurred in the performance of their official duties.  
14 Unless paid from bonds issued under Section 1F-65 of this Code,  
15 the amount reimbursed members for their expenses shall be  
16 charged to the school district as part of any emergency  
17 financial assistance and incorporated as a part of the terms  
18 and conditions for repayment of the assistance or shall be  
19 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. 94-234, eff. 7-1-06.)

8 (105 ILCS 5/1F-62)

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

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

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

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

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

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

1 exceed \$1,000 times the number of such pupils. A district may  
2 receive both a loan and a grant.

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

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

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

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

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

1 by the School Finance Authority.

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

3 (105 ILCS 5/1H-20)

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

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

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

23 (c) Panel members may be reimbursed by the State Board for  
24 travel and other necessary expenses incurred in the performance  
25 of their official duties. The amount reimbursed members for

1 their expenses shall be charged to the school district as part  
2 of any emergency financial assistance and incorporated as a  
3 part of the terms and conditions for repayment of the  
4 assistance or shall be deducted from the district's general  
5 State aid or evidence-based funding as provided in Section  
6 1H-65 of this Code.

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

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

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

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

19 (105 ILCS 5/1H-70)

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

1 have the same power as a district to do the following:

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

6 (2) issue tax anticipation notes under the provisions  
7 of the Tax Anticipation Note Act against taxes levied by  
8 either the school board or the Panel pursuant to Section  
9 1H-25 of this Code;

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

12 (4) issue general State aid or evidence-based funding  
13 anticipation certificates under the provisions of Section  
14 18-18 of this Code; and

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

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

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

23 (105 ILCS 5/2-3.33) (from Ch. 122, par. 2-3.33)

24 Sec. 2-3.33. Recomputation of claims. To recompute within  
25 3 years from the final date for filing of a claim any claim for

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

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



1 18-8.15 of this Code unless the requirements of Section 16-15  
2 of the Property Tax Code and Section 2-3.84 of this Code are  
3 complied with in all respects.

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

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

26 (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

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

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

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

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

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

1           Sec. 2-3.66. Truants' alternative and optional education  
2 programs. To establish projects to offer modified  
3 instructional programs or other services designed to prevent  
4 students from dropping out of school, including programs  
5 pursuant to Section 2-3.41, and to serve as a part time or full  
6 time option in lieu of regular school attendance and to award  
7 grants to local school districts, educational service regions  
8 or community college districts from appropriated funds to  
9 assist districts in establishing such projects. The education  
10 agency may operate its own program or enter into a contract  
11 with another not-for-profit entity to implement the program.  
12 The projects shall allow dropouts, up to and including age 21,  
13 potential dropouts, including truants, uninvolved, unmotivated  
14 and disaffected students, as defined by State Board of  
15 Education rules and regulations, to enroll, as an alternative  
16 to regular school attendance, in an optional education program  
17 which may be established by school board policy and is in  
18 conformance with rules adopted by the State Board of Education.  
19 Truants' Alternative and Optional Education programs funded  
20 pursuant to this Section shall be planned by a student, the  
21 student's parents or legal guardians, unless the student is 18  
22 years or older, and school officials and shall culminate in an  
23 individualized optional education plan. Such plan shall focus  
24 on academic or vocational skills, or both, and may include, but  
25 not be limited to, evening school, summer school, community  
26 college courses, adult education, preparation courses for high

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

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

20 (105 ILCS 5/2-3.66b)

21 Sec. 2-3.66b. IHOPE Program.

22 (a) There is established the Illinois Hope and Opportunity  
23 Pathways through Education (IHOPE) Program. The State Board of  
24 Education shall implement and administer the IHOPE Program. The  
25 goal of the IHOPE Program is to develop a comprehensive system

1 in this State to re-enroll significant numbers of high school  
2 dropouts in programs that will enable them to earn their high  
3 school diploma.

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

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

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

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

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

24 (d) A regional office of education or a school district  
25 organized under Article 34 of this Code may operate its own  
26 program funded by the IHOPE Program or enter into a contract

1 with other not-for-profit entities, including school  
2 districts, public community colleges, and not-for-profit  
3 community-based organizations, to operate a program.

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

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

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



1 the requirements of Section 27-22 of this Code for receipt of a  
2 high school diploma and are otherwise eligible to be claimed  
3 for general State aid under Section 18-8.05 of this Code or  
4 evidence-based funding under Section 18-8.15 of this Code,  
5 including provisions related to the minimum number of days of  
6 pupil attendance pursuant to Section 10-19 of this Code and the  
7 minimum number of daily hours of school work and any exceptions  
8 thereto as defined by the State Board of Education in rules.

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

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

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

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

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

1 high school diploma.

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

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

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

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

17 (4) Voluntary enrollment.

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

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

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

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

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

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

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

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

19           (105 ILCS 5/2-3.84) (from Ch. 122, par. 2-3.84)

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

1 129.1 of the Revenue Act of 1939 by the Department of Revenue,  
2 from the equalized assessed valuation that is otherwise to be  
3 utilized in the initial calculation.

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

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

17 (105 ILCS 5/2-3.109a)

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

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

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

2 Sec. 3-14.21. Inspection of schools.

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

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

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

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

1 timely manner pursuant to subsection (b) of this Section. The  
2 inspection must be at no cost to the school district.

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

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

12 (105 ILCS 5/7-14A) (from Ch. 122, par. 7-14A)

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

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

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

20 (105 ILCS 5/10-17a) (from Ch. 122, par. 10-17a)

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

23 (1) By October 31, 2013 and October 31 of each subsequent  
24 school year, the State Board of Education, through the State  
25 Superintendent of Education, shall prepare a State report card,



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

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

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

23 (B) curriculum information, including, where  
24 applicable, Advanced Placement, International  
25 Baccalaureate or equivalent courses, dual enrollment  
26 courses, foreign language classes, school personnel

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

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

24 (D) student progress, including, where applicable, the  
25 percentage of students in the ninth grade who have earned 5  
26 credits or more without failing more than one core class, a

1 measure of students entering kindergarten ready to learn, a  
2 measure of growth, and the percentage of students who enter  
3 high school on track for college and career readiness;

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

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

24 (G) the per-pupil expenditures of federal, State, and  
25 local funds, including actual personnel expenditures and  
26 actual non-personnel expenditures of federal, State, and

1       local funds, disaggregated by source of funds, for the  
2       school district and each of its schools for the preceding  
3       fiscal year.

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

11       (3) At the discretion of the State Superintendent, the  
12      school district report card shall include a subset of the  
13      information identified in paragraphs (A) through (E) of  
14      subsection (2) of this Section, as well as information relating  
15      to the operating expense per pupil and other finances of the  
16      school district, and the State report card shall include a  
17      subset of the information identified in paragraphs (A) through  
18      (E) of subsection (2) of this Section.

19       (4) Notwithstanding anything to the contrary in this  
20      Section, in consultation with key education stakeholders, the  
21      State Superintendent shall at any time have the discretion to  
22      amend or update any and all metrics on the school, district, or  
23      State report card.

24       (5) Annually, no more than 30 calendar days after receipt  
25      of the school district and school report cards from the State  
26      Superintendent of Education, each school district, including

1 special charter districts and districts subject to the  
2 provisions of Article 34, shall present such report cards at a  
3 regular school board meeting subject to applicable notice  
4 requirements, post the report cards on the school district's  
5 Internet web site, if the district maintains an Internet web  
6 site, make the report cards available to a newspaper of general  
7 circulation serving the district, and, upon request, send the  
8 report cards home to a parent (unless the district does not  
9 maintain an Internet web site, in which case the report card  
10 shall be sent home to parents without request). If the district  
11 posts the report card on its Internet web site, the district  
12 shall send a written notice home to parents stating (i) that  
13 the report card is available on the web site, (ii) the address  
14 of the web site, (iii) that a printed copy of the report card  
15 will be sent to parents upon request, and (iv) the telephone  
16 number that parents may call to request a printed copy of the  
17 report card.

18 (6) Nothing contained in this amendatory Act of the 98th  
19 General Assembly repeals, supersedes, invalidates, or  
20 nullifies final decisions in lawsuits pending on the effective  
21 date of this amendatory Act of the 98th General Assembly in  
22 Illinois courts involving the interpretation of Public Act  
23 97-8.

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

1 (105 ILCS 5/10-19) (from Ch. 122, par. 10-19)

2 Sec. 10-19. Length of school term - experimental programs.  
3 Each school board shall annually prepare a calendar for the  
4 school term, specifying the opening and closing dates and  
5 providing a minimum term of at least 185 days to insure 176  
6 days of actual pupil attendance, computable under Section  
7 18-8.05 or 18-8.15, except that for the 1980-1981 school year  
8 only 175 days of actual pupil attendance shall be required  
9 because of the closing of schools pursuant to Section 24-2 on  
10 January 29, 1981 upon the appointment by the President of that  
11 day as a day of thanksgiving for the freedom of the Americans  
12 who had been held hostage in Iran. Any days allowed by law for  
13 teachers' institutes but not used as such or used as parental  
14 institutes as provided in Section 10-22.18d shall increase the  
15 minimum term by the school days not so used. Except as provided  
16 in Section 10-19.1, the board may not extend the school term  
17 beyond such closing date unless that extension of term is  
18 necessary to provide the minimum number of computable days. In  
19 case of such necessary extension school employees shall be paid  
20 for such additional time on the basis of their regular  
21 contracts. A school board may specify a closing date earlier  
22 than that set on the annual calendar when the schools of the  
23 district have provided the minimum number of computable days  
24 under this Section. Nothing in this Section prevents the board  
25 from employing superintendents of schools, principals and  
26 other nonteaching personnel for a period of 12 months, or in

1 the case of superintendents for a period in accordance with  
2 Section 10-23.8, or prevents the board from employing other  
3 personnel before or after the regular school term with payment  
4 of salary proportionate to that received for comparable work  
5 during the school term.

6 A school board may make such changes in its calendar for  
7 the school term as may be required by any changes in the legal  
8 school holidays prescribed in Section 24-2. A school board may  
9 make changes in its calendar for the school term as may be  
10 necessary to reflect the utilization of teachers' institute  
11 days as parental institute days as provided in Section  
12 10-22.18d.

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

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

1 respects courses of instruction.

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

3 (105 ILCS 5/10-22.5a) (from Ch. 122, par. 10-22.5a)

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

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

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



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

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

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

2 (105 ILCS 5/10-22.20) (from Ch. 122, par. 10-22.20)

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

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

18 The board shall pay the necessary expenses of such classes  
19 out of school funds of the district, including costs of student  
20 transportation and such facilities or provision for child-care  
21 as may be necessary in the judgment of the board to permit  
22 maximum utilization of the courses by students with children,  
23 and other special needs of the students directly related to  
24 such instruction. The expenses thus incurred shall be subject  
25 to State reimbursement, as provided in this Section. The board

1 may make a tuition charge for persons taking instruction who  
2 are not subject to State reimbursement, such tuition charge not  
3 to exceed the per capita cost of such classes.

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

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

25 (1) the development of an index of need for program  
26 planning and for area funding allocations, as defined by

1 the Illinois Community College Board;

2 (2) the method for calculating hours of instruction, as  
3 defined by the Illinois Community College Board, claimable  
4 for reimbursement and a method to phase in the calculation  
5 and for adjusting the calculations in cases where the  
6 services of a program are interrupted due to circumstances  
7 beyond the control of the program provider;

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

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

15 For instruction provided by school districts and community  
16 college districts beginning July 1, 1996 and thereafter,  
17 reimbursement provided by the Illinois Community College Board  
18 for classes authorized by this Section shall be provided from  
19 funds appropriated for the reimbursement criteria set forth in  
20 subsection (c) below.

21 (c) Upon the annual approval of the Illinois Community  
22 College Board, reimbursement shall be first provided for  
23 transportation, child care services, and other special needs of  
24 the students directly related to instruction and then from the  
25 funds remaining an amount equal to the product of the total  
26 credit hours or units of instruction approved by the Illinois

1 Community College Board, multiplied by the following:

2 (1) For adult basic education, the minimum ~~maximum~~  
3 reimbursement per credit hour or per unit of instruction  
4 shall be equal to (i) through fiscal year 2017, the general  
5 state aid per pupil foundation level established in  
6 subsection (B) of Section 18-8.05, divided by 60, or (ii)  
7 in fiscal year 2018 and thereafter, the prior fiscal year  
8 reimbursement level;

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

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

19 (4) (Blank); and

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

22 (d) Upon its annual approval, the Illinois Community  
23 College Board shall provide grants to eligible programs for  
24 supplemental activities to improve or expand services under the  
25 Adult Education Act. Eligible programs shall be determined  
26 based upon performance outcomes of students in the programs as

1 set by the Illinois Community College Board.

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

4 If the amount appropriated to the Illinois Community  
5 College Board for reimbursement under this Section is less than  
6 the amount required under this Act, the apportionment shall be  
7 proportionately reduced.

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

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

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

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

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

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

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

23           (h) If a school district or community college district  
24 establishes child-care facilities for the children of  
25 participants in classes established under this Section, it may  
26 extend the use of these facilities to students who have

1 obtained employment and to other persons in the community whose  
2 children require care and supervision while the parent or other  
3 person in charge of the children is employed or otherwise  
4 absent from the home during all or part of the day. It may make  
5 the facilities available before and after as well as during  
6 regular school hours to school age and preschool age children  
7 who may benefit thereby, including children who require care  
8 and supervision pending the return of their parent or other  
9 person in charge of their care from employment or other  
10 activity requiring absence from the home.

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

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

21 After July 1, 1970 when the provisions of Section 10-20.20  
22 become operative in the district, children in a child-care  
23 facility shall be transferred to the kindergarten established  
24 under that Section for such portion of the day as may be  
25 required for the kindergarten program, and only the prorated  
26 costs of care and training provided in the Center for the



1 remaining period shall be charged to the Illinois Department of  
2 Human Services or other persons or agencies paying for such  
3 care.

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

6 (j) In addition to claiming reimbursement under this  
7 Section, a school district may claim general State aid under  
8 Section 18-8.05 or evidence-based funding under Section  
9 18-8.15 for any student under age 21 who is enrolled in courses  
10 accepted for graduation from elementary or high school and who  
11 otherwise meets the requirements of Section 18-8.05 or 18-8.15,  
12 as applicable.

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

14 (105 ILCS 5/10-29)

15 Sec. 10-29. Remote educational programs.

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

20 (1) A student may participate in the program only after  
21 the school district, pursuant to adopted school board  
22 policy, and a person authorized to enroll the student under  
23 Section 10-20.12b of this Code determine that a remote  
24 educational program will best serve the student's  
25 individual learning needs. The adopted school board policy

1 shall include, but not be limited to, all of the following:

2 (A) Criteria for determining that a remote  
3 educational program will best serve a student's  
4 individual learning needs. The criteria must include  
5 consideration of, at a minimum, a student's prior  
6 attendance, disciplinary record, and academic history.

7 (B) Any limitations on the number of students or  
8 grade levels that may participate in a remote  
9 educational program.

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

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

24 (E) A description of the system the school district  
25 will establish to calculate the number of clock hours a  
26 student is participating in instruction in accordance

1 with the remote educational program.

2 (F) A description of the process for renewing a  
3 remote educational program at the expiration of its  
4 term.

5 (G) Such other terms and provisions as the school  
6 district deems necessary to provide for the  
7 establishment and delivery of a remote educational  
8 program.

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

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

16 (A) they are certificated under Article 21 of this  
17 Code;

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

20 (C) they have responsibility for all of the  
21 following elements of the program: planning  
22 instruction, diagnosing learning needs, prescribing  
23 content delivery through class activities, assessing  
24 learning, reporting outcomes to administrators and  
25 parents and guardians, and evaluating the effects of  
26 instruction.

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

19           (5) Each student participating in a remote educational  
20 program must have a written remote educational plan that  
21 has been approved by the school district and a person  
22 authorized to enroll the student under Section 10-20.12b of  
23 this Code. The school district and a person authorized to  
24 enroll the student under Section 10-20.12b of this Code  
25 must approve any amendment to a remote educational plan.  
26 The remote educational plan must include, but is not

1 limited to, all of the following:

2 (A) Specific achievement goals for the student  
3 aligned to State learning standards.

4 (B) A description of all assessments that will be  
5 used to measure student progress, which description  
6 shall indicate the assessments that will be  
7 administered at an attendance center within the school  
8 district.

9 (C) A description of the progress reports that will  
10 be provided to the school district and the person or  
11 persons authorized to enroll the student under Section  
12 10-20.12b of this Code.

13 (D) Expectations, processes, and schedules for  
14 interaction between a teacher and student.

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

22 (F) If applicable, a description of how the remote  
23 educational program will be delivered in a manner  
24 consistent with the student's individualized education  
25 program required by Section 614(d) of the federal  
26 Individuals with Disabilities Education Improvement

1 Act of 2004 or plan to ensure compliance with Section  
2 504 of the federal Rehabilitation Act of 1973.

3 (G) A description of the procedures and  
4 opportunities for participation in academic and  
5 extra-curricular activities and programs within the  
6 school district.

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

17 (I) The identification of a school district  
18 administrator who will oversee the remote educational  
19 program on behalf of the school district and who may be  
20 contacted by the student's parents with respect to any  
21 issues or concerns with the program.

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

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

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

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

26 (7) The term of a student's participation in a remote

1 educational program may not extend for longer than 12  
2 months, unless the term is renewed by the school district.  
3 The district may only renew a student's participation in a  
4 remote educational program following an evaluation of the  
5 student's progress in the program, a determination that the  
6 student's continuation in the program will best serve the  
7 student's individual learning needs, and an amendment to  
8 the student's written remote educational plan addressing  
9 any changes for the upcoming term of the program.

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

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

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

23 (d) The impact of remote educational programs on wages,  
24 hours, and terms and conditions of employment of educational  
25 employees within the school district shall be subject to local  
26 collective bargaining agreements.



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

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

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

18 (h) The State Board of Education may adopt any rules  
19 necessary to ensure compliance by remote educational programs  
20 with the requirements of this Section and other applicable  
21 legal requirements.

22 (Source: P.A. 98-972, eff. 8-15-14; 99-193, eff. 7-30-15;  
23 99-194, eff. 7-30-15; 99-642, eff. 7-28-16.)

24 (105 ILCS 5/11E-135)

25 Sec. 11E-135. Incentives. For districts reorganizing under

1 this Article and for a district or districts that annex all of  
2 the territory of one or more entire other school districts in  
3 accordance with Article 7 of this Code, the following payments  
4 shall be made from appropriations made for these purposes:

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

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

1 district as constituted after the annexation and for the  
2 annexing and each annexed district as constituted prior to the  
3 annexation; and if the computation on the basis of the annexing  
4 and annexed districts as constituted prior to the annexation is  
5 greater, then a supplementary payment equal to the difference  
6 shall be made for the first 4 years of existence of the  
7 annexing school district as constituted upon the annexation.

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

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

19 (4) For a school district conversion, as defined in Section  
20 11E-15 of this Code, or a multi-unit conversion, as defined in  
21 subsection (b) of Section 11E-30 of this Code, if in their  
22 first year of existence the newly created elementary districts  
23 and the newly created high school district, from a school  
24 district conversion, or the newly created elementary district  
25 or districts and newly created combined high school - unit  
26 district, from a multi-unit conversion, qualify for less

1 general State aid under Section 18-8.05 of this Code or  
2 evidence-based funding under Section 18-8.15 of this Code than  
3 would have been payable under Section 18-8.05 or 18-8.15, as  
4 applicable, for that same year to the previously existing  
5 districts, then a supplementary payment equal to that  
6 difference shall be made for the first 4 years of existence of  
7 the newly created districts. The aggregate amount of each  
8 supplementary payment shall be allocated among the newly  
9 created districts in the proportion that the deemed pupil  
10 enrollment in each district during its first year of existence  
11 bears to the actual aggregate pupil enrollment in all of the  
12 districts during their first year of existence. For purposes of  
13 each allocation:

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

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

1 elementary district for its first year of existence and the  
2 denominator of which is the actual aggregate pupil  
3 enrollment of all of the newly created elementary districts  
4 for their first year of existence;

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

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

25 The aggregate amount of each supplementary payment under  
26 this subdivision (4) and the amount thereof to be allocated to

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

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

21 (6) For an elementary opt-in, as described in subsection  
22 (d) of Section 11E-30 of this Code, the general State aid or  
23 evidence-based funding difference shall be computed in  
24 accordance with paragraph (5) of this subsection (a) as if the  
25 elementary opt-in was included in an optional elementary unit  
26 district at the optional elementary unit district's original

1 effective date. If the calculation in this paragraph (6) is  
2 less than that calculated in paragraph (5) of this subsection  
3 (a) at the optional elementary unit district's original  
4 effective date, then no adjustments may be made. If the  
5 calculation in this paragraph (6) is more than that calculated  
6 in paragraph (5) of this subsection (a) at the optional  
7 elementary unit district's original effective date, then the  
8 excess must be paid as follows:

9 (A) If the effective date for the elementary opt-in is  
10 one year after the effective date for the optional  
11 elementary unit district, 100% 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 (B) If the effective date for the elementary opt-in is  
16 2 years after the effective date for the optional  
17 elementary unit district, 75% of the calculated excess  
18 shall be paid to the optional elementary unit district in  
19 each of the first 4 years after the effective date of the  
20 elementary opt-in.

21 (C) If the effective date for the elementary opt-in is  
22 3 years after the effective date for the optional  
23 elementary unit district, 50% of the calculated excess  
24 shall be paid to the optional elementary unit district in  
25 each of the first 4 years after the effective date of the  
26 elementary opt-in.



1 (D) If the effective date for the elementary opt-in is  
2 4 years after the effective date for the optional  
3 elementary unit district, 25% of the calculated excess  
4 shall be paid to the optional elementary unit district in  
5 each of the first 4 years after the effective date of the  
6 elementary opt-in.

7 (E) If the effective date for the elementary opt-in is  
8 5 years after the effective date for the optional  
9 elementary unit district, the optional elementary unit  
10 district is not eligible for any additional incentives due  
11 to the elementary opt-in.

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

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

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

4           (8) Any supplementary payment made under this subsection  
5           (a) must be treated as separate from all other payments made  
6           pursuant to Section 18-8.05 or 18-8.15 of this Code.

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

24          (2) After the territory of one or more school districts is  
25          annexed by one or more other school districts as defined in  
26          Article 7 of this Code, a computation shall be made to

1 determine the difference between the salaries effective in each  
2 annexed district and in the annexing district or districts as  
3 they were each constituted on June 30 preceding the date when  
4 the change of boundaries attributable to the annexation became  
5 effective for all purposes, as determined under Section 7-9 of  
6 this Code. For the first 4 years after the annexation, a  
7 supplementary State aid reimbursement shall be paid to each  
8 annexing district as constituted after the annexation equal to  
9 the difference between the sum of the salaries earned by each  
10 of the certificated members of the annexing district as  
11 constituted after the annexation, while employed in an annexed  
12 or annexing district during the year immediately preceding the  
13 annexation, and the sum of the salaries those certificated  
14 members would have been paid during the immediately preceding  
15 year if placed on the salary schedule of whichever of the  
16 annexing or annexed districts had the highest salary schedule  
17 during the immediately preceding year.

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

1           (4) For each newly created partial elementary unit  
2 district, the State shall make a supplementary payment for 4  
3 years equal to the difference between the sum of the salaries  
4 earned by each certified member of the newly created partial  
5 elementary unit district, while employed in one of the  
6 previously existing districts that formed the partial  
7 elementary unit district, and the sum of the salaries those  
8 certified members would have been paid if placed on the salary  
9 schedule of the previously existing district with the highest  
10 salary schedule. The salary schedules used in the calculation  
11 shall be those in effect in the previously existing districts  
12 for the school year prior to the creation of the new partial  
13 elementary unit district.

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

1 then the excess must be paid as follows:

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

8 (B) If the effective date for the elementary opt-in is  
9 2 years after the effective date for the optional  
10 elementary unit district, 75% of the calculated excess  
11 shall be paid to the optional elementary unit district in  
12 each of the first 4 years after the effective date of the  
13 elementary opt-in.

14 (C) If the effective date for the elementary opt-in is  
15 3 years after the effective date for the optional  
16 elementary unit district, 50% of the calculated excess  
17 shall be paid to the optional elementary unit district in  
18 each of the first 4 years after the effective date of the  
19 elementary opt-in.

20 (D) If the effective date for the elementary opt-in is  
21 4 years after the effective date for the partial elementary  
22 unit district, 25% of the calculated excess shall be paid  
23 to the optional elementary unit district in each of the  
24 first 4 years after the effective date of the elementary  
25 opt-in.

26 (E) If the effective date for the elementary opt-in is

1           5 years after the effective date for the optional  
2 elementary unit district, the optional elementary unit  
3 district is not eligible for any additional incentives due  
4 to the elementary opt-in.

5           (5.5) After the formation of a cooperative high school by 2  
6 or more school districts under Section 10-22.22c of this Code,  
7 a computation shall be made to determine the difference between  
8 the salaries effective in each of the previously existing high  
9 schools on June 30 prior to the formation of the cooperative  
10 high school. For the first 4 years after the formation of the  
11 cooperative high school, a supplementary State aid  
12 reimbursement shall be paid to the cooperative high school  
13 equal to the difference between the sum of the salaries earned  
14 by each of the certificated members of the cooperative high  
15 school while employed in one of the previously existing high  
16 schools during the year immediately preceding the formation of  
17 the cooperative high school and the sum of the salaries those  
18 certificated members would have been paid during the year  
19 immediately prior to the formation of the cooperative high  
20 school if placed on the salary schedule of the previously  
21 existing high school with the highest salary schedule.

22           (5.10) After the annexation of territory detached from  
23 another school district whereby the enrollment of the annexing  
24 district increases by 90% or more as a result of the  
25 annexation, a computation shall be made to determine the  
26 difference between the salaries effective in the district

1 gaining territory and the district losing territory as they  
2 each were constituted on June 30 preceding the date when the  
3 change of boundaries attributable to the annexation became  
4 effective for all purposes as determined under Section 7-9 of  
5 this Code. For the first 4 years after the annexation, a  
6 supplementary State aid reimbursement shall be paid to the  
7 annexing district equal to the difference between the sum of  
8 the salaries earned by each of the certificated members of the  
9 annexing district as constituted after the annexation while  
10 employed in the district gaining territory or the district  
11 losing territory during the year immediately preceding the  
12 annexation and the sum of the salaries those certificated  
13 members would have been paid during such immediately preceding  
14 year if placed on the salary schedule of whichever of the  
15 district gaining territory or district losing territory had the  
16 highest salary schedule during the immediately preceding year.  
17 To be eligible for supplementary State aid reimbursement under  
18 this Section, the intergovernmental agreement to be submitted  
19 pursuant to Section 7-14A of this Code must show that staff  
20 members were transferred from the control of the district  
21 losing territory to the control of the district gaining  
22 territory in the annexation. The changes to this Section made  
23 by Public Act 95-707 are intended to be retroactive and  
24 applicable to any annexation taking effect on or after July 1,  
25 2004. For annexations that are eligible for payments under this  
26 paragraph (5.10) and that are effective on or after July 1,



1 2004, but before January 11, 2008 (the effective date of Public  
2 Act 95-707), the first required yearly payment under this  
3 paragraph (5.10) shall be paid in the fiscal year of January  
4 11, 2008 (the effective date of Public Act 95-707). Subsequent  
5 required yearly payments shall be paid in subsequent fiscal  
6 years until the payment obligation under this paragraph (5.10)  
7 is complete.

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

1           (6) The supplementary State aid reimbursement under this  
2 subsection (b) shall be treated as separate from all other  
3 payments made pursuant to Section 18-8.05 of this Code. In the  
4 case of the formation of a new district or cooperative high  
5 school or a deactivation, reimbursement shall begin during the  
6 first year of operation of the new district or cooperative high  
7 school or the first year of the deactivation, and in the case  
8 of an annexation of the territory of one or more school  
9 districts by one or more other school districts or the  
10 annexation of territory detached from a school district whereby  
11 the enrollment of the annexing district increases by 90% or  
12 more as a result of the annexation, reimbursement shall begin  
13 during the first year when the change in boundaries  
14 attributable to the annexation becomes effective for all  
15 purposes as determined pursuant to Section 7-9 of this Code,  
16 except that for an annexation of territory detached from a  
17 school district that is effective on or after July 1, 2004, but  
18 before January 11, 2008 (the effective date of Public Act  
19 95-707), whereby the enrollment of the annexing district  
20 increases by 90% or more as a result of the annexation,  
21 reimbursement shall begin during the fiscal year of January 11,  
22 2008 (the effective date of Public Act 95-707). Each year that  
23 the new, annexing, or receiving district or cooperative high  
24 school, as the case may be, is entitled to receive  
25 reimbursement, the number of eligible certified members who are  
26 employed on October 1 in the district or cooperative high

1 school shall be certified to the State Board of Education on  
2 prescribed forms by October 15 and payment shall be made on or  
3 before November 15 of that year.

4 (c) (1) For the first year after the formation of a combined  
5 school district, as defined in Section 11E-20 of this Code or a  
6 unit district, as defined in Section 11E-25 of this Code, a  
7 computation shall be made totaling each previously existing  
8 district's audited fund balances in the educational fund,  
9 working cash fund, operations and maintenance fund, and  
10 transportation fund for the year ending June 30 prior to the  
11 referendum for the creation of the new district. The new  
12 district shall be paid supplementary State aid equal to the sum  
13 of the differences between the deficit of the previously  
14 existing district with the smallest deficit and the deficits of  
15 each of the other previously existing districts.

16 (2) For the first year after the annexation of all of the  
17 territory of one or more entire school districts by another  
18 school district, as defined in Article 7 of this Code,  
19 computations shall be made, for the year ending June 30 prior  
20 to the date that the change of boundaries attributable to the  
21 annexation is allowed by the affirmative decision issued by the  
22 regional board of school trustees under Section 7-6 of this  
23 Code, notwithstanding any effort to seek administrative review  
24 of the decision, totaling the annexing district's and totaling  
25 each annexed district's audited fund balances in their  
26 respective educational, working cash, operations and

1 maintenance, and transportation funds. The annexing district  
2 as constituted after the annexation shall be paid supplementary  
3 State aid equal to the sum of the differences between the  
4 deficit of whichever of the annexing or annexed districts as  
5 constituted prior to the annexation had the smallest deficit  
6 and the deficits of each of the other districts as constituted  
7 prior to the annexation.

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

1 this paragraph (3) shall be allocated between or among the  
2 annexing districts as follows:

3 (A) the regional superintendent of schools for each  
4 educational service region in which an annexed district is  
5 located prior to the annexation shall certify to the State  
6 Board of Education, on forms that it shall provide for that  
7 purpose, the value of all taxable property in each annexed  
8 district, as last equalized or assessed by the Department  
9 of Revenue prior to the annexation, and the equalized  
10 assessed value of each part of the annexed district that  
11 was annexed to or included as a part of an annexing  
12 district;

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

22 (C) the aggregate supplementary State aid payment  
23 under this paragraph (3) shall be allocated between or  
24 among, and shall be paid to, the annexing districts in the  
25 same ratio as the sum of the combined audited fund balance  
26 deficit of each annexing district as constituted prior to

1 the annexation, plus all combined audited fund balance  
2 deficit amounts apportioned to that annexing district  
3 under clause (B) of this subsection, bears to the aggregate  
4 of the combined audited fund balance deficits of all of the  
5 annexing and annexed districts as constituted prior to the  
6 annexation.

7 (4) For the new elementary districts and new high school  
8 district formed through a school district conversion, as  
9 defined in Section 11E-15 of this Code or the new elementary  
10 district or districts and new combined high school - unit  
11 district formed through a multi-unit conversion, as defined in  
12 subsection (b) of Section 11E-30 of this Code, a computation  
13 shall be made totaling each previously existing district's  
14 audited fund balances in the educational fund, working cash  
15 fund, operations and maintenance fund, and transportation fund  
16 for the year ending June 30 prior to the referendum  
17 establishing the new districts. In the first year of the new  
18 districts, the State shall make a one-time supplementary  
19 payment equal to the sum of the differences between the deficit  
20 of the previously existing district with the smallest deficit  
21 and the deficits of each of the other previously existing  
22 districts. A district with a combined balance among the 4 funds  
23 that is positive shall be considered to have a deficit of zero.  
24 The supplementary payment shall be allocated among the newly  
25 formed high school and elementary districts in the manner  
26 provided by the petition for the formation of the districts, in

1 the form in which the petition is approved by the regional  
2 superintendent of schools or State Superintendent of Education  
3 under Section 11E-50 of this Code.

4 (5) For each newly created partial elementary unit  
5 district, as defined in subsection (a) or (c) of Section 11E-30  
6 of this Code, a computation shall be made totaling the audited  
7 fund balances of each previously existing district that formed  
8 the new partial elementary unit district in the educational  
9 fund, working cash fund, operations and maintenance fund, and  
10 transportation fund for the year ending June 30 prior to the  
11 referendum for the formation of the partial elementary unit  
12 district. In the first year of the new partial elementary unit  
13 district, the State shall make a one-time supplementary payment  
14 to the new district equal to the sum of the differences between  
15 the deficit of the previously existing district with the  
16 smallest deficit and the deficits of each of the other  
17 previously existing districts. A district with a combined  
18 balance among the 4 funds that is positive shall be considered  
19 to have a deficit of zero.

20 (6) For an elementary opt-in as defined in subsection (d)  
21 of Section 11E-30 of this Code, the deficit fund balance  
22 incentive shall be computed in accordance with paragraph (5) of  
23 this subsection (c) as if the opted-in elementary was included  
24 in the optional elementary unit district at the optional  
25 elementary unit district's original effective date. If the  
26 calculation in this paragraph (6) is less than that calculated

1 in paragraph (5) of this subsection (c) at the optional  
2 elementary unit district's original effective date, then no  
3 adjustments may be made. If the calculation in this paragraph  
4 (6) is more than that calculated in paragraph (5) of this  
5 subsection (c) at the optional elementary unit district's  
6 original effective date, then the excess must be paid as  
7 follows:

8 (A) If the effective date for the elementary opt-in is  
9 one year after the effective date for the optional  
10 elementary unit district, 100% of the calculated excess  
11 shall be paid to the optional elementary unit district in  
12 the first year after the effective date of the elementary  
13 opt-in.

14 (B) If the effective date for the elementary opt-in is  
15 2 years after the effective date for the optional  
16 elementary unit district, 75% of the calculated excess  
17 shall be paid to the optional elementary unit district in  
18 the first year after the effective date of the elementary  
19 opt-in.

20 (C) If the effective date for the elementary opt-in is  
21 3 years after the effective date for the optional  
22 elementary unit district, 50% of the calculated excess  
23 shall be paid to the optional elementary unit district in  
24 the first year after the effective date of the elementary  
25 opt-in.

26 (D) If the effective date for the elementary opt-in is



1           4 years after the effective date for the optional  
2 elementary unit district, 25% of the calculated excess  
3 shall be paid to the optional elementary unit district in  
4 the first year after the effective date of the elementary  
5 opt-in.

6           (E) If the effective date for the elementary opt-in is  
7 5 years after the effective date for the optional  
8 elementary unit district, the optional elementary unit  
9 district is not eligible for any additional incentives due  
10 to the elementary opt-in.

11           (6.5) For the first year after the annexation of territory  
12 detached from another school district whereby the enrollment of  
13 the annexing district increases by 90% or more as a result of  
14 the annexation, a computation shall be made totaling the  
15 audited fund balances of the district gaining territory and the  
16 audited fund balances of the district losing territory in the  
17 educational fund, working cash fund, operations and  
18 maintenance fund, and transportation fund for the year ending  
19 June 30 prior to the date that the change of boundaries  
20 attributable to the annexation is allowed by the affirmative  
21 decision of the regional board of school trustees under Section  
22 7-6 of this Code, notwithstanding any action for administrative  
23 review of the decision. The annexing district as constituted  
24 after the annexation shall be paid supplementary State aid  
25 equal to the difference between the deficit of whichever  
26 district included in this calculation as constituted prior to

1 the annexation had the smallest deficit and the deficit of each  
2 other district included in this calculation as constituted  
3 prior to the annexation, multiplied by the ratio of equalized  
4 assessed value of the territory detached to the total equalized  
5 assessed value of the district losing territory. The regional  
6 superintendent of schools for the educational service region in  
7 which a district losing territory is located prior to the  
8 annexation shall certify to the State Board of Education the  
9 value of all taxable property in the district losing territory  
10 and the value of all taxable property in the territory being  
11 detached, as last equalized or assessed by the Department of  
12 Revenue prior to the annexation. To be eligible for  
13 supplementary State aid reimbursement under this Section, the  
14 intergovernmental agreement to be submitted pursuant to  
15 Section 7-14A of this Code must show that fund balances were  
16 transferred from the district losing territory to the district  
17 gaining territory in the annexation. The changes to this  
18 Section made by Public Act 95-707 are intended to be  
19 retroactive and applicable to any annexation taking effect on  
20 or after July 1, 2004. For annexations that are eligible for  
21 payments under this paragraph (6.5) and that are effective on  
22 or after July 1, 2004, but before January 11, 2008 (the  
23 effective date of Public Act 95-707), the required payment  
24 under this paragraph (6.5) shall be paid in the fiscal year of  
25 January 11, 2008 (the effective date of Public Act 95-707).

26 (7) For purposes of any calculation required under

1 paragraph (1), (2), (3), (4), (5), (6), or (6.5) of this  
2 subsection (c), a district with a combined fund balance that is  
3 positive shall be considered to have a deficit of zero. For  
4 purposes of determining each district's audited fund balances  
5 in its educational fund, working cash fund, operations and  
6 maintenance fund, and transportation fund for the specified  
7 year ending June 30, as provided in paragraphs (1), (2), (3),  
8 (4), (5), (6), and (6.5) of this subsection (c), the balance of  
9 each fund shall be deemed decreased by an amount equal to the  
10 amount of the annual property tax theretofore levied in the  
11 fund by the district for collection and payment to the district  
12 during the calendar year in which the June 30 fell, but only to  
13 the extent that the tax so levied in the fund actually was  
14 received by the district on or before or comprised a part of  
15 the fund on such June 30. For purposes of determining each  
16 district's audited fund balances, a calculation shall be made  
17 for each fund to determine the average for the 3 years prior to  
18 the specified year ending June 30, as provided in paragraphs  
19 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c),  
20 of the district's expenditures in the categories "purchased  
21 services", "supplies and materials", and "capital outlay", as  
22 those categories are defined in rules of the State Board of  
23 Education. If this 3-year average is less than the district's  
24 expenditures in these categories for the specified year ending  
25 June 30, as provided in paragraphs (1), (2), (3), (4), (5),  
26 (6), and (6.5) of this subsection (c), then the 3-year average

1 shall be used in calculating the amounts payable under this  
2 Section in place of the amounts shown in these categories for  
3 the specified year ending June 30, as provided in paragraphs  
4 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c).  
5 Any deficit because of State aid not yet received may not be  
6 considered in determining the June 30 deficits. The same basis  
7 of accounting shall be used by all previously existing  
8 districts and by all annexing or annexed districts, as  
9 constituted prior to the annexation, in making any computation  
10 required under paragraphs (1), (2), (3), (4), (5), (6), and  
11 (6.5) of this subsection (c).

12 (8) The supplementary State aid payments under this  
13 subsection (c) shall be treated as separate from all other  
14 payments made pursuant to Section 18-8.05 of this Code.

15 (d)(1) Following the formation of a combined school  
16 district, as defined in Section 11E-20 of this Code, a new unit  
17 district, as defined in Section 11E-25 of this Code, a new  
18 elementary district or districts and a new high school district  
19 formed through a school district conversion, as defined in  
20 Section 11E-15 of this Code, a new partial elementary unit  
21 district, as defined in Section 11E-30 of this Code, or a new  
22 elementary district or districts formed through a multi-unit  
23 conversion, as defined in subsection (b) of Section 11E-30 of  
24 this Code, or the annexation of all of the territory of one or  
25 more entire school districts by one or more other school  
26 districts, as defined in Article 7 of this Code, a

1 supplementary State aid reimbursement shall be paid for the  
 2 number of school years determined under the following table to  
 3 each new or annexing district equal to the sum of \$4,000 for  
 4 each certified employee who is employed by the district on a  
 5 full-time basis for the regular term of the school year:

6	Reorganized District's Rank	Reorganized District's Rank		
7	by type of district (unit,	in Average Daily Attendance		
8	high school, elementary)	By Quintile		
9	in Equalized Assessed Value			
10	Per Pupil by Quintile			
11				3rd, 4th,
12		1st	2nd	or 5th
13		Quintile	Quintile	Quintile
14	1st Quintile	1 year	1 year	1 year
15	2nd Quintile	1 year	2 years	2 years
16	3rd Quintile	2 years	3 years	3 years
17	4th Quintile	2 years	3 years	3 years
18	5th Quintile	2 years	3 years	3 years

19 The State Board of Education shall make a one-time calculation  
 20 of a reorganized district's quintile ranks. The average daily  
 21 attendance used in this calculation shall be the best 3 months'  
 22 average daily attendance for the district's first year. The  
 23 equalized assessed value per pupil shall be the district's real  
 24 property equalized assessed value used in calculating the

1 district's first-year general State aid claim, under Section  
2 18-8.05 of this Code, or first-year evidence-based funding  
3 claim, under Section 18-8.15 of this Code, as applicable,  
4 divided by the best 3 months' average daily attendance.

5 No annexing or resulting school district shall be entitled  
6 to supplementary State aid under this subsection (d) unless the  
7 district acquires at least 30% of the average daily attendance  
8 of the district from which the territory is being detached or  
9 divided.

10 If a district results from multiple reorganizations that  
11 would otherwise qualify the district for multiple payments  
12 under this subsection (d) in any year, then the district shall  
13 receive a single payment only for that year based solely on the  
14 most recent reorganization.

15 (2) For an elementary opt-in, as defined in subsection (d)  
16 of Section 11E-30 of this Code, the full-time certified staff  
17 incentive shall be computed in accordance with paragraph (1) of  
18 this subsection (d), equal to the sum of \$4,000 for each  
19 certified employee of the elementary district that opts-in who  
20 is employed by the optional elementary unit district on a  
21 full-time basis for the regular term of the school year. The  
22 calculation from this paragraph (2) 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 amount calculated in  
26 this paragraph (2) shall be paid to the optional elementary

1 unit district for the number of years calculated in  
2 paragraph (1) of this subsection (d) at the optional  
3 elementary unit district's original effective date,  
4 starting in the second year after the effective date of the  
5 elementary opt-in.

6 (B) If the effective date for the elementary opt-in is  
7 2 years after the effective date for the optional  
8 elementary unit district, 75% of the amount calculated in  
9 this paragraph (2) shall be paid to the optional elementary  
10 unit district for the number of years calculated in  
11 paragraph (1) of this subsection (d) at the optional  
12 elementary unit district's original effective date,  
13 starting in the second year after the effective date of the  
14 elementary opt-in.

15 (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 amount calculated in  
18 this paragraph (2) shall be paid to the optional elementary  
19 unit district for the number of years calculated in  
20 paragraph (1) of this subsection (d) at the optional  
21 elementary unit district's original effective date,  
22 starting in the second year after the effective date of the  
23 elementary opt-in.

24 (D) If the effective date for the elementary opt-in is  
25 4 years after the effective date for the optional  
26 elementary unit district, 25% of the amount calculated in

1           this paragraph (2) shall be paid to the optional elementary  
2           unit district for the number of years calculated in  
3           paragraph (1) of this subsection (d) at the optional  
4           elementary unit district's original effective date,  
5           starting in the second year after the effective date of the  
6           elementary opt-in.

7           (E) If the effective date for the elementary opt-in is  
8           5 years after the effective date for the optional  
9           elementary unit district, the optional elementary unit  
10          district is not eligible for any additional incentives due  
11          to the elementary opt-in.

12          (2.5) Following the formation of a cooperative high school  
13          by 2 or more school districts under Section 10-22.22c of this  
14          Code, a supplementary State aid reimbursement shall be paid for  
15          3 school years to the cooperative high school equal to the sum  
16          of \$4,000 for each certified employee who is employed by the  
17          cooperative high school on a full-time basis for the regular  
18          term of any such school year. If a cooperative high school  
19          results from multiple agreements that would otherwise qualify  
20          the cooperative high school for multiple payments under this  
21          Section in any year, the cooperative high school shall receive  
22          a single payment for that year based solely on the most recent  
23          agreement.

24          (2.10) Following the annexation of territory detached from  
25          another school district whereby the enrollment of the annexing  
26          district increases 90% or more as a result of the annexation, a



1 supplementary State aid reimbursement shall be paid to the  
2 annexing district equal to the sum of \$4,000 for each certified  
3 employee who is employed by the annexing district on a  
4 full-time basis and shall be calculated in accordance with  
5 subsection (a) of this Section. To be eligible for  
6 supplementary State aid reimbursement under this Section, the  
7 intergovernmental agreement to be submitted pursuant to  
8 Section 7-14A of this Code must show that certified staff  
9 members were transferred from the control of the district  
10 losing territory to the control of the district gaining  
11 territory in the annexation. The changes to this Section made  
12 by Public Act 95-707 are intended to be retroactive and  
13 applicable to any annexation taking effect on or after July 1,  
14 2004. For annexations that are eligible for payments under this  
15 paragraph (2.10) and that are effective on or after July 1,  
16 2004, but before January 11, 2008 (the effective date of Public  
17 Act 95-707), the first required yearly payment under this  
18 paragraph (2.10) shall be paid in the second fiscal year after  
19 January 11, 2008 (the effective date of Public Act 95-707). Any  
20 subsequent required yearly payments shall be paid in subsequent  
21 fiscal years until the payment obligation under this paragraph  
22 (2.10) is complete.

23 (2.15) Following the deactivation of a school facility in  
24 accordance with Section 10-22.22b of this Code, a supplementary  
25 State aid reimbursement shall be paid for the lesser of 3  
26 school years or the length of the deactivation agreement,

1 including any renewals of the original deactivation agreement,  
2 to each receiving school district equal to the sum of \$4,000  
3 for each certified employee who is employed by that receiving  
4 district on a full-time basis for the regular term of any such  
5 school year who was originally transferred to the control of  
6 that receiving district as a result of the deactivation.  
7 Receiving districts are eligible for payments under this  
8 paragraph (2.15) based on the certified employees transferred  
9 to that receiving district as a result of the deactivation and  
10 are not required to receive at least 30% of the deactivating  
11 district's average daily attendance as required under  
12 paragraph (1) of this subsection (d) to be eligible for  
13 payments.

14 (3) The supplementary State aid reimbursement payable  
15 under this subsection (d) shall be separate from and in  
16 addition to all other payments made to the district pursuant to  
17 any other Section of this Article.

18 (4) During May of each school year for which a  
19 supplementary State aid reimbursement is to be paid to a new,  
20 annexing, or receiving school district or cooperative high  
21 school pursuant to this subsection (d), the school board or  
22 governing board shall certify to the State Board of Education,  
23 on forms furnished to the school board or governing board by  
24 the State Board of Education for purposes of this subsection  
25 (d), the number of certified employees for which the district  
26 or cooperative high school is entitled to reimbursement under

1 this Section, together with the names, certificate numbers, and  
2 positions held by the certified employees.

3 (5) Upon certification by the State Board of Education to  
4 the State Comptroller of the amount of the supplementary State  
5 aid reimbursement to which a school district or cooperative  
6 high school is entitled under this subsection (d), the State  
7 Comptroller shall draw his or her warrant upon the State  
8 Treasurer for the payment thereof to the school district or  
9 cooperative high school and shall promptly transmit the payment  
10 to the school district or cooperative high school through the  
11 appropriate school treasurer.

12 (Source: P.A. 95-331, eff. 8-21-07; 95-707, eff. 1-11-08;  
13 95-903, eff. 8-25-08; 96-328, eff. 8-11-09.)

14 (105 ILCS 5/13A-8)  
15 Sec. 13A-8. Funding.

16 (a) The State of Illinois shall provide funding for the  
17 alternative school programs within each educational service  
18 region and within the Chicago public school system by line item  
19 appropriation made to the State Board of Education for that  
20 purpose. This money, when appropriated, shall be provided to  
21 the regional superintendent and to the Chicago Board of  
22 Education, who shall establish a budget, including salaries,  
23 for their alternative school programs. Each program shall  
24 receive funding in the amount of \$30,000 plus an amount based  
25 on the ratio of the region's or Chicago's best 3 months'

1 average daily attendance in grades pre-kindergarten through 12  
2 to the statewide totals of these amounts. For purposes of this  
3 calculation, the best 3 months' average daily attendance for  
4 each region or Chicago shall be calculated by adding to the  
5 best 3 months' average daily attendance the number of  
6 low-income students identified in the most recently available  
7 federal census multiplied by one-half times the percentage of  
8 the region's or Chicago's low-income students to the State's  
9 total low-income students. The State Board of Education shall  
10 retain up to 1.1% of the appropriation to be used to provide  
11 technical assistance, professional development, and  
12 evaluations for the programs.

13 (a-5) Notwithstanding any other provisions of this  
14 Section, for the 1998-1999 fiscal year, the total amount  
15 distributed under subsection (a) for an alternative school  
16 program shall be not less than the total amount that was  
17 distributed under that subsection for that alternative school  
18 program for the 1997-1998 fiscal year. If an alternative school  
19 program is to receive a total distribution under subsection (a)  
20 for the 1998-1999 fiscal year that is less than the total  
21 distribution that the program received under that subsection  
22 for the 1997-1998 fiscal year, that alternative school program  
23 shall also receive, from a separate appropriation made for  
24 purposes of this subsection (a-5), a supplementary payment  
25 equal to the amount by which its total distribution under  
26 subsection (a) for the 1997-1998 fiscal year exceeds the amount

1 of the total distribution that the alternative school program  
2 receives under that subsection for the 1998-1999 fiscal year.  
3 If the amount appropriated for supplementary payments to  
4 alternative school programs under this subsection (a-5) is  
5 insufficient for that purpose, those supplementary payments  
6 shall be prorated among the alternative school programs  
7 entitled to receive those supplementary payments according to  
8 the aggregate amount of the appropriation made for purposes of  
9 this subsection (a-5).

10 (b) An alternative school program shall be entitled to  
11 receive general State aid as calculated in subsection (K) of  
12 Section 18-8.05 or evidence-based funding as calculated in  
13 subsection (g) of Section 18-8.15 upon filing a claim as  
14 provided therein. Any time that a student who is enrolled in an  
15 alternative school program spends in work-based learning,  
16 community service, or a similar alternative educational  
17 setting shall be included in determining the student's minimum  
18 number of clock hours of daily school work that constitute a  
19 day of attendance for purposes of calculating general State aid  
20 or evidence-based funding.

21 (c) An alternative school program may receive additional  
22 funding from its school districts in such amount as may be  
23 agreed upon by the parties and necessary to support the  
24 program. In addition, an alternative school program is  
25 authorized to accept and expend gifts, legacies, and grants,  
26 including but not limited to federal grants, from any source

1 for purposes directly related to the conduct and operation of  
2 the program.

3 (Source: P.A. 89-383, eff. 8-18-95; 89-629, eff. 8-9-96;  
4 89-636, eff. 8-9-96; 90-14, eff. 7-1-97; 90-283, eff. 7-31-97;  
5 90-802, eff. 12-15-98.)

6 (105 ILCS 5/13B-20.20)

7 Sec. 13B-20.20. Enrollment in other programs. High school  
8 equivalency testing preparation programs are not eligible for  
9 funding under this Article. A student may enroll in a program  
10 approved under Section 18-8.05 or 18-8.15 of this Code, as  
11 appropriate, or attend both the alternative learning  
12 opportunities program and the regular school program to enhance  
13 student performance and facilitate on-time graduation.

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

15 (105 ILCS 5/13B-45)

16 Sec. 13B-45. Days and hours of attendance. An alternative  
17 learning opportunities program shall provide students with at  
18 least the minimum number of days of pupil attendance required  
19 under Section 10-19 of this Code and the minimum number of  
20 daily hours of school work required under Section 18-8.05 or  
21 18-8.15 of this Code, provided that the State Board may approve  
22 exceptions to these requirements if the program meets all of  
23 the following conditions:

24 (1) The district plan submitted under Section

1 13B-25.15 of this Code establishes that a program providing  
2 the required minimum number of days of attendance or daily  
3 hours of school work would not serve the needs of the  
4 program's students.

5 (2) Each day of attendance shall provide no fewer than  
6 3 clock hours of school work, as defined under paragraph  
7 (1) of subsection (F) of Section 18-8.05 of this Code.

8 (3) Each day of attendance that provides fewer than 5  
9 clock hours of school work shall also provide supplementary  
10 services, including without limitation work-based  
11 learning, student assistance programs, counseling, case  
12 management, health and fitness programs, or life-skills or  
13 conflict resolution training, in order to provide a total  
14 daily program to the student of 5 clock hours. A program  
15 may claim general State aid or evidence-based funding for  
16 up to 2 hours of the time each day that a student is  
17 receiving supplementary services.

18 (4) Each program shall provide no fewer than 174 days  
19 of actual pupil attendance during the school term; however,  
20 approved evening programs that meet the requirements of  
21 Section 13B-45 of this Code may offer less than 174 days of  
22 actual pupil attendance during the school term.

23 (Source: P.A. 92-42, eff. 1-1-02.)

24 (105 ILCS 5/13B-50)

25 Sec. 13B-50. Eligibility to receive general State aid or

1 evidence-based funding. In order to receive general State aid  
2 or evidence-based funding, alternative learning opportunities  
3 programs must meet the requirements for claiming general State  
4 aid as specified in Section 18-8.05 of this Code or  
5 evidence-based funding as specified in Section 18-8.15 of this  
6 Code, as applicable, with the exception of the length of the  
7 instructional day, which may be less than 5 hours of school  
8 work if the program meets the criteria set forth under Sections  
9 13B-50.5 and 13B-50.10 of this Code and if the program is  
10 approved by the State Board.

11 (Source: P.A. 92-42, eff. 1-1-02.)

12 (105 ILCS 5/13B-50.10)

13 Sec. 13B-50.10. Additional criteria for general State aid  
14 or evidence-based funding. In order to claim general State aid  
15 or evidence-based funding, an alternative learning  
16 opportunities program must meet the following criteria:

17 (1) Teacher professional development plans should include  
18 education in the instruction of at-risk students.

19 (2) Facilities must meet the health, life, and safety  
20 requirements in this Code.

21 (3) The program must comply with all other State and  
22 federal laws applicable to education providers.

23 (Source: P.A. 92-42, eff. 1-1-02.)

24 (105 ILCS 5/13B-50.15)



1           Sec. 13B-50.15. Level of funding. Approved alternative  
2 learning opportunities programs are entitled to claim general  
3 State aid or evidence-based funding, subject to Sections  
4 13B-50, 13B-50.5, and 13B-50.10 of this Code. Approved programs  
5 operated by regional offices of education are entitled to  
6 receive general State aid at the foundation level of support. A  
7 school district or consortium must ensure that an approved  
8 program receives supplemental general State aid,  
9 transportation reimbursements, and special education  
10 resources, if appropriate, for students enrolled in the  
11 program.

12       (Source: P.A. 92-42, eff. 1-1-02.)

13           (105 ILCS 5/14-7.02b)

14           Sec. 14-7.02b. Funding for children requiring special  
15 education services. Payments to school districts for children  
16 requiring special education services documented in their  
17 individualized education program regardless of the program  
18 from which these services are received, excluding children  
19 claimed under Sections 14-7.02 and 14-7.03 of this Code, shall  
20 be made in accordance with this Section. Funds received under  
21 this Section may be used only for the provision of special  
22 educational facilities and services as defined in Section  
23 14-1.08 of this Code.

24           The appropriation for fiscal year 2005 through fiscal year  
25 2017 ~~and thereafter~~ shall be based upon the IDEA child count of

1 all students in the State, excluding students claimed under  
2 Sections 14-7.02 and 14-7.03 of this Code, on December 1 of the  
3 fiscal year 2 years preceding, multiplied by 17.5% of the  
4 general State aid foundation level of support established for  
5 that fiscal year under Section 18-8.05 of this Code.

6 Beginning with fiscal year 2005 and through fiscal year  
7 2007, individual school districts shall not receive payments  
8 under this Section totaling less than they received under the  
9 funding authorized under Section 14-7.02a of this Code during  
10 fiscal year 2004, pursuant to the provisions of Section  
11 14-7.02a as they were in effect before the effective date of  
12 this amendatory Act of the 93rd General Assembly. This base  
13 level funding shall be computed first.

14 Beginning with fiscal year 2008 through fiscal year 2017  
15 ~~and each fiscal year thereafter~~, individual school districts  
16 must not receive payments under this Section totaling less than  
17 they received in fiscal year 2007. This funding shall be  
18 computed last and shall be a separate calculation from any  
19 other calculation set forth in this Section. This amount is  
20 exempt from the requirements of Section 1D-1 of this Code.

21 Through fiscal year 2017, an ~~An~~ amount equal to 85% of the  
22 funds remaining in the appropriation shall be allocated to  
23 school districts based upon the district's average daily  
24 attendance reported for purposes of Section 18-8.05 of this  
25 Code for the preceding school year. Fifteen percent of the  
26 funds remaining in the appropriation shall be allocated to

1 school districts based upon the district's low income eligible  
2 pupil count used in the calculation of general State aid under  
3 Section 18-8.05 of this Code for the same fiscal year. One  
4 hundred percent of the funds computed and allocated to  
5 districts under this Section shall be distributed and paid to  
6 school districts.

7 For individual students with disabilities whose program  
8 costs exceed 4 times the district's per capita tuition rate as  
9 calculated under Section 10-20.12a of this Code, the costs in  
10 excess of 4 times the district's per capita tuition rate shall  
11 be paid by the State Board of Education from unexpended IDEA  
12 discretionary funds originally designated for room and board  
13 reimbursement pursuant to Section 14-8.01 of this Code. The  
14 amount of tuition for these children shall be determined by the  
15 actual cost of maintaining classes for these children, using  
16 the per capita cost formula set forth in Section 14-7.01 of  
17 this Code, with the program and cost being pre-approved by the  
18 State Superintendent of Education. Reimbursement for  
19 individual students with disabilities whose program costs  
20 exceed 4 times the district's per capita tuition rate shall be  
21 claimed beginning with costs encumbered for the 2004-2005  
22 school year and thereafter.

23 The State Board of Education shall prepare vouchers equal  
24 to one-fourth the amount allocated to districts, for  
25 transmittal to the State Comptroller on the 30th day of  
26 September, December, and March, respectively, and the final

1 voucher, no later than June 20. The Comptroller shall make  
2 payments pursuant to this Section to school districts as soon  
3 as possible after receipt of vouchers. If the money  
4 appropriated from the General Assembly for such purposes for  
5 any year is insufficient, it shall be apportioned on the basis  
6 of the payments due to school districts.

7 Nothing in this Section shall be construed to decrease or  
8 increase the percentage of all special education funds that are  
9 allocated annually under Article 1D of this Code or to alter  
10 the requirement that a school district provide special  
11 education services.

12 Nothing in this amendatory Act of the 93rd General Assembly  
13 shall eliminate any reimbursement obligation owed as of the  
14 effective date of this amendatory Act of the 93rd General  
15 Assembly to a school district with in excess of 500,000  
16 inhabitants.

17 Except for reimbursement for individual students with  
18 disabilities whose program costs exceed 4 times the district's  
19 per capita tuition rate, no funding shall be provided to school  
20 districts under this Section after fiscal year 2017.

21 (Source: P.A. 93-1022, eff. 8-24-08; 95-705, eff. 1-8-08.)

22 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

23 Sec. 14-13.01. Reimbursement payable by State; amounts for  
24 personnel and transportation.

25 (a) Through fiscal year 2017, for ~~For~~ staff working on

1 behalf of children who have not been identified as eligible for  
2 special education and for eligible children with physical  
3 disabilities, including all eligible children whose placement  
4 has been determined under Section 14-8.02 in hospital or home  
5 instruction, 1/2 of the teacher's salary but not more than  
6 \$1,000 annually per child or \$9,000 per teacher, whichever is  
7 less.

8 (a-5) A child qualifies for home or hospital instruction if  
9 it is anticipated that, due to a medical condition, the child  
10 will be unable to attend school, and instead must be instructed  
11 at home or in the hospital, for a period of 2 or more  
12 consecutive weeks or on an ongoing intermittent basis. For  
13 purposes of this Section, "ongoing intermittent basis" means  
14 that the child's medical condition is of such a nature or  
15 severity that it is anticipated that the child will be absent  
16 from school due to the medical condition for periods of at  
17 least 2 days at a time multiple times during the school year  
18 totaling at least 10 days or more of absences. There shall be  
19 no requirement that a child be absent from school a minimum  
20 number of days before the child qualifies for home or hospital  
21 instruction. In order to establish eligibility for home or  
22 hospital services, a student's parent or guardian must submit  
23 to the child's school district of residence a written statement  
24 from a physician licensed to practice medicine in all of its  
25 branches stating the existence of such medical condition, the  
26 impact on the child's ability to participate in education, and

1 the anticipated duration or nature of the child's absence from  
2 school. Home or hospital instruction may commence upon receipt  
3 of a written physician's statement in accordance with this  
4 Section, but instruction shall commence not later than 5 school  
5 days after the school district receives the physician's  
6 statement. Special education and related services required by  
7 the child's IEP or services and accommodations required by the  
8 child's federal Section 504 plan must be implemented as part of  
9 the child's home or hospital instruction, unless the IEP team  
10 or federal Section 504 plan team determines that modifications  
11 are necessary during the home or hospital instruction due to  
12 the child's condition.

13 (a-10) Through fiscal year 2017, eligible ~~Eligible~~  
14 children to be included in any reimbursement under this  
15 paragraph must regularly receive a minimum of one hour of  
16 instruction each school day, or in lieu thereof of a minimum of  
17 5 hours of instruction in each school week in order to qualify  
18 for full reimbursement under this Section. If the attending  
19 physician for such a child has certified that the child should  
20 not receive as many as 5 hours of instruction in a school week,  
21 however, reimbursement under this paragraph on account of that  
22 child shall be computed proportionate to the actual hours of  
23 instruction per week for that child divided by 5.

24 (a-15) The State Board of Education shall establish rules  
25 governing the required qualifications of staff providing home  
26 or hospital instruction.

1 (b) For children described in Section 14-1.02, 80% of the  
2 cost of transportation approved as a related service in the  
3 Individualized Education Program for each student in order to  
4 take advantage of special educational facilities.  
5 Transportation costs shall be determined in the same fashion as  
6 provided in Section 29-5. For purposes of this subsection (b),  
7 the dates for processing claims specified in Section 29-5 shall  
8 apply.

9 (c) Through fiscal year 2017, for ~~For~~ each qualified  
10 worker, the annual sum of \$9,000.

11 (d) Through fiscal year 2017, for ~~For~~ one full time  
12 qualified director of the special education program of each  
13 school district which maintains a fully approved program of  
14 special education the annual sum of \$9,000. Districts  
15 participating in a joint agreement special education program  
16 shall not receive such reimbursement if reimbursement is made  
17 for a director of the joint agreement program.

18 (e) (Blank).

19 (f) (Blank).

20 (g) Through fiscal year 2017, for ~~For~~ readers, working with  
21 blind or partially seeing children 1/2 of their salary but not  
22 more than \$400 annually per child. Readers may be employed to  
23 assist such children and shall not be required to be certified  
24 but prior to employment shall meet standards set up by the  
25 State Board of Education.

26 (h) Through fiscal year 2017, for ~~For~~ non-certified

1 employees, as defined by rules promulgated by the State Board  
2 of Education, who deliver services to students with IEPs, 1/2  
3 of the salary paid or \$3,500 per employee, whichever is less.

4 (i) The State Board of Education shall set standards and  
5 prescribe rules for determining the allocation of  
6 reimbursement under this section on less than a full time basis  
7 and for less than a school year.

8 When any school district eligible for reimbursement under  
9 this Section operates a school or program approved by the State  
10 Superintendent of Education for a number of days in excess of  
11 the adopted school calendar but not to exceed 235 school days,  
12 such reimbursement shall be increased by 1/180 of the amount or  
13 rate paid hereunder for each day such school is operated in  
14 excess of 180 days per calendar year.

15 Notwithstanding any other provision of law, any school  
16 district receiving a payment under this Section or under  
17 Section 14-7.02, 14-7.02b, or 29-5 of this Code may classify  
18 all or a portion of the funds that it receives in a particular  
19 fiscal year or from evidence-based funding ~~general State aid~~  
20 pursuant to Section 18-8.15 ~~18-8.05~~ of this Code as funds  
21 received in connection with any funding program for which it is  
22 entitled to receive funds from the State in that fiscal year  
23 (including, without limitation, any funding program referenced  
24 in this Section), regardless of the source or timing of the  
25 receipt. The district may not classify more funds as funds  
26 received in connection with the funding program than the



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

22 (Source: P.A. 96-257, eff. 8-11-09; 97-123, eff. 7-14-11.)

23 (105 ILCS 5/14C-1) (from Ch. 122, par. 14C-1)

24 Sec. 14C-1. The General Assembly finds that there are large  
25 numbers of children in this State who come from environments

1 where the primary language is other than English. Experience  
2 has shown that public school classes in which instruction is  
3 given only in English are often inadequate for the education of  
4 children whose native tongue is another language. The General  
5 Assembly believes that a program of transitional bilingual  
6 education can meet the needs of these children and facilitate  
7 their integration into the regular public school curriculum.  
8 Therefore, pursuant to the policy of this State to ensure equal  
9 educational opportunity to every child, and in recognition of  
10 the educational needs of English learners, it is the purpose of  
11 this Act to provide for the establishment of transitional  
12 bilingual education programs in the public schools, to provide  
13 supplemental financial assistance through fiscal year 2017 to  
14 help local school districts meet the extra costs of such  
15 programs, and to allow this State to directly or indirectly  
16 provide technical assistance and professional development to  
17 support transitional bilingual education programs statewide.  
18 (Source: P.A. 99-30, eff. 7-10-15.)

19 (105 ILCS 5/14C-12) (from Ch. 122, par. 14C-12)  
20 Sec. 14C-12. Account of expenditures; Cost report;  
21 Reimbursement. Each school district with at least one English  
22 learner shall keep an accurate, detailed and separate account  
23 of all monies paid out by it for the programs in transitional  
24 bilingual education required or permitted by this Article,  
25 including transportation costs, and shall annually report

1 thereon for the school year ending June 30 indicating the  
2 average per pupil expenditure. Through fiscal year 2017, each  
3 ~~Each~~ school district shall be reimbursed for the amount by  
4 which such costs exceed the average per pupil expenditure by  
5 such school district for the education of children of  
6 comparable age who are not in any special education program. No  
7 funding shall be provided to school districts under this  
8 Section after fiscal year 2017. In fiscal year 2018 and each  
9 fiscal year thereafter, all funding received by a school  
10 district from the State pursuant to Section 18-8.15 of this  
11 Code that is attributable to instructions, supports, and  
12 interventions for English learner pupils must be used for  
13 programs and services authorized under this Article. At least  
14 60% of transitional bilingual education funding received from  
15 the State must be used for the instructional costs of programs  
16 and services authorized under this Article ~~transitional~~  
17 ~~bilingual education.~~

18 Applications for preapproval ~~for reimbursement~~ for costs  
19 of transitional bilingual education programs must be submitted  
20 to the State Superintendent of Education at least 60 days  
21 before a transitional bilingual education program is started,  
22 unless a justifiable exception is granted by the State  
23 Superintendent of Education. Applications shall set forth a  
24 plan for transitional bilingual education established and  
25 maintained in accordance with this Article.

26 Through fiscal year 2017, reimbursement ~~Reimbursement~~

1 claims for transitional bilingual education programs shall be  
2 made as follows:

3 Each school district shall claim reimbursement on a current  
4 basis for the first 3 quarters of the fiscal year and file a  
5 final adjusted claim for the school year ended June 30  
6 preceding computed in accordance with rules prescribed by the  
7 State Superintendent's Office. The State Superintendent of  
8 Education before approving any such claims shall determine  
9 their accuracy and whether they are based upon services and  
10 facilities provided under approved programs. Upon approval he  
11 shall transmit to the Comptroller the vouchers showing the  
12 amounts due for school district reimbursement claims. Upon  
13 receipt of the final adjusted claims the State Superintendent  
14 of Education shall make a final determination of the accuracy  
15 of such claims. If the money appropriated by the General  
16 Assembly for such purpose for any year is insufficient, it  
17 shall be apportioned on the basis of the claims approved.

18 Failure on the part of the school district to prepare and  
19 certify the final adjusted claims due under this Section may  
20 constitute a forfeiture by the school district of its right to  
21 be reimbursed by the State under this Section.

22 (Source: P.A. 96-1170, eff. 1-1-11.)

23 (105 ILCS 5/17-1) (from Ch. 122, par. 17-1)

24 Sec. 17-1. Annual Budget. The board of education of each  
25 school district under 500,000 inhabitants shall, within or

1 before the first quarter of each fiscal year, adopt and file  
2 with the State Board of Education an annual balanced budget  
3 which it deems necessary to defray all necessary expenses and  
4 liabilities of the district, and in such annual budget shall  
5 specify the objects and purposes of each item and amount needed  
6 for each object or purpose.

7 The budget shall be entered upon a School District Budget  
8 form prepared and provided by the State Board of Education and  
9 therein shall contain a statement of the cash on hand at the  
10 beginning of the fiscal year, an estimate of the cash expected  
11 to be received during such fiscal year from all sources, an  
12 estimate of the expenditures contemplated for such fiscal year,  
13 and a statement of the estimated cash expected to be on hand at  
14 the end of such year. The estimate of taxes to be received may  
15 be based upon the amount of actual cash receipts that may  
16 reasonably be expected by the district during such fiscal year,  
17 estimated from the experience of the district in prior years  
18 and with due regard for other circumstances that may  
19 substantially affect such receipts. Nothing in this Section  
20 shall be construed as requiring any district to change or  
21 preventing any district from changing from a cash basis of  
22 financing to a surplus or deficit basis of financing; or as  
23 requiring any district to change or preventing any district  
24 from changing its system of accounting. The budget shall  
25 conform to the requirements adopted by the State Board of  
26 Education pursuant to Section 2-3.28 of this Code.

1           To the extent that a school district's budget is not  
2 balanced, the district shall also adopt and file with the State  
3 Board of Education a deficit reduction plan to balance the  
4 district's budget within 3 years. The deficit reduction plan  
5 must be filed at the same time as the budget, but the State  
6 Superintendent of Education may extend this deadline if the  
7 situation warrants.

8           If, as the result of an audit performed in compliance with  
9 Section 3-7 of this Code, the resulting Annual Financial Report  
10 required to be submitted pursuant to Section 3-15.1 of this  
11 Code reflects a deficit as defined for purposes of the  
12 preceding paragraph, then the district shall, within 30 days  
13 after acceptance of such audit report, submit a deficit  
14 reduction plan.

15           The board of education of each district shall fix a fiscal  
16 year therefor. If the beginning of the fiscal year of a  
17 district is subsequent to the time that the tax levy due to be  
18 made in such fiscal year shall be made, then such annual budget  
19 shall be adopted prior to the time such tax levy shall be made.  
20 The failure by a board of education of any district to adopt an  
21 annual budget, or to comply in any respect with the provisions  
22 of this Section, shall not affect the validity of any tax levy  
23 of the district otherwise in conformity with the law. With  
24 respect to taxes levied either before, on, or after the  
25 effective date of this amendatory Act of the 91st General  
26 Assembly, (i) a tax levy is made for the fiscal year in which

1 the levy is due to be made regardless of which fiscal year the  
2 proceeds of the levy are expended or are intended to be  
3 expended, and (ii) except as otherwise provided by law, a board  
4 of education's adoption of an annual budget in conformity with  
5 this Section is not a prerequisite to the adoption of a valid  
6 tax levy and is not a limit on the amount of the levy.

7 Such budget shall be prepared in tentative form by some  
8 person or persons designated by the board, and in such  
9 tentative form shall be made conveniently available to public  
10 inspection for at least 30 days prior to final action thereon.  
11 At least 1 public hearing shall be held as to such budget prior  
12 to final action thereon. Notice of availability for public  
13 inspection and of such public hearing shall be given by  
14 publication in a newspaper published in such district, at least  
15 30 days prior to the time of such hearing. If there is no  
16 newspaper published in such district, notice of such public  
17 hearing shall be given by posting notices thereof in 5 of the  
18 most public places in such district. It shall be the duty of  
19 the secretary of such board to make such tentative budget  
20 available to public inspection, and to arrange for such public  
21 hearing. The board may from time to time make transfers between  
22 the various items in any fund not exceeding in the aggregate  
23 10% of the total of such fund as set forth in the budget. The  
24 board may from time to time amend such budget by the same  
25 procedure as is herein provided for its original adoption.

26 Beginning July 1, 1976, the board of education, or regional

1 superintendent, or governing board responsible for the  
2 administration of a joint agreement shall, by September 1 of  
3 each fiscal year thereafter, adopt an annual budget for the  
4 joint agreement in the same manner and subject to the same  
5 requirements as are provided in this Section.

6 The State Board of Education shall exercise powers and  
7 duties relating to budgets as provided in Section 2-3.27 of  
8 this Code and shall require school districts to submit their  
9 annual budgets, deficit reduction plans, and other financial  
10 information, including revenue and expenditure reports and  
11 borrowing and interfund transfer plans, in such form and within  
12 the timelines designated by the State Board of Education.

13 By fiscal year 1982 all school districts shall use the  
14 Program Budget Accounting System.

15 In the case of a school district receiving emergency State  
16 financial assistance under Article 1B, the school board shall  
17 also be subject to the requirements established under Article  
18 1B with respect to the annual budget.

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

20 (105 ILCS 5/17-1.2)

21 Sec. 17-1.2. Post annual budget on web site. If a school  
22 district has an Internet web site, the school district shall  
23 post its current annual budget, itemized by receipts and  
24 expenditures, on the district's Internet web site. The budget  
25 shall include information conforming to the rules adopted by



1 the State Board of Education pursuant to Section 2-3.28 of this  
2 Code. The school district shall notify the parents or guardians  
3 of its students that the budget has been posted on the  
4 district's web site and what the web site's address is.

5 (Source: P.A. 92-438, eff. 1-1-02.)

6 (105 ILCS 5/17-1.5)

7 Sec. 17-1.5. Limitation of administrative costs.

8 (a) It is the purpose of this Section to establish  
9 limitations on the growth of administrative expenditures in  
10 order to maximize the proportion of school district resources  
11 available for the instructional program, building maintenance,  
12 and safety services for the students of each district.

13 (b) Definitions. For the purposes of this Section:

14 "Administrative expenditures" mean the annual expenditures  
15 of school districts properly attributable to expenditure  
16 functions defined by the rules of the State Board of Education  
17 as: 2320 (Executive Administration Services); 2330 (Special  
18 Area Administration Services); 2490 (Other Support Services -  
19 School Administration); 2510 (Direction of Business Support  
20 Services); 2570 (Internal Services); and 2610 (Direction of  
21 Central Support Services); provided, however, that  
22 "administrative expenditures" shall not include early  
23 retirement or other pension system obligations required by  
24 State law.

25 "School district" means all school districts having a

1 population of less than 500,000.

2 (c) For the 1998-99 school year and each school year  
3 thereafter, each school district shall undertake budgetary and  
4 expenditure control actions so that the increase in  
5 administrative expenditures for that school year over the prior  
6 school year does not exceed 5%. School districts with  
7 administrative expenditures per pupil in the 25th percentile  
8 and below for all districts of the same type, as defined by the  
9 State Board of Education, may waive the limitation imposed  
10 under this Section for any year following a public hearing and  
11 with the affirmative vote of at least two-thirds of the members  
12 of the school board of the district. Any district waiving the  
13 limitation shall notify the State Board within 45 days of such  
14 action.

15 (d) School districts shall file with the State Board of  
16 Education by November 15, 1998 and by each November 15th  
17 thereafter a one-page report that lists (i) the actual  
18 administrative expenditures for the prior year from the  
19 district's audited Annual Financial Report, and (ii) the  
20 projected administrative expenditures for the current year  
21 from the budget adopted by the school board pursuant to Section  
22 17-1 of this Code.

23 If a school district that is ineligible to waive the  
24 limitation imposed by subsection (c) of this Section by board  
25 action exceeds the limitation solely because of circumstances  
26 beyond the control of the district and the district has

1 exhausted all available and reasonable remedies to comply with  
2 the limitation, the district may request a waiver pursuant to  
3 Section 2-3.25g. The waiver application shall specify the  
4 amount, nature, and reason for the relief requested, as well as  
5 all remedies the district has exhausted to comply with the  
6 limitation. Any emergency relief so requested shall apply only  
7 to the specific school year for which the request is made. The  
8 State Board of Education shall analyze all such waivers  
9 submitted and shall recommend that the General Assembly  
10 disapprove any such waiver requested that is not due solely to  
11 circumstances beyond the control of the district and for which  
12 the district has not exhausted all available and reasonable  
13 remedies to comply with the limitation. The State  
14 Superintendent shall have no authority to impose any sanctions  
15 pursuant to this Section for any expenditures for which a  
16 waiver has been requested until such waiver has been reviewed  
17 by the General Assembly.

18 If the report and information required under this  
19 subsection (d) are not provided by the school district in a  
20 timely manner, or are subsequently determined by the State  
21 Superintendent of Education to be incomplete or inaccurate, the  
22 State Superintendent shall notify the district in writing of  
23 reporting deficiencies. The school district shall, within 60  
24 days of the notice, address the reporting deficiencies  
25 identified.

26 (e) If the State Superintendent determines that a school

1 district has failed to comply with the administrative  
2 expenditure limitation imposed in subsection (c) of this  
3 Section, the State Superintendent shall notify the district of  
4 the violation and direct the district to undertake corrective  
5 action to bring the district's budget into compliance with the  
6 administrative expenditure limitation. The district shall,  
7 within 60 days of the notice, provide adequate assurance to the  
8 State Superintendent that appropriate corrective actions have  
9 been or will be taken. If the district fails to provide  
10 adequate assurance or fails to undertake the necessary  
11 corrective actions, the State Superintendent may impose  
12 progressive sanctions against the district that may culminate  
13 in withholding all subsequent payments of general State aid due  
14 the district under Section 18-8.05 of this Code or  
15 evidence-based funding due the district under Section 18-8.15  
16 of this Code until the assurance is provided or the corrective  
17 actions taken.

18 (f) The State Superintendent shall publish a list each year  
19 of the school districts that violate the limitation imposed by  
20 subsection (c) of this Section and a list of the districts that  
21 waive the limitation by board action as provided in subsection  
22 (c) of this Section.

23 (Source: P.A. 90-548, eff. 1-1-98; 90-653, eff. 7-29-98.)

24 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

25 Sec. 17-2.11. School board power to levy a tax or to borrow

1 money and issue bonds for fire prevention, safety, energy  
2 conservation, accessibility, school security, and specified  
3 repair purposes.

4 (a) Whenever, as a result of any lawful order of any  
5 agency, other than a school board, having authority to enforce  
6 any school building code applicable to any facility that houses  
7 students, or any law or regulation for the protection and  
8 safety of the environment, pursuant to the Environmental  
9 Protection Act, any school district having a population of less  
10 than 500,000 inhabitants is required to alter or reconstruct  
11 any school building or permanent, fixed equipment; the district  
12 may, by proper resolution, levy a tax for the purpose of making  
13 such alteration or reconstruction, based on a survey report by  
14 an architect or engineer licensed in this State, upon all of  
15 the taxable property of the district at the value as assessed  
16 by the Department of Revenue and at a rate not to exceed 0.05%  
17 per year for a period sufficient to finance such alteration or  
18 reconstruction, upon the following conditions:

19 (1) When there are not sufficient funds available in  
20 the operations and maintenance fund of the school district,  
21 the school facility occupation tax fund of the district, or  
22 the fire prevention and safety fund of the district, as  
23 determined by the district on the basis of rules adopted by  
24 the State Board of Education, to make such alteration or  
25 reconstruction or to purchase and install such permanent,  
26 fixed equipment so ordered or determined as necessary.

1       Appropriate school district records must be made available  
2       to the State Superintendent of Education, upon request, to  
3       confirm this insufficiency.

4           (2) When a certified estimate of an architect or  
5       engineer licensed in this State stating the estimated  
6       amount necessary to make the alteration or reconstruction  
7       or to purchase and install the equipment so ordered has  
8       been secured by the school district, and the estimate has  
9       been approved by the regional superintendent of schools  
10      having jurisdiction over the district and the State  
11      Superintendent of Education. Approval must not be granted  
12      for any work that has already started without the prior  
13      express authorization of the State Superintendent of  
14      Education. If the estimate is not approved or is denied  
15      approval by the regional superintendent of schools within 3  
16      months after the date on which it is submitted to him or  
17      her, the school board of the district may submit the  
18      estimate directly to the State Superintendent of Education  
19      for approval or denial.

20           In the case of an emergency situation, where the estimated  
21      cost to effectuate emergency repairs is less than the amount  
22      specified in Section 10-20.21 of this Code, the school district  
23      may proceed with such repairs prior to approval by the State  
24      Superintendent of Education, but shall comply with the  
25      provisions of subdivision (2) of this subsection (a) as soon  
26      thereafter as may be as well as Section 10-20.21 of this Code.

1 If the estimated cost to effectuate emergency repairs is  
2 greater than the amount specified in Section 10-20.21 of this  
3 Code, then the school district shall proceed in conformity with  
4 Section 10-20.21 of this Code and with rules established by the  
5 State Board of Education to address such situations. The rules  
6 adopted by the State Board of Education to deal with these  
7 situations shall stipulate that emergency situations must be  
8 expedited and given priority consideration. For purposes of  
9 this paragraph, an emergency is a situation that presents an  
10 imminent and continuing threat to the health and safety of  
11 students or other occupants of a facility, requires complete or  
12 partial evacuation of a building or part of a building, or  
13 consumes one or more of the 5 emergency days built into the  
14 adopted calendar of the school or schools or would otherwise be  
15 expected to cause such school or schools to fall short of the  
16 minimum school calendar requirements.

17 (b) Whenever any such district determines that it is  
18 necessary for energy conservation purposes that any school  
19 building or permanent, fixed equipment should be altered or  
20 reconstructed and that such alterations or reconstruction will  
21 be made with funds not necessary for the completion of approved  
22 and recommended projects contained in any safety survey report  
23 or amendments thereto authorized by Section 2-3.12 of this Act;  
24 the district may levy a tax or issue bonds as provided in  
25 subsection (a) of this Section.

26 (c) Whenever any such district determines that it is

1 necessary for accessibility purposes and to comply with the  
2 school building code that any school building or equipment  
3 should be altered or reconstructed and that such alterations or  
4 reconstruction will be made with funds not necessary for the  
5 completion of approved and recommended projects contained in  
6 any safety survey report or amendments thereto authorized under  
7 Section 2-3.12 of this Act, the district may levy a tax or  
8 issue bonds as provided in subsection (a) of this Section.

9 (d) Whenever any such district determines that it is  
10 necessary for school security purposes and the related  
11 protection and safety of pupils and school personnel that any  
12 school building or property should be altered or reconstructed  
13 or that security systems and equipment (including but not  
14 limited to intercom, early detection and warning, access  
15 control and television monitoring systems) should be purchased  
16 and installed, and that such alterations, reconstruction or  
17 purchase and installation of equipment will be made with funds  
18 not necessary for the completion of approved and recommended  
19 projects contained in any safety survey report or amendment  
20 thereto authorized by Section 2-3.12 of this Act and will deter  
21 and prevent unauthorized entry or activities upon school  
22 property by unknown or dangerous persons, assure early  
23 detection and advance warning of any such actual or attempted  
24 unauthorized entry or activities and help assure the continued  
25 safety of pupils and school staff if any such unauthorized  
26 entry or activity is attempted or occurs; the district may levy



1 a tax or issue bonds as provided in subsection (a) of this  
2 Section.

3 (e) If a school district does not need funds for other fire  
4 prevention and safety projects, including the completion of  
5 approved and recommended projects contained in any safety  
6 survey report or amendments thereto authorized by Section  
7 2-3.12 of this Act, and it is determined after a public hearing  
8 (which is preceded by at least one published notice (i)  
9 occurring at least 7 days prior to the hearing in a newspaper  
10 of general circulation within the school district and (ii)  
11 setting forth the time, date, place, and general subject matter  
12 of the hearing) that there is a substantial, immediate, and  
13 otherwise unavoidable threat to the health, safety, or welfare  
14 of pupils due to disrepair of school sidewalks, playgrounds,  
15 parking lots, or school bus turnarounds and repairs must be  
16 made; then the district may levy a tax or issue bonds as  
17 provided in subsection (a) of this Section.

18 (f) For purposes of this Section a school district may  
19 replace a school building or build additions to replace  
20 portions of a building when it is determined that the  
21 effectuation of the recommendations for the existing building  
22 will cost more than the replacement costs. Such determination  
23 shall be based on a comparison of estimated costs made by an  
24 architect or engineer licensed in the State of Illinois. The  
25 new building or addition shall be equivalent in area (square  
26 feet) and comparable in purpose and grades served and may be on

1 the same site or another site. Such replacement may only be  
2 done upon order of the regional superintendent of schools and  
3 the approval of the State Superintendent of Education.

4 (g) The filing of a certified copy of the resolution  
5 levying the tax when accompanied by the certificates of the  
6 regional superintendent of schools and State Superintendent of  
7 Education shall be the authority of the county clerk to extend  
8 such tax.

9 (h) The county clerk of the county in which any school  
10 district levying a tax under the authority of this Section is  
11 located, in reducing raised levies, shall not consider any such  
12 tax as a part of the general levy for school purposes and shall  
13 not include the same in the limitation of any other tax rate  
14 which may be extended.

15 Such tax shall be levied and collected in like manner as  
16 all other taxes of school districts, subject to the provisions  
17 contained in this Section.

18 (i) The tax rate limit specified in this Section may be  
19 increased to .10% upon the approval of a proposition to effect  
20 such increase by a majority of the electors voting on that  
21 proposition at a regular scheduled election. Such proposition  
22 may be initiated by resolution of the school board and shall be  
23 certified by the secretary to the proper election authorities  
24 for submission in accordance with the general election law.

25 (j) When taxes are levied by any school district for fire  
26 prevention, safety, energy conservation, and school security

1 purposes as specified in this Section, and the purposes for  
2 which the taxes have been levied are accomplished and paid in  
3 full, and there remain funds on hand in the Fire Prevention and  
4 Safety Fund from the proceeds of the taxes levied, including  
5 interest earnings thereon, the school board by resolution shall  
6 use such excess and other board restricted funds, excluding  
7 bond proceeds and earnings from such proceeds, as follows:

8 (1) for other authorized fire prevention, safety,  
9 energy conservation, required safety inspections, school  
10 security purposes, sampling for lead in drinking water in  
11 schools, and for repair and mitigation due to lead levels  
12 in the drinking water supply; or

13 (2) for transfer to the Operations and Maintenance Fund  
14 for the purpose of abating an equal amount of operations  
15 and maintenance purposes taxes.

16 Notwithstanding subdivision (2) of this subsection (j) and  
17 subsection (k) of this Section, through June 30, 2020 ~~2019~~, the  
18 school board may, by proper resolution following a public  
19 hearing set by the school board or the president of the school  
20 board (that is preceded (i) by at least one published notice  
21 over the name of the clerk or secretary of the board, occurring  
22 at least 7 days and not more than 30 days prior to the hearing,  
23 in a newspaper of general circulation within the school  
24 district and (ii) by posted notice over the name of the clerk  
25 or secretary of the board, at least 48 hours before the  
26 hearing, at the principal office of the school board or at the

1 building where the hearing is to be held if a principal office  
2 does not exist, with both notices setting forth the time, date,  
3 place, and subject matter of the hearing), transfer surplus  
4 life safety taxes and interest earnings thereon to the  
5 Operations and Maintenance Fund for building repair work.

6 (k) If any transfer is made to the Operation and  
7 Maintenance Fund, the secretary of the school board shall  
8 within 30 days notify the county clerk of the amount of that  
9 transfer and direct the clerk to abate the taxes to be extended  
10 for the purposes of operations and maintenance authorized under  
11 Section 17-2 of this Act by an amount equal to such transfer.

12 (l) If the proceeds from the tax levy authorized by this  
13 Section are insufficient to complete the work approved under  
14 this Section, the school board is authorized to sell bonds  
15 without referendum under the provisions of this Section in an  
16 amount that, when added to the proceeds of the tax levy  
17 authorized by this Section, will allow completion of the  
18 approved work.

19 (m) Any bonds issued pursuant to this Section shall bear  
20 interest at a rate not to exceed the maximum rate authorized by  
21 law at the time of the making of the contract, shall mature  
22 within 20 years from date, and shall be signed by the president  
23 of the school board and the treasurer of the school district.

24 (n) In order to authorize and issue such bonds, the school  
25 board shall adopt a resolution fixing the amount of bonds, the  
26 date thereof, the maturities thereof, rates of interest

1       thereof, place of payment and denomination, which shall be in  
2       denominations of not less than \$100 and not more than \$5,000,  
3       and provide for the levy and collection of a direct annual tax  
4       upon all the taxable property in the school district sufficient  
5       to pay the principal and interest on such bonds to maturity.  
6       Upon the filing in the office of the county clerk of the county  
7       in which the school district is located of a certified copy of  
8       the resolution, it is the duty of the county clerk to extend  
9       the tax therefor in addition to and in excess of all other  
10      taxes heretofore or hereafter authorized to be levied by such  
11      school district.

12           (o) After the time such bonds are issued as provided for by  
13      this Section, if additional alterations or reconstructions are  
14      required to be made because of surveys conducted by an  
15      architect or engineer licensed in the State of Illinois, the  
16      district may levy a tax at a rate not to exceed .05% per year  
17      upon all the taxable property of the district or issue  
18      additional bonds, whichever action shall be the most feasible.

19           (p) This Section is cumulative and constitutes complete  
20      authority for the issuance of bonds as provided in this Section  
21      notwithstanding any other statute or law to the contrary.

22           (q) With respect to instruments for the payment of money  
23      issued under this Section either before, on, or after the  
24      effective date of Public Act 86-004 (June 6, 1989), it is, and  
25      always has been, the intention of the General Assembly (i) that  
26      the Omnibus Bond Acts are, and always have been, supplementary

1 grants of power to issue instruments in accordance with the  
2 Omnibus Bond Acts, regardless of any provision of this Act that  
3 may appear to be or to have been more restrictive than those  
4 Acts, (ii) that the provisions of this Section are not a  
5 limitation on the supplementary authority granted by the  
6 Omnibus Bond Acts, and (iii) that instruments issued under this  
7 Section within the supplementary authority granted by the  
8 Omnibus Bond Acts are not invalid because of any provision of  
9 this Act that may appear to be or to have been more restrictive  
10 than those Acts.

11 (r) When the purposes for which the bonds are issued have  
12 been accomplished and paid for in full and there remain funds  
13 on hand from the proceeds of the bond sale and interest  
14 earnings therefrom, the board shall, by resolution, use such  
15 excess funds in accordance with the provisions of Section  
16 10-22.14 of this Act.

17 (s) Whenever any tax is levied or bonds issued for fire  
18 prevention, safety, energy conservation, and school security  
19 purposes, such proceeds shall be deposited and accounted for  
20 separately within the Fire Prevention and Safety Fund.

21 (Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14;  
22 99-143, eff. 7-27-15; 99-713, eff. 8-5-16; 99-922, eff.  
23 1-17-17.)

24 (105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)

25 Sec. 17-2A. Interfund transfers.

1 (a) The school board of any district having a population of  
2 less than 500,000 inhabitants may, by proper resolution  
3 following a public hearing set by the school board or the  
4 president of the school board (that is preceded (i) by at least  
5 one published notice over the name of the clerk or secretary of  
6 the board, occurring at least 7 days and not more than 30 days  
7 prior to the hearing, in a newspaper of general circulation  
8 within the school district and (ii) by posted notice over the  
9 name of the clerk or secretary of the board, at least 48 hours  
10 before the hearing, at the principal office of the school board  
11 or at the building where the hearing is to be held if a  
12 principal office does not exist, with both notices setting  
13 forth the time, date, place, and subject matter of the  
14 hearing), transfer money from (1) the Educational Fund to the  
15 Operations and Maintenance Fund or the Transportation Fund, (2)  
16 the Operations and Maintenance Fund to the Educational Fund or  
17 the Transportation Fund, (3) the Transportation Fund to the  
18 Educational Fund or the Operations and Maintenance Fund, or (4)  
19 the Tort Immunity Fund to the Operations and Maintenance Fund  
20 of said district, provided that, except during the period from  
21 July 1, 2003 through June 30, 2020 ~~2019~~, such transfer is made  
22 solely for the purpose of meeting one-time, non-recurring  
23 expenses. Except during the period from July 1, 2003 through  
24 June 30, 2020 ~~2019~~ and except as otherwise provided in  
25 subsection (b) of this Section, any other permanent interfund  
26 transfers authorized by any provision or judicial

1 interpretation of this Code for which the transferee fund is  
2 not precisely and specifically set forth in the provision of  
3 this Code authorizing such transfer shall be made to the fund  
4 of the school district most in need of the funds being  
5 transferred, as determined by resolution of the school board.

6 (b) (Blank).

7 (c) Notwithstanding subsection (a) of this Section or any  
8 other provision of this Code to the contrary, the school board  
9 of any school district (i) that is subject to the Property Tax  
10 Extension Limitation Law, (ii) that is an elementary district  
11 servicing students in grades K through 8, (iii) whose territory  
12 is in one county, (iv) that is eligible for Section 7002  
13 Federal Impact Aid, and (v) that has no more than \$81,000 in  
14 funds remaining from refinancing bonds that were refinanced a  
15 minimum of 5 years prior to January 20, 2017 (the effective  
16 date of Public Act 99-926) ~~this amendatory Act of the 99th~~  
17 ~~General Assembly~~ may make a one-time transfer of the funds  
18 remaining from the refinancing bonds to the Operations and  
19 Maintenance Fund of the district by proper resolution following  
20 a public hearing set by the school board or the president of  
21 the school board, with notice as provided in subsection (a) of  
22 this Section, so long as the district meets the qualifications  
23 set forth in this subsection (c) on January 20, 2017 (the  
24 effective date of Public Act 99-926) ~~this amendatory Act of the~~  
25 ~~99th General Assembly~~.

26 (Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14; 99-713,



1 eff. 8-5-16; 99-922, eff. 1-17-17; 99-926, eff. 1-20-17;  
2 revised 1-23-17.)

3 (105 ILCS 5/17-3.6 new)

4 Sec. 17-3.6. Educational purposes tax rate for school  
5 districts subject to Property Tax Extension Limitation Law.  
6 Notwithstanding the provisions, requirements, or limitations  
7 of this Code or any other law, any tax levied for educational  
8 purposes by a school district subject to the Property Tax  
9 Extension Limitation Law for the 2016 levy year or any  
10 subsequent levy year may be extended at a rate exceeding the  
11 rate established for educational purposes by referendum or this  
12 Code, provided that the rate does not cause the school district  
13 to exceed the limiting rate applicable to the school district  
14 under the Property Tax Extension Limitation Law for that levy  
15 year.

16 (105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

17 Sec. 18-4.3. Summer school grants. Through fiscal year  
18 2017, grants ~~Grants~~ shall be determined for pupil attendance in  
19 summer schools conducted under Sections 10-22.33A and 34-18 and  
20 approved under Section 2-3.25 in the following manner.

21 The amount of grant for each accredited summer school  
22 attendance pupil shall be obtained by dividing the total amount  
23 of apportionments determined under Section 18-8.05 by the  
24 actual number of pupils in average daily attendance used for

1 such apportionments. The number of credited summer school  
2 attendance pupils shall be determined (a) by counting clock  
3 hours of class instruction by pupils enrolled in grades 1  
4 through 12 in approved courses conducted at least 60 clock  
5 hours in summer sessions; (b) by dividing such total of clock  
6 hours of class instruction by 4 to produce days of credited  
7 pupil attendance; (c) by dividing such days of credited pupil  
8 attendance by the actual number of days in the regular term as  
9 used in computation in the general apportionment in Section  
10 18-8.05; and (d) by multiplying by 1.25.

11 The amount of the grant for a summer school program  
12 approved by the State Superintendent of Education for children  
13 with disabilities, as defined in Sections 14-1.02 through  
14 14-1.07, shall be determined in the manner contained above  
15 except that average daily membership shall be utilized in lieu  
16 of average daily attendance.

17 In the case of an apportionment based on summer school  
18 attendance or membership pupils, the claim therefor shall be  
19 presented as a separate claim for the particular school year in  
20 which such summer school session ends. On or before November 1  
21 of each year the superintendent of each eligible school  
22 district shall certify to the State Superintendent of Education  
23 the claim of the district for the summer session just ended.  
24 Failure on the part of the school board to so certify shall  
25 constitute a forfeiture of its right to such payment. The State  
26 Superintendent of Education shall transmit to the Comptroller

1 no later than December 15th of each year vouchers for payment  
2 of amounts due school districts for summer school. The State  
3 Superintendent of Education shall direct the Comptroller to  
4 draw his warrants for payments thereof by the 30th day of  
5 December. If the money appropriated by the General Assembly for  
6 such purpose for any year is insufficient, it shall be  
7 apportioned on the basis of claims approved.

8 However, notwithstanding the foregoing provisions, for  
9 each fiscal year the money appropriated by the General Assembly  
10 for the purposes of this Section shall only be used for grants  
11 for approved summer school programs for those children with  
12 disabilities served pursuant to Section 14-7.02 or 14-7.02b of  
13 this Code.

14 No funding shall be provided to school districts under this  
15 Section after fiscal year 2017.

16 (Source: P.A. 93-1022, eff. 8-24-04.)

17 (105 ILCS 5/18-8.05)

18 Sec. 18-8.05. Basis for apportionment of general State  
19 financial aid and supplemental general State aid to the common  
20 schools for the 1998-1999 through the 2016-2017 ~~and subsequent~~  
21 school years.

22 (A) General Provisions.

23 (1) The provisions of this Section relating to the  
24 calculation and apportionment of general State financial aid

1 and supplemental general State aid apply to the 1998-1999  
2 through the 2016-2017 ~~and subsequent~~ school years. The system  
3 of general State financial aid provided for in this Section is  
4 designed to assure that, through a combination of State  
5 financial aid and required local resources, the financial  
6 support provided each pupil in Average Daily Attendance equals  
7 or exceeds a prescribed per pupil Foundation Level. This  
8 formula approach imputes a level of per pupil Available Local  
9 Resources and provides for the basis to calculate a per pupil  
10 level of general State financial aid that, when added to  
11 Available Local Resources, equals or exceeds the Foundation  
12 Level. The amount of per pupil general State financial aid for  
13 school districts, in general, varies in inverse relation to  
14 Available Local Resources. Per pupil amounts are based upon  
15 each school district's Average Daily Attendance as that term is  
16 defined in this Section.

17 (2) In addition to general State financial aid, school  
18 districts with specified levels or concentrations of pupils  
19 from low income households are eligible to receive supplemental  
20 general State financial aid grants as provided pursuant to  
21 subsection (H). The supplemental State aid grants provided for  
22 school districts under subsection (H) shall be appropriated for  
23 distribution to school districts as part of the same line item  
24 in which the general State financial aid of school districts is  
25 appropriated under this Section.

26 (3) To receive financial assistance under this Section,

1 school districts are required to file claims with the State  
2 Board of Education, subject to the following requirements:

3 (a) Any school district which fails for any given  
4 school year to maintain school as required by law, or to  
5 maintain a recognized school is not eligible to file for  
6 such school year any claim upon the Common School Fund. In  
7 case of nonrecognition of one or more attendance centers in  
8 a school district otherwise operating recognized schools,  
9 the claim of the district shall be reduced in the  
10 proportion which the Average Daily Attendance in the  
11 attendance center or centers bear to the Average Daily  
12 Attendance in the school district. A "recognized school"  
13 means any public school which meets the standards as  
14 established for recognition by the State Board of  
15 Education. A school district or attendance center not  
16 having recognition status at the end of a school term is  
17 entitled to receive State aid payments due upon a legal  
18 claim which was filed while it was recognized.

19 (b) School district claims filed under this Section are  
20 subject to Sections 18-9 and 18-12, except as otherwise  
21 provided in this Section.

22 (c) If a school district operates a full year school  
23 under Section 10-19.1, the general State aid to the school  
24 district shall be determined by the State Board of  
25 Education in accordance with this Section as near as may be  
26 applicable.

1 (d) (Blank).

2 (4) Except as provided in subsections (H) and (L), the  
3 board of any district receiving any of the grants provided for  
4 in this Section may apply those funds to any fund so received  
5 for which that board is authorized to make expenditures by law.

6 School districts are not required to exert a minimum  
7 Operating Tax Rate in order to qualify for assistance under  
8 this Section.

9 (5) As used in this Section the following terms, when  
10 capitalized, shall have the meaning ascribed herein:

11 (a) "Average Daily Attendance": A count of pupil  
12 attendance in school, averaged as provided for in  
13 subsection (C) and utilized in deriving per pupil financial  
14 support levels.

15 (b) "Available Local Resources": A computation of  
16 local financial support, calculated on the basis of Average  
17 Daily Attendance and derived as provided pursuant to  
18 subsection (D).

19 (c) "Corporate Personal Property Replacement Taxes":  
20 Funds paid to local school districts pursuant to "An Act in  
21 relation to the abolition of ad valorem personal property  
22 tax and the replacement of revenues lost thereby, and  
23 amending and repealing certain Acts and parts of Acts in  
24 connection therewith", certified August 14, 1979, as  
25 amended (Public Act 81-1st S.S.-1).

26 (d) "Foundation Level": A prescribed level of per pupil

1 financial support as provided for in subsection (B).

2 (e) "Operating Tax Rate": All school district property  
3 taxes extended for all purposes, except Bond and Interest,  
4 Summer School, Rent, Capital Improvement, and Vocational  
5 Education Building purposes.

6 (B) Foundation Level.

7 (1) The Foundation Level is a figure established by the  
8 State representing the minimum level of per pupil financial  
9 support that should be available to provide for the basic  
10 education of each pupil in Average Daily Attendance. As set  
11 forth in this Section, each school district is assumed to exert  
12 a sufficient local taxing effort such that, in combination with  
13 the aggregate of general State financial aid provided the  
14 district, an aggregate of State and local resources are  
15 available to meet the basic education needs of pupils in the  
16 district.

17 (2) For the 1998-1999 school year, the Foundation Level of  
18 support is \$4,225. For the 1999-2000 school year, the  
19 Foundation Level of support is \$4,325. For the 2000-2001 school  
20 year, the Foundation Level of support is \$4,425. For the  
21 2001-2002 school year and 2002-2003 school year, the Foundation  
22 Level of support is \$4,560. For the 2003-2004 school year, the  
23 Foundation Level of support is \$4,810. For the 2004-2005 school  
24 year, the Foundation Level of support is \$4,964. For the  
25 2005-2006 school year, the Foundation Level of support is

1 \$5,164. For the 2006-2007 school year, the Foundation Level of  
2 support is \$5,334. For the 2007-2008 school year, the  
3 Foundation Level of support is \$5,734. For the 2008-2009 school  
4 year, the Foundation Level of support is \$5,959.

5 (3) For the 2009-2010 school year and each school year  
6 thereafter, the Foundation Level of support is \$6,119 or such  
7 greater amount as may be established by law by the General  
8 Assembly.

9 (C) Average Daily Attendance.

10 (1) For purposes of calculating general State aid pursuant  
11 to subsection (E), an Average Daily Attendance figure shall be  
12 utilized. The Average Daily Attendance figure for formula  
13 calculation purposes shall be the monthly average of the actual  
14 number of pupils in attendance of each school district, as  
15 further averaged for the best 3 months of pupil attendance for  
16 each school district. In compiling the figures for the number  
17 of pupils in attendance, school districts and the State Board  
18 of Education shall, for purposes of general State aid funding,  
19 conform attendance figures to the requirements of subsection  
20 (F).

21 (2) The Average Daily Attendance figures utilized in  
22 subsection (E) 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 or the average of the  
25 attendance data for the 3 preceding school years, whichever is



1 greater. The Average Daily Attendance figures utilized in  
2 subsection (H) shall be the requisite attendance data for the  
3 school year immediately preceding the school year for which  
4 general State aid is being calculated.

5 (D) Available Local Resources.

6 (1) For purposes of calculating general State aid pursuant  
7 to subsection (E), a representation of Available Local  
8 Resources per pupil, as that term is defined and determined in  
9 this subsection, shall be utilized. Available Local Resources  
10 per pupil shall include a calculated dollar amount representing  
11 local school district revenues from local property taxes and  
12 from Corporate Personal Property Replacement Taxes, expressed  
13 on the basis of pupils in Average Daily Attendance. Calculation  
14 of Available Local Resources shall exclude any tax amnesty  
15 funds received as a result of Public Act 93-26.

16 (2) In determining a school district's revenue from local  
17 property taxes, the State Board of Education shall utilize the  
18 equalized assessed valuation of all taxable property of each  
19 school district as of September 30 of the previous year. The  
20 equalized assessed valuation utilized shall be obtained and  
21 determined as provided in subsection (G).

22 (3) For school districts maintaining grades kindergarten  
23 through 12, local property tax revenues per pupil shall be  
24 calculated as the product of the applicable equalized assessed  
25 valuation for the district multiplied by 3.00%, and divided by

1 the district's Average Daily Attendance figure. For school  
2 districts maintaining grades kindergarten through 8, local  
3 property tax revenues per pupil shall be calculated as the  
4 product of the applicable equalized assessed valuation for the  
5 district multiplied by 2.30%, and divided by the district's  
6 Average Daily Attendance figure. For school districts  
7 maintaining grades 9 through 12, local property tax revenues  
8 per pupil shall be the applicable equalized assessed valuation  
9 of the district multiplied by 1.05%, and divided by the  
10 district's Average Daily Attendance figure.

11 For partial elementary unit districts created pursuant to  
12 Article 11E of this Code, local property tax revenues per pupil  
13 shall be calculated as the product of the equalized assessed  
14 valuation for property within the partial elementary unit  
15 district for elementary purposes, as defined in Article 11E of  
16 this Code, multiplied by 2.06% and divided by the district's  
17 Average Daily Attendance figure, plus the product of the  
18 equalized assessed valuation for property within the partial  
19 elementary unit district for high school purposes, as defined  
20 in Article 11E of this Code, multiplied by 0.94% and divided by  
21 the district's Average Daily Attendance figure.

22 (4) The Corporate Personal Property Replacement Taxes paid  
23 to each school district during the calendar year one year  
24 before the calendar year in which a school year begins, divided  
25 by the Average Daily Attendance figure for that district, shall  
26 be added to the local property tax revenues per pupil as

1 derived by the application of the immediately preceding  
2 paragraph (3). The sum of these per pupil figures for each  
3 school district shall constitute Available Local Resources as  
4 that term is utilized in subsection (E) in the calculation of  
5 general State aid.

6 (E) Computation of General State Aid.

7 (1) For each school year, the amount of general State aid  
8 allotted to a school district shall be computed by the State  
9 Board of Education as provided in this subsection.

10 (2) For any school district for which Available Local  
11 Resources per pupil is less than the product of 0.93 times the  
12 Foundation Level, general State aid for that district shall be  
13 calculated as an amount equal to the Foundation Level minus  
14 Available Local Resources, multiplied by the Average Daily  
15 Attendance of the school district.

16 (3) For any school district for which Available Local  
17 Resources per pupil is equal to or greater than the product of  
18 0.93 times the Foundation Level and less than the product of  
19 1.75 times the Foundation Level, the general State aid per  
20 pupil shall be a decimal proportion of the Foundation Level  
21 derived using a linear algorithm. Under this linear algorithm,  
22 the calculated general State aid per pupil shall decline in  
23 direct linear fashion from 0.07 times the Foundation Level for  
24 a school district with Available Local Resources equal to the  
25 product of 0.93 times the Foundation Level, to 0.05 times the

1 Foundation Level for a school district with Available Local  
2 Resources equal to the product of 1.75 times the Foundation  
3 Level. The allocation of general State aid for school districts  
4 subject to this paragraph 3 shall be the calculated general  
5 State aid per pupil figure multiplied by the Average Daily  
6 Attendance of the school district.

7 (4) For any school district for which Available Local  
8 Resources per pupil equals or exceeds the product of 1.75 times  
9 the Foundation Level, the general State aid for the school  
10 district shall be calculated as the product of \$218 multiplied  
11 by the Average Daily Attendance of the school district.

12 (5) The amount of general State aid allocated to a school  
13 district for the 1999-2000 school year meeting the requirements  
14 set forth in paragraph (4) of subsection (G) shall be increased  
15 by an amount equal to the general State aid that would have  
16 been received by the district for the 1998-1999 school year by  
17 utilizing the Extension Limitation Equalized Assessed  
18 Valuation as calculated in paragraph (4) of subsection (G) less  
19 the general State aid allotted for the 1998-1999 school year.  
20 This amount shall be deemed a one time increase, and shall not  
21 affect any future general State aid allocations.

22 (F) Compilation of Average Daily Attendance.

23 (1) Each school district shall, by July 1 of each year,  
24 submit to the State Board of Education, on forms prescribed by  
25 the State Board of Education, attendance figures for the school

1 year that began in the preceding calendar year. The attendance  
2 information so transmitted shall identify the average daily  
3 attendance figures for each month of the school year. Beginning  
4 with the general State aid claim form for the 2002-2003 school  
5 year, districts shall calculate Average Daily Attendance as  
6 provided in subdivisions (a), (b), and (c) of this paragraph  
7 (1).

8 (a) In districts that do not hold year-round classes,  
9 days of attendance in August shall be added to the month of  
10 September and any days of attendance in June shall be added  
11 to the month of May.

12 (b) In districts in which all buildings hold year-round  
13 classes, days of attendance in July and August shall be  
14 added to the month of September and any days of attendance  
15 in June shall be added to the month of May.

16 (c) In districts in which some buildings, but not all,  
17 hold year-round classes, for the non-year-round buildings,  
18 days of attendance in August shall be added to the month of  
19 September and any days of attendance in June shall be added  
20 to the month of May. The average daily attendance for the  
21 year-round buildings shall be computed as provided in  
22 subdivision (b) of this paragraph (1). To calculate the  
23 Average Daily Attendance for the district, the average  
24 daily attendance for the year-round buildings shall be  
25 multiplied by the days in session for the non-year-round  
26 buildings for each month and added to the monthly

1 attendance of the non-year-round buildings.

2 Except as otherwise provided in this Section, days of  
3 attendance by pupils shall be counted only for sessions of not  
4 less than 5 clock hours of school work per day under direct  
5 supervision of: (i) teachers, or (ii) non-teaching personnel or  
6 volunteer personnel when engaging in non-teaching duties and  
7 supervising in those instances specified in subsection (a) of  
8 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils  
9 of legal school age and in kindergarten and grades 1 through  
10 12. Days of attendance by pupils through verified participation  
11 in an e-learning program approved by the State Board of  
12 Education under Section 10-20.56 of the Code shall be  
13 considered as full days of attendance for purposes of this  
14 Section.

15 Days of attendance by tuition pupils shall be accredited  
16 only to the districts that pay the tuition to a recognized  
17 school.

18 (2) Days of attendance by pupils of less than 5 clock hours  
19 of school shall be subject to the following provisions in the  
20 compilation of Average Daily Attendance.

21 (a) Pupils regularly enrolled in a public school for  
22 only a part of the school day may be counted on the basis  
23 of 1/6 day for every class hour of instruction of 40  
24 minutes or more attended pursuant to such enrollment,  
25 unless a pupil is enrolled in a block-schedule format of 80  
26 minutes or more of instruction, in which case the pupil may

1 be counted on the basis of the proportion of minutes of  
2 school work completed each day to the minimum number of  
3 minutes that school work is required to be held that day.

4 (b) (Blank).

5 (c) A session of 4 or more clock hours may be counted  
6 as a day of attendance upon certification by the regional  
7 superintendent, and approved by the State Superintendent  
8 of Education to the extent that the district has been  
9 forced to use daily multiple sessions.

10 (d) A session of 3 or more clock hours may be counted  
11 as a day of attendance (1) when the remainder of the school  
12 day or at least 2 hours in the evening of that day is  
13 utilized for an in-service training program for teachers,  
14 up to a maximum of 5 days per school year, provided a  
15 district conducts an in-service training program for  
16 teachers in accordance with Section 10-22.39 of this Code;  
17 or, in lieu of 4 such days, 2 full days may be used, in  
18 which event each such day may be counted as a day required  
19 for a legal school calendar pursuant to Section 10-19 of  
20 this Code; (1.5) when, of the 5 days allowed under item  
21 (1), a maximum of 4 days are used for parent-teacher  
22 conferences, or, in lieu of 4 such days, 2 full days are  
23 used, in which case each such day may be counted as a  
24 calendar day required under Section 10-19 of this Code,  
25 provided that the full-day, parent-teacher conference  
26 consists of (i) a minimum of 5 clock hours of

1 parent-teacher conferences, (ii) both a minimum of 2 clock  
2 hours of parent-teacher conferences held in the evening  
3 following a full day of student attendance, as specified in  
4 subsection (F)(1)(c), and a minimum of 3 clock hours of  
5 parent-teacher conferences held on the day immediately  
6 following evening parent-teacher conferences, or (iii)  
7 multiple parent-teacher conferences held in the evenings  
8 following full days of student attendance, as specified in  
9 subsection (F)(1)(c), in which the time used for the  
10 parent-teacher conferences is equivalent to a minimum of 5  
11 clock hours; and (2) when days in addition to those  
12 provided in items (1) and (1.5) are scheduled by a school  
13 pursuant to its school improvement plan adopted under  
14 Article 34 or its revised or amended school improvement  
15 plan adopted under Article 2, provided that (i) such  
16 sessions of 3 or more clock hours are scheduled to occur at  
17 regular intervals, (ii) the remainder of the school days in  
18 which such sessions occur are utilized for in-service  
19 training programs or other staff development activities  
20 for teachers, and (iii) a sufficient number of minutes of  
21 school work under the direct supervision of teachers are  
22 added to the school days between such regularly scheduled  
23 sessions to accumulate not less than the number of minutes  
24 by which such sessions of 3 or more clock hours fall short  
25 of 5 clock hours. Any full days used for the purposes of  
26 this paragraph shall not be considered for computing



1 average daily attendance. Days scheduled for in-service  
2 training programs, staff development activities, or  
3 parent-teacher conferences may be scheduled separately for  
4 different grade levels and different attendance centers of  
5 the district.

6 (e) A session of not less than one clock hour of  
7 teaching hospitalized or homebound pupils on-site or by  
8 telephone to the classroom may be counted as 1/2 day of  
9 attendance, however these pupils must receive 4 or more  
10 clock hours of instruction to be counted for a full day of  
11 attendance.

12 (f) A session of at least 4 clock hours may be counted  
13 as a day of attendance for first grade pupils, and pupils  
14 in full day kindergartens, and a session of 2 or more hours  
15 may be counted as 1/2 day of attendance by pupils in  
16 kindergartens which provide only 1/2 day of attendance.

17 (g) For children with disabilities who are below the  
18 age of 6 years and who cannot attend 2 or more clock hours  
19 because of their disability or immaturity, a session of not  
20 less than one clock hour may be counted as 1/2 day of  
21 attendance; however for such children whose educational  
22 needs so require a session of 4 or more clock hours may be  
23 counted as a full day of attendance.

24 (h) A recognized kindergarten which provides for only  
25 1/2 day of attendance by each pupil shall not have more  
26 than 1/2 day of attendance counted in any one day. However,

1 kindergartens may count 2 1/2 days of attendance in any 5  
2 consecutive school days. When a pupil attends such a  
3 kindergarten for 2 half days on any one school day, the  
4 pupil shall have the following day as a day absent from  
5 school, unless the school district obtains permission in  
6 writing from the State Superintendent of Education.  
7 Attendance at kindergartens which provide for a full day of  
8 attendance by each pupil shall be counted the same as  
9 attendance by first grade pupils. Only the first year of  
10 attendance in one kindergarten shall be counted, except in  
11 case of children who entered the kindergarten in their  
12 fifth year whose educational development requires a second  
13 year of kindergarten as determined under the rules and  
14 regulations of the State Board of Education.

15 (i) On the days when the assessment that includes a  
16 college and career ready determination is administered  
17 under subsection (c) of Section 2-3.64a-5 of this Code, the  
18 day of attendance for a pupil whose school day must be  
19 shortened to accommodate required testing procedures may  
20 be less than 5 clock hours and shall be counted towards the  
21 176 days of actual pupil attendance required under Section  
22 10-19 of this Code, provided that a sufficient number of  
23 minutes of school work in excess of 5 clock hours are first  
24 completed on other school days to compensate for the loss  
25 of school work on the examination days.

26 (j) Pupils enrolled in a remote educational program

1 established under Section 10-29 of this Code may be counted  
2 on the basis of one-fifth day of attendance for every clock  
3 hour of instruction attended in the remote educational  
4 program, provided that, in any month, the school district  
5 may not claim for a student enrolled in a remote  
6 educational program more days of attendance than the  
7 maximum number of days of attendance the district can claim  
8 (i) for students enrolled in a building holding year-round  
9 classes if the student is classified as participating in  
10 the remote educational program on a year-round schedule or  
11 (ii) for students enrolled in a building not holding  
12 year-round classes if the student is not classified as  
13 participating in the remote educational program on a  
14 year-round schedule.

15 (G) Equalized Assessed Valuation Data.

16 (1) For purposes of the calculation of Available Local  
17 Resources required pursuant to subsection (D), the State Board  
18 of Education shall secure from the Department of Revenue the  
19 value as equalized or assessed by the Department of Revenue of  
20 all taxable property of every school district, together with  
21 (i) the applicable tax rate used in extending taxes for the  
22 funds of the district as of September 30 of the previous year  
23 and (ii) the limiting rate for all school districts subject to  
24 property tax extension limitations as imposed under the  
25 Property Tax Extension Limitation Law.

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

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

13 This equalized assessed valuation, as adjusted further by  
14 the requirements of this subsection, shall be utilized in the  
15 calculation of Available Local Resources.

16 (2) The equalized assessed valuation in paragraph (1) shall  
17 be adjusted, as applicable, in the following manner:

18 (a) For the purposes of calculating State aid under  
19 this Section, with respect to any part of a school district  
20 within a redevelopment project area in respect to which a  
21 municipality has adopted tax increment allocation  
22 financing pursuant to the Tax Increment Allocation  
23 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11  
24 of the Illinois Municipal Code or the Industrial Jobs  
25 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the  
26 Illinois Municipal Code, no part of the current equalized

1 assessed valuation of real property located in any such  
2 project area which is attributable to an increase above the  
3 total initial equalized assessed valuation of such  
4 property shall be used as part of the equalized assessed  
5 valuation of the district, until such time as all  
6 redevelopment project costs have been paid, as provided in  
7 Section 11-74.4-8 of the Tax Increment Allocation  
8 Redevelopment Act or in Section 11-74.6-35 of the  
9 Industrial Jobs Recovery Law. For the purpose of the  
10 equalized assessed valuation of the district, the total  
11 initial equalized assessed valuation or the current  
12 equalized assessed valuation, whichever is lower, shall be  
13 used until such time as all redevelopment project costs  
14 have been paid.

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

1 percentage rates for district type as specified in this  
2 subparagraph (b).

3 (3) For the 1999-2000 school year and each school year  
4 thereafter, if a school district meets all of the criteria of  
5 this subsection (G) (3), the school district's Available Local  
6 Resources shall be calculated under subsection (D) using the  
7 district's Extension Limitation Equalized Assessed Valuation  
8 as calculated under this subsection (G) (3).

9 For purposes of this subsection (G) (3) the following terms  
10 shall have the following meanings:

11 "Budget Year": The school year for which general State  
12 aid is calculated and awarded under subsection (E).

13 "Base Tax Year": The property tax levy year used to  
14 calculate the Budget Year allocation of general State aid.

15 "Preceding Tax Year": The property tax levy year  
16 immediately preceding the Base Tax Year.

17 "Base Tax Year's Tax Extension": The product of the  
18 equalized assessed valuation utilized by the County Clerk  
19 in the Base Tax Year multiplied by the limiting rate as  
20 calculated by the County Clerk and defined in the Property  
21 Tax Extension Limitation Law.

22 "Preceding Tax Year's Tax Extension": The product of  
23 the equalized assessed valuation utilized by the County  
24 Clerk in the Preceding Tax Year multiplied by the Operating  
25 Tax Rate as defined in subsection (A).

26 "Extension Limitation Ratio": A numerical ratio,

1 certified by the County Clerk, in which the numerator is  
2 the Base Tax Year's Tax Extension and the denominator is  
3 the Preceding Tax Year's Tax Extension.

4 "Operating Tax Rate": The operating tax rate as defined  
5 in subsection (A).

6 If a school district is subject to property tax extension  
7 limitations as imposed under the Property Tax Extension  
8 Limitation Law, the State Board of Education shall calculate  
9 the Extension Limitation Equalized Assessed Valuation of that  
10 district. For the 1999-2000 school year, the Extension  
11 Limitation Equalized Assessed Valuation of a school district as  
12 calculated by the State Board of Education shall be equal to  
13 the product of the district's 1996 Equalized Assessed Valuation  
14 and the district's Extension Limitation Ratio. Except as  
15 otherwise provided in this paragraph for a school district that  
16 has approved or does approve an increase in its limiting rate,  
17 for the 2000-2001 school year and each school year thereafter,  
18 the Extension Limitation Equalized Assessed Valuation of a  
19 school district as calculated by the State Board of Education  
20 shall be equal to the product of the Equalized Assessed  
21 Valuation last used in the calculation of general State aid and  
22 the district's Extension Limitation Ratio. If the Extension  
23 Limitation Equalized Assessed Valuation of a school district as  
24 calculated under this subsection (G)(3) is less than the  
25 district's equalized assessed valuation as calculated pursuant  
26 to subsections (G)(1) and (G)(2), then for purposes of



1 calculating the district's general State aid for the Budget  
2 Year pursuant to subsection (E), that Extension Limitation  
3 Equalized Assessed Valuation shall be utilized to calculate the  
4 district's Available Local Resources under subsection (D). For  
5 the 2009-2010 school year and each school year thereafter, if a  
6 school district has approved or does approve an increase in its  
7 limiting rate, pursuant to Section 18-190 of the Property Tax  
8 Code, affecting the Base Tax Year, the Extension Limitation  
9 Equalized Assessed Valuation of the school district, as  
10 calculated by the State Board of Education, shall be equal to  
11 the product of the Equalized Assessed Valuation last used in  
12 the calculation of general State aid times an amount equal to  
13 one plus the percentage increase, if any, in the Consumer Price  
14 Index for all Urban Consumers for all items published by the  
15 United States Department of Labor for the 12-month calendar  
16 year preceding the Base Tax Year, plus the Equalized Assessed  
17 Valuation of new property, annexed property, and recovered tax  
18 increment value and minus the Equalized Assessed Valuation of  
19 disconnected property. New property and recovered tax  
20 increment value shall have the meanings set forth in the  
21 Property Tax Extension Limitation Law.

22 Partial elementary unit districts created in accordance  
23 with Article 11E of this Code shall not be eligible for the  
24 adjustment in this subsection (G)(3) until the fifth year  
25 following the effective date of the reorganization.

26 (3.5) For the 2010-2011 school year and each school year

1 thereafter, if a school district's boundaries span multiple  
2 counties, then the Department of Revenue shall send to the  
3 State Board of Education, for the purpose of calculating  
4 general State aid, the limiting rate and individual rates by  
5 purpose for the county that contains the majority of the school  
6 district's Equalized Assessed Valuation.

7 (4) For the purposes of calculating general State aid for  
8 the 1999-2000 school year only, if a school district  
9 experienced a triennial reassessment on the equalized assessed  
10 valuation used in calculating its general State financial aid  
11 apportionment for the 1998-1999 school year, the State Board of  
12 Education shall calculate the Extension Limitation Equalized  
13 Assessed Valuation that would have been used to calculate the  
14 district's 1998-1999 general State aid. This amount shall equal  
15 the product of the equalized assessed valuation used to  
16 calculate general State aid for the 1997-1998 school year and  
17 the district's Extension Limitation Ratio. If the Extension  
18 Limitation Equalized Assessed Valuation of the school district  
19 as calculated under this paragraph (4) is less than the  
20 district's equalized assessed valuation utilized in  
21 calculating the district's 1998-1999 general State aid  
22 allocation, then for purposes of calculating the district's  
23 general State aid pursuant to paragraph (5) of subsection (E),  
24 that Extension Limitation Equalized Assessed Valuation shall  
25 be utilized to calculate the district's Available Local  
26 Resources.

1           (5) For school districts having a majority of their  
2 equalized assessed valuation in any county except Cook, DuPage,  
3 Kane, Lake, McHenry, or Will, if the amount of general State  
4 aid allocated to the school district for the 1999-2000 school  
5 year under the provisions of subsection (E), (H), and (J) of  
6 this Section is less than the amount of general State aid  
7 allocated to the district for the 1998-1999 school year under  
8 these subsections, then the general State aid of the district  
9 for the 1999-2000 school year only shall be increased by the  
10 difference between these amounts. The total payments made under  
11 this paragraph (5) shall not exceed \$14,000,000. Claims shall  
12 be prorated if they exceed \$14,000,000.

13       (H) Supplemental General State Aid.

14           (1) In addition to the general State aid a school district  
15 is allotted pursuant to subsection (E), qualifying school  
16 districts shall receive a grant, paid in conjunction with a  
17 district's payments of general State aid, for supplemental  
18 general State aid based upon the concentration level of  
19 children from low-income households within the school  
20 district. Supplemental State aid grants provided for school  
21 districts under this subsection shall be appropriated for  
22 distribution to school districts as part of the same line item  
23 in which the general State financial aid of school districts is  
24 appropriated under this Section.

25           (1.5) This paragraph (1.5) applies only to those school

1 years preceding the 2003-2004 school year. For purposes of this  
2 subsection (H), the term "Low-Income Concentration Level"  
3 shall be the low-income eligible pupil count from the most  
4 recently available federal census divided by the Average Daily  
5 Attendance of the school district. If, however, (i) the  
6 percentage decrease from the 2 most recent federal censuses in  
7 the low-income eligible pupil count of a high school district  
8 with fewer than 400 students exceeds by 75% or more the  
9 percentage change in the total low-income eligible pupil count  
10 of contiguous elementary school districts, whose boundaries  
11 are coterminous with the high school district, or (ii) a high  
12 school district within 2 counties and serving 5 elementary  
13 school districts, whose boundaries are coterminous with the  
14 high school district, has a percentage decrease from the 2 most  
15 recent federal censuses in the low-income eligible pupil count  
16 and there is a percentage increase in the total low-income  
17 eligible pupil count of a majority of the elementary school  
18 districts in excess of 50% from the 2 most recent federal  
19 censuses, then the high school district's low-income eligible  
20 pupil count from the earlier federal census shall be the number  
21 used as the low-income eligible pupil count for the high school  
22 district, for purposes of this subsection (H). The changes made  
23 to this paragraph (1) by Public Act 92-28 shall apply to  
24 supplemental general State aid grants for school years  
25 preceding the 2003-2004 school year that are paid in fiscal  
26 year 1999 or thereafter and to any State aid payments made in

1 fiscal year 1994 through fiscal year 1998 pursuant to  
2 subsection 1(n) of Section 18-8 of this Code (which was  
3 repealed on July 1, 1998), and any high school district that is  
4 affected by Public Act 92-28 is entitled to a recomputation of  
5 its supplemental general State aid grant or State aid paid in  
6 any of those fiscal years. This recomputation shall not be  
7 affected by any other funding.

8 (1.10) This paragraph (1.10) applies to the 2003-2004  
9 school year and each school year thereafter through the  
10 2016-2017 school year. For purposes of this subsection (H), the  
11 term "Low-Income Concentration Level" shall, for each fiscal  
12 year, be the low-income eligible pupil count as of July 1 of  
13 the immediately preceding fiscal year (as determined by the  
14 Department of Human Services based on the number of pupils who  
15 are eligible for at least one of the following low income  
16 programs: Medicaid, the Children's Health Insurance Program,  
17 TANF, or Food Stamps, excluding pupils who are eligible for  
18 services provided by the Department of Children and Family  
19 Services, averaged over the 2 immediately preceding fiscal  
20 years for fiscal year 2004 and over the 3 immediately preceding  
21 fiscal years for each fiscal year thereafter) divided by the  
22 Average Daily Attendance of the school district.

23 (2) Supplemental general State aid pursuant to this  
24 subsection (H) shall be provided as follows for the 1998-1999,  
25 1999-2000, and 2000-2001 school years only:

26 (a) For any school district with a Low Income

1 Concentration Level of at least 20% and less than 35%, the  
2 grant for any school year shall be \$800 multiplied by the  
3 low income eligible pupil count.

4 (b) For any school district with a Low Income  
5 Concentration Level of at least 35% and less than 50%, the  
6 grant for the 1998-1999 school year shall be \$1,100  
7 multiplied by the low income eligible pupil count.

8 (c) For any school district with a Low Income  
9 Concentration Level of at least 50% and less than 60%, the  
10 grant for the 1998-99 school year shall be \$1,500  
11 multiplied by the low income eligible pupil count.

12 (d) For any school district with a Low Income  
13 Concentration Level of 60% or more, the grant for the  
14 1998-99 school year shall be \$1,900 multiplied by the low  
15 income eligible pupil count.

16 (e) For the 1999-2000 school year, the per pupil amount  
17 specified in subparagraphs (b), (c), and (d) immediately  
18 above shall be increased to \$1,243, \$1,600, and \$2,000,  
19 respectively.

20 (f) For the 2000-2001 school year, the per pupil  
21 amounts specified in subparagraphs (b), (c), and (d)  
22 immediately above shall be \$1,273, \$1,640, and \$2,050,  
23 respectively.

24 (2.5) Supplemental general State aid pursuant to this  
25 subsection (H) shall be provided as follows for the 2002-2003  
26 school year:

1           (a) For any school district with a Low Income  
2 Concentration Level of less than 10%, the grant for each  
3 school year shall be \$355 multiplied by the low income  
4 eligible pupil count.

5           (b) For any school district with a Low Income  
6 Concentration Level of at least 10% and less than 20%, the  
7 grant for each school year shall be \$675 multiplied by the  
8 low income eligible pupil count.

9           (c) For any school district with a Low Income  
10 Concentration Level of at least 20% and less than 35%, the  
11 grant for each school year shall be \$1,330 multiplied by  
12 the low income eligible pupil count.

13           (d) For any school district with a Low Income  
14 Concentration Level of at least 35% and less than 50%, the  
15 grant for each school year shall be \$1,362 multiplied by  
16 the low income eligible pupil count.

17           (e) For any school district with a Low Income  
18 Concentration Level of at least 50% and less than 60%, the  
19 grant for each school year shall be \$1,680 multiplied by  
20 the low income eligible pupil count.

21           (f) For any school district with a Low Income  
22 Concentration Level of 60% or more, the grant for each  
23 school year shall be \$2,080 multiplied by the low income  
24 eligible pupil count.

25           (2.10) Except as otherwise provided, supplemental general  
26 State aid pursuant to this subsection (H) shall be provided as

1 follows for the 2003-2004 school year and each school year  
2 thereafter:

3 (a) For any school district with a Low Income  
4 Concentration Level of 15% or less, the grant for each  
5 school year shall be \$355 multiplied by the low income  
6 eligible pupil count.

7 (b) For any school district with a Low Income  
8 Concentration Level greater than 15%, the grant for each  
9 school year shall be \$294.25 added to the product of \$2,700  
10 and the square of the Low Income Concentration Level, all  
11 multiplied by the low income eligible pupil count.

12 For the 2003-2004 school year and each school year  
13 thereafter through the 2008-2009 school year only, the grant  
14 shall be no less than the grant for the 2002-2003 school year.  
15 For the 2009-2010 school year only, the grant shall be no less  
16 than the grant for the 2002-2003 school year multiplied by  
17 0.66. For the 2010-2011 school year only, the grant shall be no  
18 less than the grant for the 2002-2003 school year multiplied by  
19 0.33. Notwithstanding the provisions of this paragraph to the  
20 contrary, if for any school year supplemental general State aid  
21 grants are prorated as provided in paragraph (1) of this  
22 subsection (H), then the grants under this paragraph shall be  
23 prorated.

24 For the 2003-2004 school year only, the grant shall be no  
25 greater than the grant received during the 2002-2003 school  
26 year added to the product of 0.25 multiplied by the difference



1 between the grant amount calculated under subsection (a) or (b)  
2 of this paragraph (2.10), whichever is applicable, and the  
3 grant received during the 2002-2003 school year. For the  
4 2004-2005 school year only, the grant shall be no greater than  
5 the grant received during the 2002-2003 school year added to  
6 the product of 0.50 multiplied by the difference between the  
7 grant amount calculated under subsection (a) or (b) of this  
8 paragraph (2.10), whichever is applicable, and the grant  
9 received during the 2002-2003 school year. For the 2005-2006  
10 school year only, the grant shall be no greater than the grant  
11 received during the 2002-2003 school year added to the product  
12 of 0.75 multiplied by the difference between the grant amount  
13 calculated under subsection (a) or (b) of this paragraph  
14 (2.10), whichever is applicable, and the grant received during  
15 the 2002-2003 school year.

16 (3) School districts with an Average Daily Attendance of  
17 more than 1,000 and less than 50,000 that qualify for  
18 supplemental general State aid pursuant to this subsection  
19 shall submit a plan to the State Board of Education prior to  
20 October 30 of each year for the use of the funds resulting from  
21 this grant of supplemental general State aid for the  
22 improvement of instruction in which priority is given to  
23 meeting the education needs of disadvantaged children. Such  
24 plan shall be submitted in accordance with rules and  
25 regulations promulgated by the State Board of Education.

26 (4) School districts with an Average Daily Attendance of

1 50,000 or more that qualify for supplemental general State aid  
2 pursuant to this subsection shall be required to distribute  
3 from funds available pursuant to this Section, no less than  
4 \$261,000,000 in accordance with the following requirements:

5 (a) The required amounts shall be distributed to the  
6 attendance centers within the district in proportion to the  
7 number of pupils enrolled at each attendance center who are  
8 eligible to receive free or reduced-price lunches or  
9 breakfasts under the federal Child Nutrition Act of 1966  
10 and under the National School Lunch Act during the  
11 immediately preceding school year.

12 (b) The distribution of these portions of supplemental  
13 and general State aid among attendance centers according to  
14 these requirements shall not be compensated for or  
15 contravened by adjustments of the total of other funds  
16 appropriated to any attendance centers, and the Board of  
17 Education shall utilize funding from one or several sources  
18 in order to fully implement this provision annually prior  
19 to the opening of school.

20 (c) Each attendance center shall be provided by the  
21 school district a distribution of noncategorical funds and  
22 other categorical funds to which an attendance center is  
23 entitled under law in order that the general State aid and  
24 supplemental general State aid provided by application of  
25 this subsection supplements rather than supplants the  
26 noncategorical funds and other categorical funds provided

1 by the school district to the attendance centers.

2 (d) Any funds made available under this subsection that  
3 by reason of the provisions of this subsection are not  
4 required to be allocated and provided to attendance centers  
5 may be used and appropriated by the board of the district  
6 for any lawful school purpose.

7 (e) Funds received by an attendance center pursuant to  
8 this subsection shall be used by the attendance center at  
9 the discretion of the principal and local school council  
10 for programs to improve educational opportunities at  
11 qualifying schools through the following programs and  
12 services: early childhood education, reduced class size or  
13 improved adult to student classroom ratio, enrichment  
14 programs, remedial assistance, attendance improvement, and  
15 other educationally beneficial expenditures which  
16 supplement the regular and basic programs as determined by  
17 the State Board of Education. Funds provided shall not be  
18 expended for any political or lobbying purposes as defined  
19 by board rule.

20 (f) Each district subject to the provisions of this  
21 subdivision (H) (4) shall submit an acceptable plan to meet  
22 the educational needs of disadvantaged children, in  
23 compliance with the requirements of this paragraph, to the  
24 State Board of Education prior to July 15 of each year.  
25 This plan shall be consistent with the decisions of local  
26 school councils concerning the school expenditure plans

1 developed in accordance with part 4 of Section 34-2.3. The  
2 State Board shall approve or reject the plan within 60 days  
3 after its submission. If the plan is rejected, the district  
4 shall give written notice of intent to modify the plan  
5 within 15 days of the notification of rejection and then  
6 submit a modified plan within 30 days after the date of the  
7 written notice of intent to modify. Districts may amend  
8 approved plans pursuant to rules promulgated by the State  
9 Board of Education.

10 Upon notification by the State Board of Education that  
11 the district has not submitted a plan prior to July 15 or a  
12 modified plan within the time period specified herein, the  
13 State aid funds affected by that plan or modified plan  
14 shall be withheld by the State Board of Education until a  
15 plan or modified plan is submitted.

16 If the district fails to distribute State aid to  
17 attendance centers in accordance with an approved plan, the  
18 plan for the following year shall allocate funds, in  
19 addition to the funds otherwise required by this  
20 subsection, to those attendance centers which were  
21 underfunded during the previous year in amounts equal to  
22 such underfunding.

23 For purposes of determining compliance with this  
24 subsection in relation to the requirements of attendance  
25 center funding, each district subject to the provisions of  
26 this subsection shall submit as a separate document by

1 December 1 of each year a report of expenditure data for  
2 the prior year in addition to any modification of its  
3 current plan. If it is determined that there has been a  
4 failure to comply with the expenditure provisions of this  
5 subsection regarding contravention or supplanting, the  
6 State Superintendent of Education shall, within 60 days of  
7 receipt of the report, notify the district and any affected  
8 local school council. The district shall within 45 days of  
9 receipt of that notification inform the State  
10 Superintendent of Education of the remedial or corrective  
11 action to be taken, whether by amendment of the current  
12 plan, if feasible, or by adjustment in the plan for the  
13 following year. Failure to provide the expenditure report  
14 or the notification of remedial or corrective action in a  
15 timely manner shall result in a withholding of the affected  
16 funds.

17 The State Board of Education shall promulgate rules and  
18 regulations to implement the provisions of this  
19 subsection. No funds shall be released under this  
20 subdivision (H) (4) to any district that has not submitted a  
21 plan that has been approved by the State Board of  
22 Education.

23 (I) (Blank).

24 (J) (Blank).

1 (K) Grants to Laboratory and Alternative Schools.

2 In calculating the amount to be paid to the governing board  
3 of a public university that operates a laboratory school under  
4 this Section or to any alternative school that is operated by a  
5 regional superintendent of schools, the State Board of  
6 Education shall require by rule such reporting requirements as  
7 it deems necessary.

8 As used in this Section, "laboratory school" means a public  
9 school which is created and operated by a public university and  
10 approved by the State Board of Education. The governing board  
11 of a public university which receives funds from the State  
12 Board under this subsection (K) or subsection (g) of Section  
13 18-8.15 of this Code may not increase the number of students  
14 enrolled in its laboratory school from a single district, if  
15 that district is already sending 50 or more students, except  
16 under a mutual agreement between the school board of a  
17 student's district of residence and the university which  
18 operates the laboratory school. A laboratory school may not  
19 have more than 1,000 students, excluding students with  
20 disabilities in a special education program.

21 As used in this Section, "alternative school" means a  
22 public school which is created and operated by a Regional  
23 Superintendent of Schools and approved by the State Board of  
24 Education. Such alternative schools may offer courses of  
25 instruction for which credit is given in regular school

1 programs, courses to prepare students for the high school  
2 equivalency testing program or vocational and occupational  
3 training. A regional superintendent of schools may contract  
4 with a school district or a public community college district  
5 to operate an alternative school. An alternative school serving  
6 more than one educational service region may be established by  
7 the regional superintendents of schools of the affected  
8 educational service regions. An alternative school serving  
9 more than one educational service region may be operated under  
10 such terms as the regional superintendents of schools of those  
11 educational service regions may agree.

12 Each laboratory and alternative school shall file, on forms  
13 provided by the State Superintendent of Education, an annual  
14 State aid claim which states the Average Daily Attendance of  
15 the school's students by month. The best 3 months' Average  
16 Daily Attendance shall be computed for each school. The general  
17 State aid entitlement shall be computed by multiplying the  
18 applicable Average Daily Attendance by the Foundation Level as  
19 determined under this Section.

20 (L) Payments, Additional Grants in Aid and Other Requirements.

21 (1) For a school district operating under the financial  
22 supervision of an Authority created under Article 34A, the  
23 general State aid otherwise payable to that district under this  
24 Section, but not the supplemental general State aid, shall be  
25 reduced by an amount equal to the budget for the operations of

1 the Authority as certified by the Authority to the State Board  
2 of Education, and an amount equal to such reduction shall be  
3 paid to the Authority created for such district for its  
4 operating expenses in the manner provided in Section 18-11. The  
5 remainder of general State school aid for any such district  
6 shall be paid in accordance with Article 34A when that Article  
7 provides for a disposition other than that provided by this  
8 Article.

9 (2) (Blank).

10 (3) Summer school. Summer school payments shall be made as  
11 provided in Section 18-4.3.

12 (M) Education Funding Advisory Board.

13 The Education Funding Advisory Board, hereinafter in this  
14 subsection (M) referred to as the "Board", is hereby created.  
15 The Board shall consist of 5 members who are appointed by the  
16 Governor, by and with the advice and consent of the Senate. The  
17 members appointed shall include representatives of education,  
18 business, and the general public. One of the members so  
19 appointed shall be designated by the Governor at the time the  
20 appointment is made as the chairperson of the Board. The  
21 initial members of the Board may be appointed any time after  
22 the effective date of this amendatory Act of 1997. The regular  
23 term of each member of the Board shall be for 4 years from the  
24 third Monday of January of the year in which the term of the  
25 member's appointment is to commence, except that of the 5



1 initial members appointed to serve on the Board, the member who  
2 is appointed as the chairperson shall serve for a term that  
3 commences on the date of his or her appointment and expires on  
4 the third Monday of January, 2002, and the remaining 4 members,  
5 by lots drawn at the first meeting of the Board that is held  
6 after all 5 members are appointed, shall determine 2 of their  
7 number to serve for terms that commence on the date of their  
8 respective appointments and expire on the third Monday of  
9 January, 2001, and 2 of their number to serve for terms that  
10 commence on the date of their respective appointments and  
11 expire on the third Monday of January, 2000. All members  
12 appointed to serve on the Board shall serve until their  
13 respective successors are appointed and confirmed. Vacancies  
14 shall be filled in the same manner as original appointments. If  
15 a vacancy in membership occurs at a time when the Senate is not  
16 in session, the Governor shall make a temporary appointment  
17 until the next meeting of the Senate, when he or she shall  
18 appoint, by and with the advice and consent of the Senate, a  
19 person to fill that membership for the unexpired term. If the  
20 Senate is not in session when the initial appointments are  
21 made, those appointments shall be made as in the case of  
22 vacancies.

23 The Education Funding Advisory Board shall be deemed  
24 established, and the initial members appointed by the Governor  
25 to serve as members of the Board shall take office, on the date  
26 that the Governor makes his or her appointment of the fifth

1 initial member of the Board, whether those initial members are  
2 then serving pursuant to appointment and confirmation or  
3 pursuant to temporary appointments that are made by the  
4 Governor as in the case of vacancies.

5 The State Board of Education shall provide such staff  
6 assistance to the Education Funding Advisory Board as is  
7 reasonably required for the proper performance by the Board of  
8 its responsibilities.

9 For school years after the 2000-2001 school year through  
10 the 2016-2017 school year, the Education Funding Advisory  
11 Board, in consultation with the State Board of Education, shall  
12 make recommendations as provided in this subsection (M) to the  
13 General Assembly for the foundation level under subdivision  
14 (B) (3) of this Section and for the supplemental general State  
15 aid grant level under subsection (H) of this Section for  
16 districts with high concentrations of children from poverty.  
17 The recommended foundation level shall be determined based on a  
18 methodology which incorporates the basic education  
19 expenditures of low-spending schools exhibiting high academic  
20 performance. The Education Funding Advisory Board shall make  
21 such recommendations to the General Assembly on January 1 of  
22 odd numbered years, beginning January 1, 2001.

23 (N) (Blank).

24 (O) References.

1           (1) References in other laws to the various subdivisions of  
2 Section 18-8 as that Section existed before its repeal and  
3 replacement by this Section 18-8.05 shall be deemed to refer to  
4 the corresponding provisions of this Section 18-8.05, to the  
5 extent that those references remain applicable.

6           (2) References in other laws to State Chapter 1 funds shall  
7 be deemed to refer to the supplemental general State aid  
8 provided under subsection (H) of this Section.

9           (P) Public Act 93-838 and Public Act 93-808 make inconsistent  
10 changes to this Section. Under Section 6 of the Statute on  
11 Statutes there is an irreconcilable conflict between Public Act  
12 93-808 and Public Act 93-838. Public Act 93-838, being the last  
13 acted upon, is controlling. The text of Public Act 93-838 is  
14 the law regardless of the text of Public Act 93-808.

15           (Q) State Fiscal Year 2015 Payments.

16           For payments made for State fiscal year 2015, the State  
17 Board of Education shall, for each school district, calculate  
18 that district's pro-rata share of a minimum sum of \$13,600,000  
19 or additional amounts as needed from the total net General  
20 State Aid funding as calculated under this Section that shall  
21 be deemed attributable to the provision of special educational  
22 facilities and services, as defined in Section 14-1.08 of this  
23 Code, in a manner that ensures compliance with maintenance of  
24 State financial support requirements under the federal

1 Individuals with Disabilities Education Act. Each school  
2 district must use such funds only for the provision of special  
3 educational facilities and services, as defined in Section  
4 14-1.08 of this Code, and must comply with any expenditure  
5 verification procedures adopted by the State Board of  
6 Education.

7 (R) State Fiscal Year 2016 Payments.

8 For payments made for State fiscal year 2016, the State  
9 Board of Education shall, for each school district, calculate  
10 that district's pro rata share of a minimum sum of \$1 or  
11 additional amounts as needed from the total net General State  
12 Aid funding as calculated under this Section that shall be  
13 deemed attributable to the provision of special educational  
14 facilities and services, as defined in Section 14-1.08 of this  
15 Code, in a manner that ensures compliance with maintenance of  
16 State financial support requirements under the federal  
17 Individuals with Disabilities Education Act. Each school  
18 district must use such funds only for the provision of special  
19 educational facilities and services, as defined in Section  
20 14-1.08 of this Code, and must comply with any expenditure  
21 verification procedures adopted by the State Board of  
22 Education.

23 (Source: P.A. 98-972, eff. 8-15-14; 99-2, eff. 3-26-15; 99-194,  
24 eff. 7-30-15; 99-523, eff. 6-30-16.)

1 (105 ILCS 5/18-8.10)

2 Sec. 18-8.10. Fast growth grants.

3 (a) If there has been an increase in a school district's  
4 student population over the most recent 2 school years of (i)  
5 over 1.5% in a district with over 10,000 pupils in average  
6 daily attendance (as defined in Section 18-8.05 or 18-8.15 of  
7 this Code) or (ii) over 7.5% in any other district, then the  
8 district is eligible for a grant under this Section, subject to  
9 appropriation.

10 (b) The State Board of Education shall determine a per  
11 pupil grant amount for each school district. The total grant  
12 amount for a district for any given school year shall equal the  
13 per pupil grant amount multiplied by the difference between the  
14 number of pupils in average daily attendance for the 2 most  
15 recent school years.

16 (c) Funds for grants under this Section must be  
17 appropriated to the State Board of Education in a separate line  
18 item for this purpose. If the amount appropriated in any fiscal  
19 year is insufficient to pay all grants for a school year, then  
20 the amount appropriated shall be prorated among eligible  
21 districts. As soon as possible after funds have been  
22 appropriated to the State Board of Education, the State Board  
23 of Education shall distribute the grants to eligible districts.

24 (d) If a school district intentionally reports incorrect  
25 average daily attendance numbers to receive a grant under this  
26 Section, then the district shall be denied State aid in the

1 same manner as State aid is denied for intentional incorrect  
2 reporting of average daily attendance numbers under Section  
3 18-8.05 or 18-8.15 of this Code.

4 (Source: P.A. 93-1042, eff. 10-8-04.)

5 (105 ILCS 5/18-8.15 new)

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

8 (a) General provisions.

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

23 (A) provide all students with a high quality education  
24 that offers the academic, enrichment, social and emotional  
25 support, technical, and career-focused programs that will

1 allow them to become competitive workers, responsible  
2 parents, productive citizens of this State, and active  
3 members of our national democracy;

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

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

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

16 (2) The evidence-based funding formula under this Section  
17 shall be applied to all Organizational Units in this State. As  
18 further defined and described in this Section, there are 4  
19 major components of the evidence-based funding model:

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

25 (B) Second, the model calculates each Organizational  
26 Unit's local capacity, or the amount each Organizational

1 Unit is assumed to contribute towards its adequacy target  
2 from local resources.

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

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

11 (3) An Organizational Unit receiving any funding under this  
12 Section may apply those funds to any fund so received for which  
13 that Organizational Unit is authorized to make expenditures by  
14 law.

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

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

19 "Adjusted EAV" is defined in paragraph (3) of subsection  
20 (d) of this Section.

21 "Adjusted Local Capacity Target" is defined in paragraph  
22 (3) of subsection (c) of this Section.

23 "Adjustments" means corrections made by the State Board  
24 pursuant to Sections 2-3.33, 2-3.33a, and 2-3.84 of this Code.

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



1       "Alternative School" means a public school that is created  
2 and operated by a regional superintendent of schools and  
3 approved by the State Board.

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

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

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

20       "Average Student Enrollment" or "ASE" means, for an  
21 Organizational Unit in a given school year, the greater of the  
22 average number of students (grades K through 12) reported to  
23 the State Board as enrolled in the Organizational Unit on  
24 October 1 and March 1, plus the special education  
25 pre-kindergarten students with services of at least more than 2  
26 hours a week as reported to the State Board on December 1, in

1 the immediately preceding school year or the average number of  
2 students (grades K through 12) reported to the State Board as  
3 enrolled in the Organizational Unit on October 1 and March 1,  
4 plus the special education pre-kindergarten students with  
5 services of at least more than 2 hours a week as reported to  
6 the State Board on December 1, for each of the immediately  
7 preceding 3 school years. For the purposes of this definition,  
8 "enrolled in the Organizational Unit" means the number of  
9 students reported to the State Board who are enrolled in  
10 schools within the Organizational Unit that the student attends  
11 or would attend if not placed or transferred to another school  
12 or program to receive needed services. For the purposes of  
13 calculating "ASE", all students, grades K through 12, shall be  
14 counted as 1.0, except that those attending half-day  
15 kindergarten shall be counted as 0.5. Special education  
16 pre-kindergarten students shall be counted as 0.5 each. If the  
17 State Board does not collect or has not collected both an  
18 October 1 and March 1 enrollment count by grade or a December 1  
19 collection of special education pre-kindergarten students as  
20 of the effective date of this amendatory Act of the 100th  
21 General Assembly, it shall establish such collection for all  
22 future years. For any year where a count by grade level was  
23 collected only once, that count shall be used as the single  
24 count available for computing a 3-year average ASE.

25 "Base Funding Guarantee" is defined in paragraph (7) of  
26 subsection (g) of this Section.

1       "Base Funding Minimum" is defined in subsection (e) of this  
2 Section.

3       "Central office" means individual administrators and  
4 support service personnel charged with managing the  
5 instructional programs, business and operations, and security  
6 of the Organizational Unit.

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

19       "Computer technology and equipment" means computers  
20 servers, notebooks, network equipment, copiers, printers,  
21 instructional software, security software, curriculum  
22 management courseware, and other similar materials and  
23 equipment.

24       "Core subject" means mathematics; science; reading,  
25 English, writing, and language arts; history and social  
26 studies; world languages; and subjects taught as Advanced

1 Placement in high schools.

2 "Core teacher" means a regular classroom teacher in  
3 elementary schools and teachers of a core subject in middle and  
4 high schools.

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

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

16 "EAV" means equalized assessed valuation as defined in  
17 paragraph (1) of subsection (d) of this Section and calculated  
18 in accordance with paragraph (2) of subsection (d) of this  
19 Section.

20 "ECI" means the Bureau of Labor Statistics' national  
21 employment cost index for civilian workers in educational  
22 services in elementary and secondary schools on a cumulative  
23 basis for the 12-month calendar year preceding the fiscal year  
24 of the Evidence-Based Funding calculation.

25 "EIS Data" means the employment information system data  
26 maintained by the State Board on educators within

1 Organizational Units.

2 "Employee benefits" means health, dental, and vision  
3 insurance offered to employees of an Organizational Unit.

4 "English learner" or "EL" means a child included in the  
5 definition of "English learners" under Section 14C-2 of this  
6 Code participating in a program of transitional bilingual  
7 education or a transitional program of instruction meeting the  
8 requirements and program application procedures of Article 14C  
9 of this Code. For the purposes of collecting the number of EL  
10 students enrolled, the same collection and calculation  
11 methodology as defined above for "ASE" shall apply to English  
12 learners.

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

15 "Essential Elements" means those elements, resources, and  
16 educational programs that have been identified through  
17 academic research as necessary to improve student success,  
18 improve academic performance, close achievement gaps, and  
19 provide for other per student costs related to the delivery and  
20 leadership of the Organizational Unit, as well as the  
21 maintenance and operations of the unit, and which are specified  
22 in paragraph (2) of subsection (b) of this Section.

23 "Extended day" means academic and enrichment programs  
24 provided to students outside the regular school day before and  
25 after school or during non-instructional times during the  
26 school day.

1       "Final Percent of Adequacy" is defined in paragraph (5) of  
2 subsection (f) of this Section.

3       "Final Resources" is defined in paragraph (4) of subsection  
4 (f) of this Section.

5       "Full-time equivalent" or "FTE" means the full-time  
6 equivalency compensation for staffing the relevant position at  
7 an Organizational Unit.

8       "Funding Gap" is defined in paragraph (1) of subsection  
9 (g).

10       "Guidance counselor" means a licensed guidance counselor  
11 who provides guidance and counseling support for students  
12 within an Organizational Unit.

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

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

18       "Instructional facilitator" means a qualified teacher or  
19 licensed teacher leader who facilitates and coaches continuous  
20 improvement in classroom instruction; provides instructional  
21 support to teachers in the elements of research-based  
22 instruction or demonstrates the alignment of instruction with  
23 curriculum standards and assessment tools; develops or  
24 coordinates instructional programs or strategies; develops and  
25 implements training; chooses standards-based instructional  
26 materials; provides teachers with an understanding of current

1 research; serves as a mentor, site coach, curriculum  
2 specialist, or lead teacher; or otherwise works with fellow  
3 teachers, in collaboration, to use data to improve  
4 instructional practice or develop model lessons.

5 "Instructional materials" means relevant instructional  
6 materials for student instruction, including, but not limited  
7 to, textbooks, consumable workbooks, laboratory equipment,  
8 library books, and other similar materials.

9 "Laboratory School" means a public school that is created  
10 and operated by a public university and approved by the State  
11 Board.

12 "Librarian" means a teacher with an endorsement as a  
13 library information specialist or another individual whose  
14 primary responsibility is overseeing library resources within  
15 an Organizational Unit.

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

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

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

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

24 "Low-Income Count" means, for an Organizational Unit in a  
25 fiscal year, the higher of the average number of students for  
26 the prior school year or the immediately preceding 3 school

1 years who, as of July 1 of the immediately preceding fiscal  
2 year (as determined by the Department of Human Services), are  
3 eligible for at least one of the following low income programs:  
4 Medicaid, the Children's Health Insurance Program, TANF, or  
5 Food Stamps, excluding pupils who are eligible for services  
6 provided by the Department of Children and Family Services.

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

11 "Minimum Funding Level" is defined in paragraph (6) of  
12 subsection (g) of this Section.

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

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

21 "Nurse" means an individual licensed as a certified school  
22 nurse, in accordance with the rules established for nursing  
23 services by the State Board, who is an employee of and is  
24 available to provide health care-related services for students  
25 of an Organizational Unit.

26 "Operating Tax Rate" means the rate utilized in the



1 previous year to extend property taxes for all purposes,  
2 except, Bond and Interest, Summer School, Rent, Capital  
3 Improvement, and Vocational Education Building purposes. For  
4 Hybrid Districts, the Operating Tax Rate shall be the combined  
5 elementary and high school rates utilized in the previous year  
6 to extend property taxes for all purposes, except, Bond and  
7 Interest, Summer School, Rent, Capital Improvement, and  
8 Vocational Education Building purposes. For all Organizational  
9 Units, the State Superintendent shall calculate and subtract  
10 from the Operating Tax Rate a transportation rate based on  
11 total expenses for transportation services under this Code, as  
12 reported on the most recent Annual Financial Report in Pupil  
13 Transportation Services, function 2550 in both the Education  
14 and Transportation funds and functions 4110 and 4120 in the  
15 Transportation fund, less any corresponding fiscal year State  
16 of Illinois scheduled payments excluding net adjustments for  
17 prior years for regular, vocational, or special education  
18 transportation reimbursement pursuant to Section 29-5 or  
19 subsection (b) of Section 14-13.01 of this Code divided by the  
20 Adjusted EAV. If an Organizational Unit's corresponding fiscal  
21 year State of Illinois scheduled payments excluding net  
22 adjustments for prior years for regular, vocational, or special  
23 education transportation reimbursement pursuant to Section  
24 29-5 or subsection (b) of Section 14-13.01 of this Code exceed  
25 the total transportation expenses, as defined in this  
26 paragraph, no transportation rate shall be subtracted from the

1 Operating Tax Rate.

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

11 "Organizational Unit CWI" is determined by calculating the  
12 CWI in the region and original county in which an  
13 Organizational Unit's primary administrative office is located  
14 as set forth in this paragraph, provided that if the  
15 Organizational Unit CWI as calculated in accordance with this  
16 paragraph is less than 0.9, the Organizational Unit CWI shall  
17 be increased to 0.9. Each county's current CWI value shall be  
18 adjusted based on the CWI value of that county's neighboring  
19 Illinois counties, to create a "weighted adjusted index value".  
20 This shall be calculated by summing the CWI values of all of a  
21 county's adjacent Illinois counties and dividing by the number  
22 of adjacent Illinois counties, then taking the weighted value  
23 of the original county's CWI value and the adjacent Illinois  
24 county average. To calculate this weighted value, if the number  
25 of adjacent Illinois counties is greater than 2, the original  
26 county's CWI value will be weighted at 0.25 and the adjacent

1 Illinois county average will be weighted at 0.75. If the number  
2 of adjacent Illinois counties is 2, the original county's CWI  
3 value will be weighted at 0.33 and the adjacent Illinois county  
4 average will be weighted at 0.66. The greater of the county's  
5 current CWI value and its weighted adjusted index value shall  
6 be used as the Organizational Unit CWI.

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

9 "Preliminary Resources" is defined in paragraph (3) of  
10 subsection (f) of this Section.

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

13 "Professional development" means training programs for  
14 licensed staff in schools, including, but not limited to,  
15 programs that assist in implementing new curriculum programs,  
16 provide data focused or academic assessment data training to  
17 help staff identify a student's weaknesses and strengths,  
18 target interventions, improve instruction, encompass  
19 instructional strategies for EL, gifted, or at-risk students,  
20 address inclusivity, cultural sensitivity, or implicit bias,  
21 or otherwise provide professional support for licensed staff.

22 "Prototypical" means 450 special education  
23 pre-kindergarten and kindergarten through grade 5 students for  
24 an elementary school, 450 grade 6 through 8 students for a  
25 middle school, and 600 grade 9 through 12 students for a high  
26 school.

1 "PTELL" means the Property Tax Extension Limitation Law.

2 "Pupil support staff" means a nurse, psychologist, social  
3 worker, family liaison personnel, or other staff member who  
4 provides support to at-risk or struggling students.

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

7 "Regionalization Factor" means, for a particular  
8 Organizational Unit, the figure derived by dividing the  
9 Organizational Unit CWI by the Statewide Weighted CWI.

10 "Residential Boarding School Program" means a residential  
11 school for students in jeopardy of academic failure and  
12 impacted by one or more adverse childhood experiences. A  
13 residential program includes:

14 (A) a remedial, regular, and gifted curriculum for  
15 school grades 2 through 8;

16 (B) a residential component focused on social and  
17 emotional well-being, safety, and life skills;

18 (C) extracurricular activities, including a military  
19 leadership program, vocational education program, music  
20 and art, athletics, and cultural events;

21 (D) health and mental health services;

22 (E) tutoring and a learning resource center that  
23 provides individualized and small group instruction;

24 (F) community service, volunteering, and service  
25 learning activities;

26 (G) a parent partnering program, which includes family

1 therapy (if needed), home visits, and parental support and  
2 education and promotes familial integration into all  
3 aspects of programming;

4 (H) programs that are preventative for students,  
5 diverting them from such outcomes as:

6 (i) reliance on social service programs;

7 (ii) dangerous behaviors;

8 (iii) untreated or unmanaged mental and medical  
9 illnesses;

10 (iv) unemployment;

11 (v) crime; and

12 (vi) involvement with the justice system;

13 (I) year-round programming, including summer camp and  
14 academic enrichment; and

15 (J) Professional development focused on language arts  
16 and reading standards, mathematics standards, science  
17 standards, technology standards, and developmental or life  
18 skill standards using innovative and best practices for all  
19 students.

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

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

24 "Specialist teacher" means a teacher who provides  
25 instruction in subject areas not included in core subjects,  
26 including, but not limited to, art, music, physical education,

1 health, driver education, career-technical education, and such  
2 other subject areas as may be mandated by State law or provided  
3 by an Organizational Unit.

4 "Specially Funded Unit" means an Alternative School, safe  
5 school, Department of Juvenile Justice school, special  
6 education cooperative or entity recognized by the State Board  
7 as a special education cooperative, State-approved charter  
8 school, or alternative learning opportunities program that  
9 received direct funding from the State Board during the  
10 2016-2017 school year through any of the funding sources  
11 included within the calculation of the Base Funding Minimum.

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

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

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

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

23 "Student activities" means non-credit producing  
24 after-school programs, including, but not limited to, clubs,  
25 bands, sports, and other activities authorized by the school  
26 board of the Organizational Unit.

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

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

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

15       "Target Ratio" is defined in paragraph (4) of subsection  
16 (g).

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

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

22       (b) Adequacy Target calculation.

23       (1) Each Organizational Unit's Adequacy Target is the sum  
24 of the Organizational Unit's cost of providing Essential  
25 Elements, as calculated in accordance with this subsection (b),  
26 with, for an Organizational Unit with an Organizational Unit

1 CWI higher than the Statewide Weighted CWI, the salary amounts  
2 in the Essential Elements multiplied by a Regionalization  
3 Factor calculated pursuant to paragraph (3) of this subsection  
4 (b).

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

13 (A) Core class size investments. Each Organizational  
14 Unit shall receive the funding required to support that  
15 number of FTE core teacher positions as is needed to keep  
16 the respective class sizes of the Organizational Unit to a  
17 maximum of 25 students for grades 4 through 12. For grades  
18 kindergarten through 3, the Organizational Unit shall  
19 receive funding required to support one FTE core teacher  
20 position for every 15 Low-Income Count students in such  
21 grades and one FTE core teacher position for every 25  
22 non-Low-Income Count students in such grades. The number of  
23 FTE core teacher positions for grades 4 through 12 shall be  
24 determined by dividing the ASE of the Organizational Unit  
25 for grades 4 through 12 by 25. The number of non-Low-Income  
26 Count students in grades kindergarten through 3 shall be



1 determined by subtracting the Low-Income Count students in  
2 grades kindergarten through 3 from the ASE of the  
3 Organizational Unit for such grades.

4 (B) Specialist teacher investments. Each  
5 Organizational Unit shall receive the funding needed to  
6 cover that number of FTE specialist teacher positions that  
7 correspond to the following percentages:

8 (i) if the Organizational Unit operates an  
9 elementary or middle school, then 20.00% of the number  
10 of the Organizational Unit's core teachers, as  
11 determined under subparagraph (A) of this paragraph  
12 (2); and

13 (ii) if such Organizational Unit operates a high  
14 school, then 33.33% of the number of the Organizational  
15 Unit's core teachers.

16 (C) Instructional facilitator investments. Each  
17 Organizational Unit shall receive the funding needed to  
18 cover one FTE instructional facilitator position for every  
19 200 combined ASE of pre-kindergarten children with  
20 disabilities and all kindergarten through grade 12  
21 students of the Organizational Unit.

22 (D) Core intervention teacher (tutor) investments.  
23 Each Organizational Unit shall receive the funding needed  
24 to cover one FTE teacher position for each prototypical  
25 elementary, middle, and high school.

26 (E) Substitute teacher investments. Each

1       Organizational Unit shall receive the funding needed to  
2       cover substitute teacher costs that is equal to 5.70% of  
3       the minimum pupil attendance days required under Section  
4       10-19 of this code for all full-time equivalent core,  
5       specialist, and intervention teachers, school nurses,  
6       special education teachers and instructional assistants,  
7       instructional facilitators, and summer school and  
8       extended-day teacher positions, as determined under this  
9       paragraph (2), at a salary rate of 33.33% of the average  
10       salary for grade K through 12 teachers and 33.33% of the  
11       average salary of each instructional assistant position.

12       (F) Core guidance counselor investments. Each  
13       Organizational Unit shall receive the funding needed to  
14       cover one FTE guidance counselor for each 450 combined ASE  
15       of pre-kindergarten children with disabilities and all  
16       kindergarten through grade 5 students, plus one FTE  
17       guidance counselor for each 250 grades 6 through 8 ASE  
18       middle school students, plus one FTE guidance counselor for  
19       each 250 grades 9 through 12 ASE high school students.

20       (G) Nurse investments. Each Organizational Unit shall  
21       receive the funding needed to cover one FTE nurse for each  
22       750 combined ASE of pre-kindergarten children with  
23       disabilities and all kindergarten through grade 12  
24       students across all grade levels it serves.

25       (H) Supervisory aide investments. Each Organizational  
26       Unit shall receive the funding needed to cover one FTE for

1 each 225 combined ASE of pre-kindergarten children with  
2 disabilities and all kindergarten through grade 5  
3 students, plus one FTE for each 225 ASE middle school  
4 students, plus one FTE for each 200 ASE high school  
5 students.

6 (I) Librarian investments. Each Organizational Unit  
7 shall receive the funding needed to cover one FTE librarian  
8 for each prototypical elementary school, middle school,  
9 and high school and one FTE aide or media technician for  
10 every 300 combined ASE of pre-kindergarten children with  
11 disabilities and all kindergarten through grade 12  
12 students.

13 (J) Principal investments. Each Organizational Unit  
14 shall receive the funding needed to cover one FTE principal  
15 position for each prototypical elementary school, plus one  
16 FTE principal position for each prototypical middle  
17 school, plus one FTE principal position for each  
18 prototypical high school.

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

26 (L) School site staff investments. Each Organizational

1 Unit shall receive the funding needed for one FTE position  
2 for each 225 ASE of pre-kindergarten children with  
3 disabilities and all kindergarten through grade 5  
4 students, plus one FTE position for each 225 ASE middle  
5 school students, plus one FTE position for each 200 ASE  
6 high school students.

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

9 (N) Professional development investments. Each  
10 Organizational Unit shall receive \$125 per student of the  
11 combined ASE of pre-kindergarten children with  
12 disabilities and all kindergarten through grade 12  
13 students for trainers and other professional  
14 development-related expenses for supplies and materials.

15 (O) Instructional material investments. Each  
16 Organizational Unit shall receive \$190 per student of the  
17 combined ASE of pre-kindergarten children with  
18 disabilities and all kindergarten through grade 12  
19 students to cover instructional material costs.

20 (P) Assessment investments. Each Organizational Unit  
21 shall receive \$25 per student of the combined ASE of  
22 pre-kindergarten children with disabilities and all  
23 kindergarten through grade 12 students student to cover  
24 assessment costs.

25 (Q) Computer technology and equipment investments.  
26 Each Organizational Unit shall receive \$285.50 per student

1 of the combined ASE of pre-kindergarten through grade 12  
2 students to cover computer technology and equipment costs.

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

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

19 (T) Central office investments. Each Organizational  
20 Unit shall receive \$742 per student of the combined ASE of  
21 pre-kindergarten children with disabilities and all  
22 kindergarten through grade 12 students to cover central  
23 office operations, including administrators and classified  
24 personnel charged with managing the instructional  
25 programs, business and operations of the school district,  
26 and security personnel. The proportion of salary for the

1       application of a Regionalization Factor and the  
2       calculation of benefits is equal to \$368.48.

3       (U) Employee benefit investments. Each Organizational  
4       Unit shall receive 30% of the total of all  
5       salary-calculated elements of the Adequacy Target,  
6       excluding substitute teachers and student activities  
7       investments, to cover benefit costs. For central office and  
8       maintenance and operations investments, the benefit  
9       calculation shall be based upon the salary proportion of  
10       each investment.

11       (V) Additional investments in low-income students. In  
12       addition to and not in lieu of all other funding under this  
13       paragraph (2), each Organizational Unit shall receive  
14       funding based on the average teacher salary for grades K  
15       through 12 to cover the costs of: (i) one FTE intervention  
16       teacher (tutor) position for every 125 Low-Income Count  
17       students; (ii) one FTE pupil support staff position for  
18       every 125 Low-Income Count students; (iii) one FTE extended  
19       day teacher position for every 120 Low-Income Count  
20       students; and (iv) one FTE summer school teacher position  
21       for every 120 Low-Income Count students.

22       (W) Additional investments in EL students. In addition  
23       to and not in lieu of all other funding under this  
24       paragraph (2), each Organizational Unit shall receive  
25       funding based on the average teacher salary for grades K  
26       through 12 to cover the costs of:

1           (i) one FTE intervention teacher (tutor) position  
2           for every 125 EL students;

3           (ii) one FTE pupil support staff position for every  
4           125 EL students;

5           (iii) one FTE extended day teacher position for  
6           every 120 EL students;

7           (iv) one FTE summer school teacher position for  
8           every 120 EL students; and

9           (v) one FTE core teacher position for every 100 EL  
10           students.

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

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

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

22           (iii) one FTE psychologist position for every  
23           1,000 combined ASE of pre-kindergarten children with  
24           disabilities and all kindergarten through grade 12  
25           students.

26           (3) For calculating the salaries included within the

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

8 (A) Teacher for grades K through 8.

9 (B) Teacher for grades 9 through 12.

10 (C) Teacher for grades K through 12.

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

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

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

14 (G) Social worker.

15 (H) Psychologist.

16 (I) Librarian.

17 (J) Nurse.

18 (K) Principal.

19 (L) Assistant principal.

20 For the purposes of this paragraph (3), "teacher" includes core  
21 teachers, specialist and elective teachers, instructional  
22 facilitators, tutors, special education teachers, pupil  
23 support staff teachers, English learner teachers, extended-day  
24 teachers, and summer school teachers. Where specific grade data  
25 is not required for the Essential Elements, the average salary  
26 for corresponding positions shall apply. For substitute



1 teachers, the average teacher salary for grades K through 12  
2 shall apply.

3 For calculating the salaries included within the Essential  
4 Elements for positions not included within EIS Data, the  
5 following salaries shall be used:

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

7 (ii) on-instructional assistant, instructional  
8 assistant, library aide, library media tech, or  
9 supervisory aide: \$25,000.

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

14 (c) Local capacity calculation.

15 (1) Each Organizational Unit's Local Capacity represents  
16 an amount of funding it is assumed to contribute toward its  
17 Adequacy Target for purposes of the Evidence-Based Funding  
18 formula calculation. "Local Capacity" means either (i) the  
19 Organizational Unit's Local Capacity Target as calculated in  
20 accordance with paragraph (2) of this subsection (c) if its  
21 Real Receipts are equal to or less than its Local Capacity  
22 Target or (ii) the Organizational Unit's adjusted Local  
23 Capacity, as calculated in accordance with paragraph (3) of  
24 this subsection (c) if Real Receipts are more than its Local  
25 Capacity Target. Notwithstanding anything to the contrary  
26 contained in this Section, an adjusted Local Capacity may not

1 be utilized if a school district's Preliminary Percent of  
2 Adequacy is less than 75%.

3 (2) "Local Capacity Target" means, for an Organizational  
4 Unit, that dollar amount that is obtained by multiplying its  
5 Adequacy Target by its Local Capacity Percentage.

6 (A) An Organizational Unit's Local Capacity Percentage  
7 is the conversion of the Organizational Unit's Local  
8 Capacity Ratio, as such ratio is determined in accordance  
9 with subparagraph (B) of this paragraph (2), into a normal  
10 curve equivalent score to determine each Organizational  
11 Unit's relative position to all other Organizational Units  
12 in this State. The calculation of Local Capacity Percentage  
13 is described in subparagraph (C) of this paragraph (2).

14 (B) An Organizational Unit's Local Capacity Ratio in a  
15 given year is the percentage obtained by dividing its  
16 Adjusted EAV by its Adequacy Target, with the resulting  
17 ratio further adjusted as follows:

18 (i) for Organizational Units serving grades  
19 kindergarten through 12 and Hybrid Districts, no  
20 further adjustments shall be made;

21 (ii) for Organizational Units serving grades  
22 kindergarten through 8, the ratio shall be multiplied  
23 by 9/13;

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

1           (iv) for an Organizational Unit with a different  
2           grade configuration than those specified in items (i)  
3           through (iii) of this subparagraph (B), the State  
4           Superintendent shall determine a comparable adjustment  
5           based on the grades served.

6           (C) Local Capacity Percentage converts each  
7           Organizational Unit's Local Capacity Ratio to a normal  
8           curve equivalent score to determine each Organizational  
9           Unit's relative position to all other Organizational Units  
10           in this State. The Local Capacity Percentage normal curve  
11           equivalent score for each Organizational Unit shall be  
12           calculated using the standard normal distribution of the  
13           score in relation to the weighted mean and weighted  
14           standard deviation and Local Capacity Ratios of all  
15           Organizational Units. If the value assigned to any  
16           Organizational Unit is in excess of 90%, the value shall be  
17           adjusted to 90%. For Laboratory Schools, the Local Capacity  
18           Percentage shall be set at 10% in recognition of the  
19           absence of EAV and resources from the public university  
20           that are allocated to the Laboratory School. The weighted  
21           mean for the Local Capacity Percentage shall be determined  
22           by multiplying each Organizational Unit's Local Capacity  
23           Ratio times the ASE for the unit creating a weighted value,  
24           summing the weighted values of all Organizational Units,  
25           and dividing by the total ASE of all Organizational Units.  
26           The weighted standard deviation shall be determined by

1       taking the square root of the weighted variance of all  
2       Organizational Units' Local Capacity Ratio, where the  
3       variance is calculated by squaring the difference between  
4       each unit's Local Capacity Ratio and the weighted mean,  
5       then multiplying the variance for each unit times the ASE  
6       for the unit to create a weighted variance for each unit,  
7       then summing all units' weighted variance and dividing by  
8       the total ASE of all units.

9       (3) If an Organizational Unit's Real Receipts are more than  
10      its Local Capacity Target and its Preliminary Percent of  
11      Adequacy is more than 75%, then its Local Capacity shall equal  
12      an Adjusted Local Capacity Target as calculated in accordance  
13      with this paragraph (3). The Adjusted Local Capacity Target is  
14      calculated as the sum of the Organizational Unit's Local  
15      Capacity Target and its Real Receipts adjustment. The Real  
16      Receipts adjustment equals the Organizational Unit's Real  
17      Receipts less its Local Capacity Target, with the resulting  
18      figure multiplied by its Preliminary Percent of Adequacy. If an  
19      Organizational Unit's Real Receipts are more than its Local  
20      Capacity Target and its Preliminary Percent of Adequacy is 75%  
21      or less, then its Local Capacity shall be calculated in  
22      accordance with paragraph (2) of this subsection (c).

23      (d) Calculation of Real Receipts, EAV, and Adjusted EAV for  
24      purposes of the Local Capacity calculation.

25      (1) An Organizational Unit's Real Receipts are the product  
26      of its Applicable Tax Rate and its Adjusted EAV. An

1 Organizational Unit's Applicable Tax Rate is its Operating Tax  
2 Rate for property within the Organizational Unit.

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

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

20 (A) The Department of Revenue shall add to the  
21 equalized assessed value of all taxable property of each  
22 Organizational Unit situated entirely or partially within  
23 a county that is or was subject to the provisions of  
24 Section 15-176 or 15-177 of the Property Tax Code (i) an  
25 amount equal to the total amount by which the homestead  
26 exemption allowed under Section 15-176 or 15-177 of the

1 Property Tax Code for real property situated in that  
2 Organizational Unit exceeds the total amount that would  
3 have been allowed in that Organizational Unit if the  
4 maximum reduction under Section 15-176 was (I) \$4,500 in  
5 Cook County or \$3,500 in all other counties in tax year  
6 2003 or (II) \$5,000 in all counties in tax year 2004 and  
7 thereafter and (ii) an amount equal to the aggregate amount  
8 for the taxable year of all additional exemptions under  
9 Section 15-175 of the Property Tax Code for owners with a  
10 household income of \$30,000 or less. The county clerk of  
11 any county that is or was subject to the provisions of  
12 Section 15-176 or 15-177 of the Property Tax Code shall  
13 annually calculate and certify to the Department of Revenue  
14 for each Organizational Unit all homestead exemption  
15 amounts under Section 15-176 or 15-177 of the Property Tax  
16 Code and all amounts of additional exemptions under Section  
17 15-175 of the Property Tax Code for owners with a household  
18 income of \$30,000 or less. It is the intent of this  
19 subparagraph (A) that if the general homestead exemption  
20 for a parcel of property is determined under Section 15-176  
21 or 15-177 of the Property Tax Code rather than Section  
22 15-175, then the calculation of EAV shall not be affected  
23 by the difference, if any, between the amount of the  
24 general homestead exemption allowed for that parcel of  
25 property under Section 15-176 or 15-177 of the Property Tax  
26 Code and the amount that would have been allowed had the

1 general homestead exemption for that parcel of property  
2 been determined under Section 15-175 of the Property Tax  
3 Code. It is further the intent of this subparagraph (A)  
4 that if additional exemptions are allowed under Section  
5 15-175 of the Property Tax Code for owners with a household  
6 income of less than \$30,000, then the calculation of EAV  
7 shall not be affected by the difference, if any, because of  
8 those additional exemptions.

9 (B) With respect to any part of an Organizational Unit  
10 within a redevelopment project area in respect to which a  
11 municipality has adopted tax increment allocation  
12 financing pursuant to the Tax Increment Allocation  
13 Redevelopment Act, Division 74.4 of the Illinois Municipal  
14 Code, or the Industrial Jobs Recovery Law, Division 74.6 of  
15 the Illinois Municipal Code, no part of the current EAV of  
16 real property located in any such project area which is  
17 attributable to an increase above the total initial EAV of  
18 such property shall be used as part of the EAV of the  
19 Organizational Unit, until such time as all redevelopment  
20 project costs have been paid, as provided in Section  
21 11-74.4-8 of the Tax Increment Allocation Redevelopment  
22 Act or in Section 11-74.6-35 of the Industrial Jobs  
23 Recovery Law. For the purpose of the EAV of the  
24 Organizational Unit, the total initial EAV or the current  
25 EAV, whichever is lower, shall be used until such time as  
26 all redevelopment project costs have been paid.

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

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

23          (e) Base Funding Minimum calculation. For the 2017-2018  
24          school year and subsequent school years, the Base Funding  
25          Minimum of an Organizational Unit, other than a Specially  
26          Funded Unit, shall be the amount of State funds distributed to



1 the Organizational Unit during the 2016-2017 school year prior  
2 to any adjustments from the following Sections, as calculated  
3 by the State Superintendent: Section 18-8.05 of this Code  
4 (general State aid); Section 14-7.02b of this Code (funding for  
5 children requiring special education services); Section  
6 14-13.01 of this Code (special education facilities and  
7 staffing), except for reimbursement of the cost of  
8 transportation pursuant to Section 14-13.01; Section 14C-12 of  
9 this Code (English Learners); and Section 18-4.3 of this Code  
10 (summer school). For a school district organized under Article  
11 34 of this Code, the Base Funding Minimum also includes (i) the  
12 funds allocated to the school district pursuant to Section 1D-1  
13 of this Code attributable to funding programs authorized by the  
14 Sections of this Code listed in the preceding sentence and (ii)  
15 the difference between (I) the funds allocated to the school  
16 district pursuant to Section 1D-1 of this Code attributable to  
17 the funding programs authorized by Section 1C-2 (early  
18 childhood block grants), Section 14-7.02 (non-public special  
19 education reimbursement), subsection (b) of Section 14-13.01  
20 (special education transportation), and Section 29-5  
21 (transportation) of this Code and (II) the school district's  
22 actual expenditures for its early childhood grants, non-public  
23 special education, special education transportation, and  
24 transportation programs, as most recently calculated and  
25 reported pursuant to subsection (f) of Section 1D-1 of this  
26 Code. For Specially Funded Units, the Base Funding Minimum

1 shall be the total amount of State funds allotted to the  
2 Specially Funded Unit during the 2016-2017 school year without  
3 any division by ASE.

4 (f) Percent of Adequacy and Final Resources calculation.

5 (1) The Evidence-Based Funding formula establishes a  
6 Percent of Adequacy for each Organizational Unit in order to  
7 place such units into tiers for the purposes of the funding  
8 distribution system described in subsection (g) of this  
9 Section. Initially, an Organizational Unit's Preliminary  
10 Percent of Adequacy is calculated pursuant to paragraph (2) of  
11 this subsection (f) and an Organizational Unit's Preliminary  
12 Resources are calculated pursuant to paragraph (3) of this  
13 subsection (f). Then an Organizational Unit's Final Resources  
14 are calculated pursuant to paragraph (4) of this subsection (f)  
15 and an Organizational Unit's Final Percent of Adequacy is  
16 calculated pursuant to paragraph (5) of this subsection (f).

17 (2) An Organizational Unit's Preliminary Percent of  
18 Adequacy is the lesser of (i) its Preliminary Resources divided  
19 by its Adequacy Target or (ii) 100%.

20 (3) An Organizational Unit's Preliminary Resources are  
21 equal to the sum of its Local Capacity Target, CPPRT, and Base  
22 Funding Minimum.

23 (4) Except for Specially Funded Units, an Organizational  
24 Unit's Final Resources are equal to their Preliminary  
25 Resources. The Base Funding Minimum for each Specially Funded  
26 Unit shall serve as its Final Resources, except that the Base

1 Funding Minimum for State-approved charter schools shall not  
2 include any portion of general State aid allocated in the prior  
3 year based on the per capita tuition charge times the charter  
4 school enrollment.

5 (5) An Organizational Unit's Final Percent of Adequacy is  
6 its Final Resources divided by its Adequacy Target.

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

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

1 paragraph (4) of this subsection (g), multiplied by the  
2 Organizational Unit's Adequacy Target, with the resulting  
3 amount reduced by the Organizational Unit's Final Resources  
4 and, for Tier 2 Organizational Units, its Tier 1 funding  
5 allocation. Each Organizational Unit within Tier 3 or Tier 4  
6 receives an allocation of New State Funds equal to the product  
7 of its Adequacy Target and the Tier's Allocation Rate, as  
8 specified in paragraph (3) of this subsection (g).

9 (2) Organizational Units are placed into one of 4 tiers as  
10 follows:

11 (A) Tier 1 consists of all Organizational Units, except  
12 for Specially Funded Units, with a Percent of Adequacy less  
13 than the Tier 1 Target Ratio. The Tier 1 Target Ratio is  
14 the ratio level that allows for Tier 1 Aggregate Funding to  
15 be distributed, with the Tier 1 Allocation Rate determined  
16 pursuant to paragraph (3) of this subsection (g).

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

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

23 (D) Tier 4 consists of all Organizational Units with a  
24 Percent of Adequacy of at least 1.0 and Specially Funded  
25 Units.

26 (3) The Allocation Rates for Tiers 1 through 4 is

1 determined as follows:

2 (A) The Tier 1 Allocation Rate is 50%, unless such rate  
3 is adjusted pursuant to paragraph (6) of this subsection  
4 (g).

5 (B) The Tier 2 Allocation Rate is the result of the  
6 following equation: Tier 2 Aggregate Funding, divided by  
7 the sum of the Funding Gaps for all Tier 2 Organizational  
8 Units, unless the result of such equation is higher than  
9 1.0. If the result of such equation is higher than 1.0,  
10 then the Tier 2 Allocation Rate is 1.0.

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

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

19 (4) A tier's Target Ratio is determined as follows:

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

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

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

25 (5) If any Specially Funded Units recognized by the State  
26 Board do not qualify for direct funding following the

1 implementation of this amendatory Act of the 100th General  
2 Assembly from any of the funding sources included within the  
3 definition of Base Funding Minimum, the unqualified portion of  
4 the Base Funding Minimum shall be transferred to one or more  
5 appropriate Organizational Units as determined by the State  
6 Superintendent based on the prior year ASE of the  
7 Organizational Units.

8 (6) Notwithstanding the distribution formulae set forth in  
9 this subsection (g), funding for each tier shall be adjusted as  
10 set forth in this paragraph (6) if New State Funds are less  
11 than the Minimum Funding Level. The Minimum Funding Level is  
12 the State Adequacy Level, less the total increase in EAV from  
13 the prior school year to the current school year. If New State  
14 Funds are less than the Minimum Funding Level, than funding for  
15 tiers shall be reduced in the following manner:

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

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

24 (C) Then, Tier 2 funding shall be reduced by an amount  
25 equal to the difference between the Minimum Funding Level  
26 and New State Funds and the reduction in Tier 4 and Tier 3

1       funding.

2           (D) Finally, Tier 1 funding shall be reduced by an  
3       amount equal to the difference between the Minimum Funding  
4       Level and New State Funds and the reduction in Tier 2, 3,  
5       and 4 funding. In addition, the Allocation Rate for Tier 1  
6       funding shall be reduced to a percentage equal to 50%,  
7       multiplied by the result of New State Funds divided by the  
8       Minimum Funding Level.

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

1 Minimum established in the first year of implementation of this  
2 Section. If additional reductions are required, all school  
3 districts shall receive a reduction by a per pupil amount equal  
4 to the aggregate additional appropriation reduction divided by  
5 the total ASE of all Organizational Units.

6 (8) The State Superintendent shall make minor adjustments  
7 to the distribution formulae set forth in this subsection (g)  
8 to account for the rounding of percentages to the nearest tenth  
9 of a percentage and dollar amounts to the nearest whole dollar.  
10 Further, in the event that all Tier 2 Organizational Units  
11 receive funding at the Tier 2 Target Ratio level, the State  
12 Superintendent shall allocate any remaining New State Funds to  
13 Tier 3 and Tier 4 Organizational Units.

14 (h) State Superintendent administration of funding and  
15 district submission requirements.

16 (1) The State Superintendent shall, in accordance with  
17 appropriations made by the General Assembly, meet the funding  
18 obligations created under this Section.

19 (2) The State Superintendent shall calculate the Adequacy  
20 Target for each Organizational Unit and Net State Contribution  
21 Target for each Organizational Unit under this Section. The  
22 State Superintendent shall also certify the actual amounts of  
23 the New State Funds payable for each eligible Organizational  
24 Unit based on the equitable distribution calculation to the  
25 unit's treasurer, as soon as possible after such amounts are  
26 calculated, including any applicable adjusted charge-off



1 increase. No Evidence-Based Funding shall be distributed  
2 within an Organizational Unit without the approval of the  
3 unit's school board.

4 (3) Annually, the State Superintendent shall calculate and  
5 report to each Organizational Unit the unit's aggregate  
6 financial adequacy amount, which shall be the sum of the  
7 Adequacy Target for each Organizational Unit. The State  
8 Superintendent shall calculate and report separately for each  
9 Organizational Unit the unit's total State funds allocated for  
10 its students with disabilities. The State Superintendent shall  
11 calculate and report separately for each Organizational Unit  
12 the amount of funding and applicable FTE calculated for each  
13 Essential Element of the unit's Adequacy Target.

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

24 (5) Any school district that fails, for any given school  
25 year, to maintain school as required by law or to maintain a  
26 recognized school is not eligible to receive Evidence-Based

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

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

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

26 (8) All Organizational Units in this State must submit

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

13 (9) No later than January 1, 2018, the State Superintendent  
14 shall develop a 5-year strategic plan for all Organizational  
15 Units to help in planning for adequacy funding under this  
16 Section. The State Superintendent shall submit the plan to the  
17 Governor and the General Assembly, as provided in Section 3.1  
18 of the General Assembly Organization Act. The plan shall  
19 include recommendations for:

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

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

25 (C) application and enhancement of the current  
26 financial accountability measures and the Illinois

1 Balanced Accountability Measures in relation to elements  
2 of the Evidence-Based Funding model; and

3 (D) implementation of an effective school adequacy  
4 funding system based on projected and recommended funding  
5 levels from the General Assembly.

6 (i) Professional Judgment Panel.

7 (1) A Professional Judgment Panel is created to study and  
8 review the implementation and effect of the Evidence-Based  
9 Funding model under this Section and to recommend continual  
10 recalibration and future study topics. The Panel shall consist  
11 of the following members:

12 (A) two Representatives appointed by the Speaker of the  
13 House of Representatives;

14 (B) two Senators appointed by the President of the  
15 Senate;

16 (C) two Representatives appointed by the Minority  
17 Leader of the House of Representatives;

18 (D) two Senators appointed by the Minority Leader of  
19 the Senate;

20 (E) two members appointed by the Governor; and

21 (F) the State Superintendent of Education or his or her  
22 designee.

23 (2) The Panel may solicit advice and recommendations from  
24 outside stakeholders, including, but not limited to, the  
25 following:

26 (A) statewide organizations representing district

1 superintendents;

2 (B) statewide organizations representing school  
3 boards;

4 (C) statewide organizations representing school  
5 business officials;

6 (D) statewide organizations representing principals;

7 (E) statewide organizations representing teachers;

8 (F) organizations representing regional  
9 superintendents;

10 (G) experts recommended by public universities in  
11 Illinois;

12 (H) organizations representing parents;

13 (I) representatives of collective impact organizations  
14 that represent major metropolitan areas or geographic  
15 areas in Illinois;

16 (J) representatives of organizations focused on  
17 research-based education policy to support a school system  
18 that prepares all students for college, a career, and  
19 democratic citizenship; and

20 (K) representatives of a school district organized  
21 under Article 34 of this Code.

22 (3) On a 3-year basis, the Panel shall study all the  
23 following elements and make recommendations to the State Board,  
24 the General Assembly, and the Governor for modification of this  
25 Section:

26 (A) All elements listed in paragraph (2) of subsection

1       (b) of this Section.

2           (B) The format and scope of annual spending plans  
3       referenced in paragraph (8) of subsection (h) of this  
4       Section.

5           (C) The Comparable Wage Index under this Section, to be  
6       studied by the Panel and reestablished by the State  
7       Superintendent every 5 years.

8           (j) Average Student Enrollment count adjustment for  
9       residential boarding school within identified school district.  
10       For the purposes of providing unique educational opportunities  
11       to dependents or youths who are academic underperformers or who  
12       could become academic underperformers due to circumstances,  
13       but who have the potential to progress to high-performers who  
14       are high school and college bound, a school district may  
15       include eligible students that attend a Residential Boarding  
16       School Program within that same district within the district's  
17       Average Student Enrollment count should both parties deem  
18       appropriate.

19           As used in this subsection (j), "eligible student" means a  
20       student who is entitled to attend school, is at risk of  
21       academic failure, is currently enrolled in grades 1 through 8,  
22       is from a family who is low income, and meets at least one of  
23       the following additional risk factors:

24           (1) The student is in foster care or has been declared  
25       an adjudicated dependent by the court.

26           (2) The student's head of household is not the

1 student's custodial parent.

2 (3) The student has been residing in a household that  
3 receives a housing voucher or has been determined eligible  
4 for public housing assistance or is homeless.

5 (4) The student is from an impoverished community.

6 (5) A member of the student's immediate family has been  
7 incarcerated.

8 (6) The student has experienced or is experiencing  
9 traumatic events identified as adverse childhood  
10 experiences that directly impact his or her educational  
11 success, such as:

12 (A) abuse or neglect;

13 (B) bullying or exclusion;

14 (C) poverty or homelessness;

15 (D) discrimination;

16 (E) a household with substance abuse;

17 (F) witnessing or being a victim of violence;

18 (G) household mental illness; and

19 (H) divorce, deportation, or other family  
20 separation.

21 (k) References. Beginning July 1, 2017, references in other  
22 laws to general State aid funds or calculations under Section  
23 18-8.05 of this Code shall be deemed to be references to  
24 evidence-based model formula funds or calculations under this  
25 Section.

1 (105 ILCS 5/18-9) (from Ch. 122, par. 18-9)

2 Sec. 18-9. Requirement for special equalization and  
3 supplementary State aid. If property comprising an aggregate  
4 assessed valuation equal to 6% or more of the total assessed  
5 valuation of all taxable property in a school district is owned  
6 by a person or corporation that is the subject of bankruptcy  
7 proceedings or that has been adjudged bankrupt and, as a result  
8 thereof, has not paid taxes on the property, then the district  
9 may amend its general State aid or evidence-based funding claim  
10 (i) back to the inception of the bankruptcy, not to exceed 6  
11 years, in which time those taxes were not paid and (ii) for  
12 each succeeding year that those taxes remain unpaid, by adding  
13 to the claim an amount determined by multiplying the assessed  
14 valuation of the property on which taxes have not been paid due  
15 to the bankruptcy by the lesser of the total tax rate for the  
16 district for the tax year for which the taxes are unpaid or the  
17 applicable rate used in calculating the district's general  
18 State aid under paragraph (3) of subsection (D) of Section  
19 18-8.05 of this Code or evidence-based funding under Section  
20 18-8.15 of this Code, as applicable. If at any time a district  
21 that receives additional State aid under this Section receives  
22 tax revenue from the property for the years that taxes were not  
23 paid, the district's next claim for State aid shall be reduced  
24 in an amount equal to the taxes paid on the property, not to  
25 exceed the additional State aid received under this Section.  
26 Claims under this Section shall be filed on forms prescribed by



1 the State Superintendent of Education, and the State  
2 Superintendent of Education, upon receipt of a claim, shall  
3 adjust the claim in accordance with the provisions of this  
4 Section. Supplementary State aid for each succeeding year under  
5 this Section shall be paid beginning with the first general  
6 State aid or evidence-based funding claim paid after the  
7 district has filed a completed claim in accordance with this  
8 Section.

9 (Source: P.A. 95-496, eff. 8-28-07.)

10 (105 ILCS 5/18-12) (from Ch. 122, par. 18-12)

11 Sec. 18-12. Dates for filing State aid claims. The school  
12 board of each school district, a regional office of education,  
13 a laboratory school, or a State-authorized charter school shall  
14 require teachers, principals, or superintendents to furnish  
15 from records kept by them such data as it needs in preparing  
16 and certifying to the State Superintendent of Education its  
17 report of claims provided in Section 18-8.05 of this Code. The  
18 claim shall be based on the latest available equalized assessed  
19 valuation and tax rates, as provided in Section 18-8.05 or  
20 18-8.15, shall use the average daily attendance as determined  
21 by the method outlined in Section 18-8.05 or 18-8.15, and shall  
22 be certified and filed with the State Superintendent of  
23 Education by June 21 for districts and State-authorized charter  
24 schools with an official school calendar end date before June  
25 15 or within 2 weeks following the official school calendar end

1 date for districts, regional offices of education, laboratory  
2 schools, or State-authorized charter schools with a school year  
3 end date of June 15 or later. Failure to so file by these  
4 deadlines constitutes a forfeiture of the right to receive  
5 payment by the State until such claim is filed. The State  
6 Superintendent of Education shall voucher for payment those  
7 claims to the State Comptroller as provided in Section 18-11.

8 Except as otherwise provided in this Section, if any school  
9 district fails to provide the minimum school term specified in  
10 Section 10-19, the State aid claim for that year shall be  
11 reduced by the State Superintendent of Education in an amount  
12 equivalent to  $1/176$  or .56818% for each day less than the  
13 number of days required by this Code.

14 If the State Superintendent of Education determines that  
15 the failure to provide the minimum school term was occasioned  
16 by an act or acts of God, or was occasioned by conditions  
17 beyond the control of the school district which posed a  
18 hazardous threat to the health and safety of pupils, the State  
19 aid claim need not be reduced.

20 If a school district is precluded from providing the  
21 minimum hours of instruction required for a full day of  
22 attendance due to an adverse weather condition or a condition  
23 beyond the control of the school district that poses a  
24 hazardous threat to the health and safety of students, then the  
25 partial day of attendance may be counted if (i) the school  
26 district has provided at least one hour of instruction prior to

1 the closure of the school district, (ii) a school building has  
2 provided at least one hour of instruction prior to the closure  
3 of the school building, or (iii) the normal start time of the  
4 school district is delayed.

5 If, prior to providing any instruction, a school district  
6 must close one or more but not all school buildings after  
7 consultation with a local emergency response agency or due to a  
8 condition beyond the control of the school district, then the  
9 school district may claim attendance for up to 2 school days  
10 based on the average attendance of the 3 school days  
11 immediately preceding the closure of the affected school  
12 building or, if approved by the State Board of Education,  
13 utilize the provisions of an e-learning program for the  
14 affected school building as prescribed in Section 10-20.56 of  
15 this Code. The partial or no day of attendance described in  
16 this Section and the reasons therefore shall be certified  
17 within a month of the closing or delayed start by the school  
18 district superintendent to the regional superintendent of  
19 schools for forwarding to the State Superintendent of Education  
20 for approval.

21 Other than the utilization of any e-learning days as  
22 prescribed in Section 10-20.56 of this Code, no exception to  
23 the requirement of providing a minimum school term may be  
24 approved by the State Superintendent of Education pursuant to  
25 this Section unless a school district has first used all  
26 emergency days provided for in its regular calendar.

1           If the State Superintendent of Education declares that an  
2 energy shortage exists during any part of the school year for  
3 the State or a designated portion of the State, a district may  
4 operate the school attendance centers within the district 4  
5 days of the week during the time of the shortage by extending  
6 each existing school day by one clock hour of school work, and  
7 the State aid claim shall not be reduced, nor shall the  
8 employees of that district suffer any reduction in salary or  
9 benefits as a result thereof. A district may operate all  
10 attendance centers on this revised schedule, or may apply the  
11 schedule to selected attendance centers, taking into  
12 consideration such factors as pupil transportation schedules  
13 and patterns and sources of energy for individual attendance  
14 centers.

15           Electronically submitted State aid claims shall be  
16 submitted by duly authorized district individuals over a secure  
17 network that is password protected. The electronic submission  
18 of a State aid claim must be accompanied with an affirmation  
19 that all of the provisions of Sections 18-8.05, 10-22.5, and  
20 24-4 of this Code are met in all respects.

21           (Source: P.A. 99-194, eff. 7-30-15; 99-657, eff. 7-28-16.)

22           (105 ILCS 5/26-16)

23           Sec. 26-16. Graduation incentives program.

24           (a) The General Assembly finds that it is critical to  
25 provide options for children to succeed in school. The purpose

1 of this Section is to provide incentives for and encourage all  
2 Illinois students who have experienced or are experiencing  
3 difficulty in the traditional education system to enroll in  
4 alternative programs.

5 (b) Any student who is below the age of 20 years is  
6 eligible to enroll in a graduation incentives program if he or  
7 she:

8 (1) is considered a dropout pursuant to Section 26-2a  
9 of this Code;

10 (2) has been suspended or expelled pursuant to Section  
11 10-22.6 or 34-19 of this Code;

12 (3) is pregnant or is a parent;

13 (4) has been assessed as chemically dependent; or

14 (5) is enrolled in a bilingual education or LEP  
15 program.

16 (c) The following programs qualify as graduation  
17 incentives programs for students meeting the criteria  
18 established in this Section:

19 (1) Any public elementary or secondary education  
20 graduation incentives program established by a school  
21 district or by a regional office of education.

22 (2) Any alternative learning opportunities program  
23 established pursuant to Article 13B of this Code.

24 (3) Vocational or job training courses approved by the  
25 State Superintendent of Education that are available  
26 through the Illinois public community college system.

1 Students may apply for reimbursement of 50% of tuition  
2 costs for one course per semester or a maximum of 3 courses  
3 per school year. Subject to available funds, students may  
4 apply for reimbursement of up to 100% of tuition costs upon  
5 a showing of employment within 6 months after completion of  
6 a vocational or job training program. The qualifications  
7 for reimbursement shall be established by the State  
8 Superintendent of Education by rule.

9 (4) Job and career programs approved by the State  
10 Superintendent of Education that are available through  
11 Illinois-accredited private business and vocational  
12 schools. Subject to available funds, pupils may apply for  
13 reimbursement of up to 100% of tuition costs upon a showing  
14 of employment within 6 months after completion of a job or  
15 career program. The State Superintendent of Education  
16 shall establish, by rule, the qualifications for  
17 reimbursement, criteria for determining reimbursement  
18 amounts, and limits on reimbursement.

19 (5) Adult education courses that offer preparation for  
20 high school equivalency testing.

21 (d) Graduation incentives programs established by school  
22 districts are entitled to claim general State aid and  
23 evidence-based funding, subject to Sections 13B-50, 13B-50.5,  
24 and 13B-50.10 of this Code. Graduation incentives programs  
25 operated by regional offices of education are entitled to  
26 receive general State aid and evidence-based funding at the

1 foundation level of support per pupil enrolled. A school  
2 district must ensure that its graduation incentives program  
3 receives supplemental general State aid, transportation  
4 reimbursements, and special education resources, if  
5 appropriate, for students enrolled in the program.

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

7 (105 ILCS 5/27-8.1) (from Ch. 122, par. 27-8.1)

8 (Text of Section before amendment by P.A. 99-927)

9 Sec. 27-8.1. Health examinations and immunizations.

10 (1) In compliance with rules and regulations which the  
11 Department of Public Health shall promulgate, and except as  
12 hereinafter provided, all children in Illinois shall have a  
13 health examination as follows: within one year prior to  
14 entering kindergarten or the first grade of any public,  
15 private, or parochial elementary school; upon entering the  
16 sixth and ninth grades of any public, private, or parochial  
17 school; prior to entrance into any public, private, or  
18 parochial nursery school; and, irrespective of grade,  
19 immediately prior to or upon entrance into any public, private,  
20 or parochial school or nursery school, each child shall present  
21 proof of having been examined in accordance with this Section  
22 and the rules and regulations promulgated hereunder. Any child  
23 who received a health examination within one year prior to  
24 entering the fifth grade for the 2007-2008 school year is not  
25 required to receive an additional health examination in order

1 to comply with the provisions of Public Act 95-422 when he or  
2 she attends school for the 2008-2009 school year, unless the  
3 child is attending school for the first time as provided in  
4 this paragraph.

5 A tuberculosis skin test screening shall be included as a  
6 required part of each health examination included under this  
7 Section if the child resides in an area designated by the  
8 Department of Public Health as having a high incidence of  
9 tuberculosis. Additional health examinations of pupils,  
10 including eye examinations, may be required when deemed  
11 necessary by school authorities. Parents are encouraged to have  
12 their children undergo eye examinations at the same points in  
13 time required for health examinations.

14 (1.5) In compliance with rules adopted by the Department of  
15 Public Health and except as otherwise provided in this Section,  
16 all children in kindergarten and the second and sixth grades of  
17 any public, private, or parochial school shall have a dental  
18 examination. Each of these children shall present proof of  
19 having been examined by a dentist in accordance with this  
20 Section and rules adopted under this Section before May 15th of  
21 the school year. If a child in the second or sixth grade fails  
22 to present proof by May 15th, the school may hold the child's  
23 report card until one of the following occurs: (i) the child  
24 presents proof of a completed dental examination or (ii) the  
25 child presents proof that a dental examination will take place  
26 within 60 days after May 15th. The Department of Public Health



1 shall establish, by rule, a waiver for children who show an  
2 undue burden or a lack of access to a dentist. Each public,  
3 private, and parochial school must give notice of this dental  
4 examination requirement to the parents and guardians of  
5 students at least 60 days before May 15th of each school year.

6 (1.10) Except as otherwise provided in this Section, all  
7 children enrolling in kindergarten in a public, private, or  
8 parochial school on or after the effective date of this  
9 amendatory Act of the 95th General Assembly and any student  
10 enrolling for the first time in a public, private, or parochial  
11 school on or after the effective date of this amendatory Act of  
12 the 95th General Assembly shall have an eye examination. Each  
13 of these children shall present proof of having been examined  
14 by a physician licensed to practice medicine in all of its  
15 branches or a licensed optometrist within the previous year, in  
16 accordance with this Section and rules adopted under this  
17 Section, before October 15th of the school year. If the child  
18 fails to present proof by October 15th, the school may hold the  
19 child's report card until one of the following occurs: (i) the  
20 child presents proof of a completed eye examination or (ii) the  
21 child presents proof that an eye examination will take place  
22 within 60 days after October 15th. The Department of Public  
23 Health shall establish, by rule, a waiver for children who show  
24 an undue burden or a lack of access to a physician licensed to  
25 practice medicine in all of its branches who provides eye  
26 examinations or to a licensed optometrist. Each public,

1 private, and parochial school must give notice of this eye  
2 examination requirement to the parents and guardians of  
3 students in compliance with rules of the Department of Public  
4 Health. Nothing in this Section shall be construed to allow a  
5 school to exclude a child from attending because of a parent's  
6 or guardian's failure to obtain an eye examination for the  
7 child.

8 (2) The Department of Public Health shall promulgate rules  
9 and regulations specifying the examinations and procedures  
10 that constitute a health examination, which shall include the  
11 collection of data relating to obesity (including at a minimum,  
12 date of birth, gender, height, weight, blood pressure, and date  
13 of exam), and a dental examination and may recommend by rule  
14 that certain additional examinations be performed. The rules  
15 and regulations of the Department of Public Health shall  
16 specify that a tuberculosis skin test screening shall be  
17 included as a required part of each health examination included  
18 under this Section if the child resides in an area designated  
19 by the Department of Public Health as having a high incidence  
20 of tuberculosis. The Department of Public Health shall specify  
21 that a diabetes screening as defined by rule shall be included  
22 as a required part of each health examination. Diabetes testing  
23 is not required.

24 Physicians licensed to practice medicine in all of its  
25 branches, licensed advanced practice nurses, or licensed  
26 physician assistants shall be responsible for the performance

1 of the health examinations, other than dental examinations, eye  
2 examinations, and vision and hearing screening, and shall sign  
3 all report forms required by subsection (4) of this Section  
4 that pertain to those portions of the health examination for  
5 which the physician, advanced practice nurse, or physician  
6 assistant is responsible. If a registered nurse performs any  
7 part of a health examination, then a physician licensed to  
8 practice medicine in all of its branches must review and sign  
9 all required report forms. Licensed dentists shall perform all  
10 dental examinations and shall sign all report forms required by  
11 subsection (4) of this Section that pertain to the dental  
12 examinations. Physicians licensed to practice medicine in all  
13 its branches or licensed optometrists shall perform all eye  
14 examinations required by this Section and shall sign all report  
15 forms required by subsection (4) of this Section that pertain  
16 to the eye examination. For purposes of this Section, an eye  
17 examination shall at a minimum include history, visual acuity,  
18 subjective refraction to best visual acuity near and far,  
19 internal and external examination, and a glaucoma evaluation,  
20 as well as any other tests or observations that in the  
21 professional judgment of the doctor are necessary. Vision and  
22 hearing screening tests, which shall not be considered  
23 examinations as that term is used in this Section, shall be  
24 conducted in accordance with rules and regulations of the  
25 Department of Public Health, and by individuals whom the  
26 Department of Public Health has certified. In these rules and

1 regulations, the Department of Public Health shall require that  
2 individuals conducting vision screening tests give a child's  
3 parent or guardian written notification, before the vision  
4 screening is conducted, that states, "Vision screening is not a  
5 substitute for a complete eye and vision evaluation by an eye  
6 doctor. Your child is not required to undergo this vision  
7 screening if an optometrist or ophthalmologist has completed  
8 and signed a report form indicating that an examination has  
9 been administered within the previous 12 months."

10 (3) Every child shall, at or about the same time as he or  
11 she receives a health examination required by subsection (1) of  
12 this Section, present to the local school proof of having  
13 received such immunizations against preventable communicable  
14 diseases as the Department of Public Health shall require by  
15 rules and regulations promulgated pursuant to this Section and  
16 the Communicable Disease Prevention Act.

17 (4) The individuals conducting the health examination,  
18 dental examination, or eye examination shall record the fact of  
19 having conducted the examination, and such additional  
20 information as required, including for a health examination  
21 data relating to obesity (including at a minimum, date of  
22 birth, gender, height, weight, blood pressure, and date of  
23 exam), on uniform forms which the Department of Public Health  
24 and the State Board of Education shall prescribe for statewide  
25 use. The examiner shall summarize on the report form any  
26 condition that he or she suspects indicates a need for special

1 services, including for a health examination factors relating  
2 to obesity. The individuals confirming the administration of  
3 required immunizations shall record as indicated on the form  
4 that the immunizations were administered.

5 (5) If a child does not submit proof of having had either  
6 the health examination or the immunization as required, then  
7 the child shall be examined or receive the immunization, as the  
8 case may be, and present proof by October 15 of the current  
9 school year, or by an earlier date of the current school year  
10 established by a school district. To establish a date before  
11 October 15 of the current school year for the health  
12 examination or immunization as required, a school district must  
13 give notice of the requirements of this Section 60 days prior  
14 to the earlier established date. If for medical reasons one or  
15 more of the required immunizations must be given after October  
16 15 of the current school year, or after an earlier established  
17 date of the current school year, then the child shall present,  
18 by October 15, or by the earlier established date, a schedule  
19 for the administration of the immunizations and a statement of  
20 the medical reasons causing the delay, both the schedule and  
21 the statement being issued by the physician, advanced practice  
22 nurse, physician assistant, registered nurse, or local health  
23 department that will be responsible for administration of the  
24 remaining required immunizations. If a child does not comply by  
25 October 15, or by the earlier established date of the current  
26 school year, with the requirements of this subsection, then the

1 local school authority shall exclude that child from school  
2 until such time as the child presents proof of having had the  
3 health examination as required and presents proof of having  
4 received those required immunizations which are medically  
5 possible to receive immediately. During a child's exclusion  
6 from school for noncompliance with this subsection, the child's  
7 parents or legal guardian shall be considered in violation of  
8 Section 26-1 and subject to any penalty imposed by Section  
9 26-10. This subsection (5) does not apply to dental  
10 examinations and eye examinations. If the student is an  
11 out-of-state transfer student and does not have the proof  
12 required under this subsection (5) before October 15 of the  
13 current year or whatever date is set by the school district,  
14 then he or she may only attend classes (i) if he or she has  
15 proof that an appointment for the required vaccinations has  
16 been scheduled with a party authorized to submit proof of the  
17 required vaccinations. If the proof of vaccination required  
18 under this subsection (5) is not submitted within 30 days after  
19 the student is permitted to attend classes, then the student is  
20 not to be permitted to attend classes until proof of the  
21 vaccinations has been properly submitted. No school district or  
22 employee of a school district shall be held liable for any  
23 injury or illness to another person that results from admitting  
24 an out-of-state transfer student to class that has an  
25 appointment scheduled pursuant to this subsection (5).

26 (6) Every school shall report to the State Board of

1 Education by November 15, in the manner which that agency shall  
2 require, the number of children who have received the necessary  
3 immunizations and the health examination (other than a dental  
4 examination or eye examination) as required, indicating, of  
5 those who have not received the immunizations and examination  
6 as required, the number of children who are exempt from health  
7 examination and immunization requirements on religious or  
8 medical grounds as provided in subsection (8). On or before  
9 December 1 of each year, every public school district and  
10 registered nonpublic school shall make publicly available the  
11 immunization data they are required to submit to the State  
12 Board of Education by November 15. The immunization data made  
13 publicly available must be identical to the data the school  
14 district or school has reported to the State Board of  
15 Education.

16 Every school shall report to the State Board of Education  
17 by June 30, in the manner that the State Board requires, the  
18 number of children who have received the required dental  
19 examination, indicating, of those who have not received the  
20 required dental examination, the number of children who are  
21 exempt from the dental examination on religious grounds as  
22 provided in subsection (8) of this Section and the number of  
23 children who have received a waiver under subsection (1.5) of  
24 this Section.

25 Every school shall report to the State Board of Education  
26 by June 30, in the manner that the State Board requires, the

1 number of children who have received the required eye  
2 examination, indicating, of those who have not received the  
3 required eye examination, the number of children who are exempt  
4 from the eye examination as provided in subsection (8) of this  
5 Section, the number of children who have received a waiver  
6 under subsection (1.10) of this Section, and the total number  
7 of children in noncompliance with the eye examination  
8 requirement.

9 The reported information under this subsection (6) shall be  
10 provided to the Department of Public Health by the State Board  
11 of Education.

12 (7) Upon determining that the number of pupils who are  
13 required to be in compliance with subsection (5) of this  
14 Section is below 90% of the number of pupils enrolled in the  
15 school district, 10% of each State aid payment made pursuant to  
16 Section 18-8.05 or 18-8.15 to the school district for such year  
17 may be withheld by the State Board of Education until the  
18 number of students in compliance with subsection (5) is the  
19 applicable specified percentage or higher.

20 (8) Children of parents or legal guardians who object to  
21 health, dental, or eye examinations or any part thereof, to  
22 immunizations, or to vision and hearing screening tests on  
23 religious grounds shall not be required to undergo the  
24 examinations, tests, or immunizations to which they so object  
25 if such parents or legal guardians present to the appropriate  
26 local school authority a signed Certificate of Religious



1 Exemption detailing the grounds for objection and the specific  
2 immunizations, tests, or examinations to which they object. The  
3 grounds for objection must set forth the specific religious  
4 belief that conflicts with the examination, test,  
5 immunization, or other medical intervention. The signed  
6 certificate shall also reflect the parent's or legal guardian's  
7 understanding of the school's exclusion policies in the case of  
8 a vaccine-preventable disease outbreak or exposure. The  
9 certificate must also be signed by the authorized examining  
10 health care provider responsible for the performance of the  
11 child's health examination confirming that the provider  
12 provided education to the parent or legal guardian on the  
13 benefits of immunization and the health risks to the student  
14 and to the community of the communicable diseases for which  
15 immunization is required in this State. However, the health  
16 care provider's signature on the certificate reflects only that  
17 education was provided and does not allow a health care  
18 provider grounds to determine a religious exemption. Those  
19 receiving immunizations required under this Code shall be  
20 provided with the relevant vaccine information statements that  
21 are required to be disseminated by the federal National  
22 Childhood Vaccine Injury Act of 1986, which may contain  
23 information on circumstances when a vaccine should not be  
24 administered, prior to administering a vaccine. A healthcare  
25 provider may consider including without limitation the  
26 nationally accepted recommendations from federal agencies such

1 as the Advisory Committee on Immunization Practices, the  
2 information outlined in the relevant vaccine information  
3 statement, and vaccine package inserts, along with the  
4 healthcare provider's clinical judgment, to determine whether  
5 any child may be more susceptible to experiencing an adverse  
6 vaccine reaction than the general population, and, if so, the  
7 healthcare provider may exempt the child from an immunization  
8 or adopt an individualized immunization schedule. The  
9 Certificate of Religious Exemption shall be created by the  
10 Department of Public Health and shall be made available and  
11 used by parents and legal guardians by the beginning of the  
12 2015-2016 school year. Parents or legal guardians must submit  
13 the Certificate of Religious Exemption to their local school  
14 authority prior to entering kindergarten, sixth grade, and  
15 ninth grade for each child for which they are requesting an  
16 exemption. The religious objection stated need not be directed  
17 by the tenets of an established religious organization.  
18 However, general philosophical or moral reluctance to allow  
19 physical examinations, eye examinations, immunizations, vision  
20 and hearing screenings, or dental examinations does not provide  
21 a sufficient basis for an exception to statutory requirements.  
22 The local school authority is responsible for determining if  
23 the content of the Certificate of Religious Exemption  
24 constitutes a valid religious objection. The local school  
25 authority shall inform the parent or legal guardian of  
26 exclusion procedures, in accordance with the Department's

1 rules under Part 690 of Title 77 of the Illinois Administrative  
2 Code, at the time the objection is presented.

3 If the physical condition of the child is such that any one  
4 or more of the immunizing agents should not be administered,  
5 the examining physician, advanced practice nurse, or physician  
6 assistant responsible for the performance of the health  
7 examination shall endorse that fact upon the health examination  
8 form.

9 Exempting a child from the health, dental, or eye  
10 examination does not exempt the child from participation in the  
11 program of physical education training provided in Sections  
12 27-5 through 27-7 of this Code.

13 (9) For the purposes of this Section, "nursery schools"  
14 means those nursery schools operated by elementary school  
15 systems or secondary level school units or institutions of  
16 higher learning.

17 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;  
18 99-249, eff. 8-3-15; 99-642, eff. 7-28-16.)

19 (Text of Section after amendment by P.A. 99-927)

20 Sec. 27-8.1. Health examinations and immunizations.

21 (1) In compliance with rules and regulations which the  
22 Department of Public Health shall promulgate, and except as  
23 hereinafter provided, all children in Illinois shall have a  
24 health examination as follows: within one year prior to  
25 entering kindergarten or the first grade of any public,

1 private, or parochial elementary school; upon entering the  
2 sixth and ninth grades of any public, private, or parochial  
3 school; prior to entrance into any public, private, or  
4 parochial nursery school; and, irrespective of grade,  
5 immediately prior to or upon entrance into any public, private,  
6 or parochial school or nursery school, each child shall present  
7 proof of having been examined in accordance with this Section  
8 and the rules and regulations promulgated hereunder. Any child  
9 who received a health examination within one year prior to  
10 entering the fifth grade for the 2007-2008 school year is not  
11 required to receive an additional health examination in order  
12 to comply with the provisions of Public Act 95-422 when he or  
13 she attends school for the 2008-2009 school year, unless the  
14 child is attending school for the first time as provided in  
15 this paragraph.

16 A tuberculosis skin test screening shall be included as a  
17 required part of each health examination included under this  
18 Section if the child resides in an area designated by the  
19 Department of Public Health as having a high incidence of  
20 tuberculosis. Additional health examinations of pupils,  
21 including eye examinations, may be required when deemed  
22 necessary by school authorities. Parents are encouraged to have  
23 their children undergo eye examinations at the same points in  
24 time required for health examinations.

25 (1.5) In compliance with rules adopted by the Department of  
26 Public Health and except as otherwise provided in this Section,

1 all children in kindergarten and the second and sixth grades of  
2 any public, private, or parochial school shall have a dental  
3 examination. Each of these children shall present proof of  
4 having been examined by a dentist in accordance with this  
5 Section and rules adopted under this Section before May 15th of  
6 the school year. If a child in the second or sixth grade fails  
7 to present proof by May 15th, the school may hold the child's  
8 report card until one of the following occurs: (i) the child  
9 presents proof of a completed dental examination or (ii) the  
10 child presents proof that a dental examination will take place  
11 within 60 days after May 15th. The Department of Public Health  
12 shall establish, by rule, a waiver for children who show an  
13 undue burden or a lack of access to a dentist. Each public,  
14 private, and parochial school must give notice of this dental  
15 examination requirement to the parents and guardians of  
16 students at least 60 days before May 15th of each school year.

17 (1.10) Except as otherwise provided in this Section, all  
18 children enrolling in kindergarten in a public, private, or  
19 parochial school on or after the effective date of this  
20 amendatory Act of the 95th General Assembly and any student  
21 enrolling for the first time in a public, private, or parochial  
22 school on or after the effective date of this amendatory Act of  
23 the 95th General Assembly shall have an eye examination. Each  
24 of these children shall present proof of having been examined  
25 by a physician licensed to practice medicine in all of its  
26 branches or a licensed optometrist within the previous year, in

1 accordance with this Section and rules adopted under this  
2 Section, before October 15th of the school year. If the child  
3 fails to present proof by October 15th, the school may hold the  
4 child's report card until one of the following occurs: (i) the  
5 child presents proof of a completed eye examination or (ii) the  
6 child presents proof that an eye examination will take place  
7 within 60 days after October 15th. The Department of Public  
8 Health shall establish, by rule, a waiver for children who show  
9 an undue burden or a lack of access to a physician licensed to  
10 practice medicine in all of its branches who provides eye  
11 examinations or to a licensed optometrist. Each public,  
12 private, and parochial school must give notice of this eye  
13 examination requirement to the parents and guardians of  
14 students in compliance with rules of the Department of Public  
15 Health. Nothing in this Section shall be construed to allow a  
16 school to exclude a child from attending because of a parent's  
17 or guardian's failure to obtain an eye examination for the  
18 child.

19 (2) The Department of Public Health shall promulgate rules  
20 and regulations specifying the examinations and procedures  
21 that constitute a health examination, which shall include an  
22 age-appropriate developmental screening, an age-appropriate  
23 social and emotional screening, and the collection of data  
24 relating to obesity (including at a minimum, date of birth,  
25 gender, height, weight, blood pressure, and date of exam), and  
26 a dental examination and may recommend by rule that certain

1 additional examinations be performed. The rules and  
2 regulations of the Department of Public Health shall specify  
3 that a tuberculosis skin test screening shall be included as a  
4 required part of each health examination included under this  
5 Section if the child resides in an area designated by the  
6 Department of Public Health as having a high incidence of  
7 tuberculosis. With respect to the developmental screening and  
8 the social and emotional screening, the Department of Public  
9 Health must develop rules and appropriate revisions to the  
10 Child Health Examination form in conjunction with a statewide  
11 organization representing school boards; a statewide  
12 organization representing pediatricians; statewide  
13 organizations representing individuals holding Illinois  
14 educator licenses with school support personnel endorsements,  
15 including school social workers, school psychologists, and  
16 school nurses; a statewide organization representing  
17 children's mental health experts; a statewide organization  
18 representing school principals; the Director of Healthcare and  
19 Family Services or his or her designee, the State  
20 Superintendent of Education or his or her designee; and  
21 representatives of other appropriate State agencies and, at a  
22 minimum, must recommend the use of validated screening tools  
23 appropriate to the child's age or grade, and, with regard to  
24 the social and emotional screening, require recording only  
25 whether or not the screening was completed. The rules shall  
26 take into consideration the screening recommendations of the

1 American Academy of Pediatrics and must be consistent with the  
2 State Board of Education's social and emotional learning  
3 standards. The Department of Public Health shall specify that a  
4 diabetes screening as defined by rule shall be included as a  
5 required part of each health examination. Diabetes testing is  
6 not required.

7 Physicians licensed to practice medicine in all of its  
8 branches, licensed advanced practice nurses, or licensed  
9 physician assistants shall be responsible for the performance  
10 of the health examinations, other than dental examinations, eye  
11 examinations, and vision and hearing screening, and shall sign  
12 all report forms required by subsection (4) of this Section  
13 that pertain to those portions of the health examination for  
14 which the physician, advanced practice nurse, or physician  
15 assistant is responsible. If a registered nurse performs any  
16 part of a health examination, then a physician licensed to  
17 practice medicine in all of its branches must review and sign  
18 all required report forms. Licensed dentists shall perform all  
19 dental examinations and shall sign all report forms required by  
20 subsection (4) of this Section that pertain to the dental  
21 examinations. Physicians licensed to practice medicine in all  
22 its branches or licensed optometrists shall perform all eye  
23 examinations required by this Section and shall sign all report  
24 forms required by subsection (4) of this Section that pertain  
25 to the eye examination. For purposes of this Section, an eye  
26 examination shall at a minimum include history, visual acuity,



1 subjective refraction to best visual acuity near and far,  
2 internal and external examination, and a glaucoma evaluation,  
3 as well as any other tests or observations that in the  
4 professional judgment of the doctor are necessary. Vision and  
5 hearing screening tests, which shall not be considered  
6 examinations as that term is used in this Section, shall be  
7 conducted in accordance with rules and regulations of the  
8 Department of Public Health, and by individuals whom the  
9 Department of Public Health has certified. In these rules and  
10 regulations, the Department of Public Health shall require that  
11 individuals conducting vision screening tests give a child's  
12 parent or guardian written notification, before the vision  
13 screening is conducted, that states, "Vision screening is not a  
14 substitute for a complete eye and vision evaluation by an eye  
15 doctor. Your child is not required to undergo this vision  
16 screening if an optometrist or ophthalmologist has completed  
17 and signed a report form indicating that an examination has  
18 been administered within the previous 12 months."

19 (2.5) With respect to the developmental screening and the  
20 social and emotional screening portion of the health  
21 examination, each child may present proof of having been  
22 screened in accordance with this Section and the rules adopted  
23 under this Section before October 15th of the school year. With  
24 regard to the social and emotional screening only, the  
25 examining health care provider shall only record whether or not  
26 the screening was completed. If the child fails to present

1 proof of the developmental screening or the social and  
2 emotional screening portions of the health examination by  
3 October 15th of the school year, qualified school support  
4 personnel may, with a parent's or guardian's consent, offer the  
5 developmental screening or the social and emotional screening  
6 to the child. Each public, private, and parochial school must  
7 give notice of the developmental screening and social and  
8 emotional screening requirements to the parents and guardians  
9 of students in compliance with the rules of the Department of  
10 Public Health. Nothing in this Section shall be construed to  
11 allow a school to exclude a child from attending because of a  
12 parent's or guardian's failure to obtain a developmental  
13 screening or a social and emotional screening for the child.  
14 Once a developmental screening or a social and emotional  
15 screening is completed and proof has been presented to the  
16 school, the school may, with a parent's or guardian's consent,  
17 make available appropriate school personnel to work with the  
18 parent or guardian, the child, and the provider who signed the  
19 screening form to obtain any appropriate evaluations and  
20 services as indicated on the form and in other information and  
21 documentation provided by the parents, guardians, or provider.

22 (3) Every child shall, at or about the same time as he or  
23 she receives a health examination required by subsection (1) of  
24 this Section, present to the local school proof of having  
25 received such immunizations against preventable communicable  
26 diseases as the Department of Public Health shall require by

1 rules and regulations promulgated pursuant to this Section and  
2 the Communicable Disease Prevention Act.

3 (4) The individuals conducting the health examination,  
4 dental examination, or eye examination shall record the fact of  
5 having conducted the examination, and such additional  
6 information as required, including for a health examination  
7 data relating to obesity (including at a minimum, date of  
8 birth, gender, height, weight, blood pressure, and date of  
9 exam), on uniform forms which the Department of Public Health  
10 and the State Board of Education shall prescribe for statewide  
11 use. The examiner shall summarize on the report form any  
12 condition that he or she suspects indicates a need for special  
13 services, including for a health examination factors relating  
14 to obesity. The duty to summarize on the report form does not  
15 apply to social and emotional screenings. The confidentiality  
16 of the information and records relating to the developmental  
17 screening and the social and emotional screening shall be  
18 determined by the statutes, rules, and professional ethics  
19 governing the type of provider conducting the screening. The  
20 individuals confirming the administration of required  
21 immunizations shall record as indicated on the form that the  
22 immunizations were administered.

23 (5) If a child does not submit proof of having had either  
24 the health examination or the immunization as required, then  
25 the child shall be examined or receive the immunization, as the  
26 case may be, and present proof by October 15 of the current

1 school year, or by an earlier date of the current school year  
2 established by a school district. To establish a date before  
3 October 15 of the current school year for the health  
4 examination or immunization as required, a school district must  
5 give notice of the requirements of this Section 60 days prior  
6 to the earlier established date. If for medical reasons one or  
7 more of the required immunizations must be given after October  
8 15 of the current school year, or after an earlier established  
9 date of the current school year, then the child shall present,  
10 by October 15, or by the earlier established date, a schedule  
11 for the administration of the immunizations and a statement of  
12 the medical reasons causing the delay, both the schedule and  
13 the statement being issued by the physician, advanced practice  
14 nurse, physician assistant, registered nurse, or local health  
15 department that will be responsible for administration of the  
16 remaining required immunizations. If a child does not comply by  
17 October 15, or by the earlier established date of the current  
18 school year, with the requirements of this subsection, then the  
19 local school authority shall exclude that child from school  
20 until such time as the child presents proof of having had the  
21 health examination as required and presents proof of having  
22 received those required immunizations which are medically  
23 possible to receive immediately. During a child's exclusion  
24 from school for noncompliance with this subsection, the child's  
25 parents or legal guardian shall be considered in violation of  
26 Section 26-1 and subject to any penalty imposed by Section

1 26-10. This subsection (5) does not apply to dental  
2 examinations, eye examinations, and the developmental  
3 screening and the social and emotional screening portions of  
4 the health examination. If the student is an out-of-state  
5 transfer student and does not have the proof required under  
6 this subsection (5) before October 15 of the current year or  
7 whatever date is set by the school district, then he or she may  
8 only attend classes (i) if he or she has proof that an  
9 appointment for the required vaccinations has been scheduled  
10 with a party authorized to submit proof of the required  
11 vaccinations. If the proof of vaccination required under this  
12 subsection (5) is not submitted within 30 days after the  
13 student is permitted to attend classes, then the student is not  
14 to be permitted to attend classes until proof of the  
15 vaccinations has been properly submitted. No school district or  
16 employee of a school district shall be held liable for any  
17 injury or illness to another person that results from admitting  
18 an out-of-state transfer student to class that has an  
19 appointment scheduled pursuant to this subsection (5).

20 (6) Every school shall report to the State Board of  
21 Education by November 15, in the manner which that agency shall  
22 require, the number of children who have received the necessary  
23 immunizations and the health examination (other than a dental  
24 examination or eye examination) as required, indicating, of  
25 those who have not received the immunizations and examination  
26 as required, the number of children who are exempt from health

1 examination and immunization requirements on religious or  
2 medical grounds as provided in subsection (8). On or before  
3 December 1 of each year, every public school district and  
4 registered nonpublic school shall make publicly available the  
5 immunization data they are required to submit to the State  
6 Board of Education by November 15. The immunization data made  
7 publicly available must be identical to the data the school  
8 district or school has reported to the State Board of  
9 Education.

10 Every school shall report to the State Board of Education  
11 by June 30, in the manner that the State Board requires, the  
12 number of children who have received the required dental  
13 examination, indicating, of those who have not received the  
14 required dental examination, the number of children who are  
15 exempt from the dental examination on religious grounds as  
16 provided in subsection (8) of this Section and the number of  
17 children who have received a waiver under subsection (1.5) of  
18 this Section.

19 Every school shall report to the State Board of Education  
20 by June 30, in the manner that the State Board requires, the  
21 number of children who have received the required eye  
22 examination, indicating, of those who have not received the  
23 required eye examination, the number of children who are exempt  
24 from the eye examination as provided in subsection (8) of this  
25 Section, the number of children who have received a waiver  
26 under subsection (1.10) of this Section, and the total number

1 of children in noncompliance with the eye examination  
2 requirement.

3 The reported information under this subsection (6) shall be  
4 provided to the Department of Public Health by the State Board  
5 of Education.

6 (7) Upon determining that the number of pupils who are  
7 required to be in compliance with subsection (5) of this  
8 Section is below 90% of the number of pupils enrolled in the  
9 school district, 10% of each State aid payment made pursuant to  
10 Section 18-8.05 or 18-8.15 to the school district for such year  
11 may be withheld by the State Board of Education until the  
12 number of students in compliance with subsection (5) is the  
13 applicable specified percentage or higher.

14 (8) Children of parents or legal guardians who object to  
15 health, dental, or eye examinations or any part thereof, to  
16 immunizations, or to vision and hearing screening tests on  
17 religious grounds shall not be required to undergo the  
18 examinations, tests, or immunizations to which they so object  
19 if such parents or legal guardians present to the appropriate  
20 local school authority a signed Certificate of Religious  
21 Exemption detailing the grounds for objection and the specific  
22 immunizations, tests, or examinations to which they object. The  
23 grounds for objection must set forth the specific religious  
24 belief that conflicts with the examination, test,  
25 immunization, or other medical intervention. The signed  
26 certificate shall also reflect the parent's or legal guardian's

1 understanding of the school's exclusion policies in the case of  
2 a vaccine-preventable disease outbreak or exposure. The  
3 certificate must also be signed by the authorized examining  
4 health care provider responsible for the performance of the  
5 child's health examination confirming that the provider  
6 provided education to the parent or legal guardian on the  
7 benefits of immunization and the health risks to the student  
8 and to the community of the communicable diseases for which  
9 immunization is required in this State. However, the health  
10 care provider's signature on the certificate reflects only that  
11 education was provided and does not allow a health care  
12 provider grounds to determine a religious exemption. Those  
13 receiving immunizations required under this Code shall be  
14 provided with the relevant vaccine information statements that  
15 are required to be disseminated by the federal National  
16 Childhood Vaccine Injury Act of 1986, which may contain  
17 information on circumstances when a vaccine should not be  
18 administered, prior to administering a vaccine. A healthcare  
19 provider may consider including without limitation the  
20 nationally accepted recommendations from federal agencies such  
21 as the Advisory Committee on Immunization Practices, the  
22 information outlined in the relevant vaccine information  
23 statement, and vaccine package inserts, along with the  
24 healthcare provider's clinical judgment, to determine whether  
25 any child may be more susceptible to experiencing an adverse  
26 vaccine reaction than the general population, and, if so, the



1 healthcare provider may exempt the child from an immunization  
2 or adopt an individualized immunization schedule. The  
3 Certificate of Religious Exemption shall be created by the  
4 Department of Public Health and shall be made available and  
5 used by parents and legal guardians by the beginning of the  
6 2015-2016 school year. Parents or legal guardians must submit  
7 the Certificate of Religious Exemption to their local school  
8 authority prior to entering kindergarten, sixth grade, and  
9 ninth grade for each child for which they are requesting an  
10 exemption. The religious objection stated need not be directed  
11 by the tenets of an established religious organization.  
12 However, general philosophical or moral reluctance to allow  
13 physical examinations, eye examinations, immunizations, vision  
14 and hearing screenings, or dental examinations does not provide  
15 a sufficient basis for an exception to statutory requirements.  
16 The local school authority is responsible for determining if  
17 the content of the Certificate of Religious Exemption  
18 constitutes a valid religious objection. The local school  
19 authority shall inform the parent or legal guardian of  
20 exclusion procedures, in accordance with the Department's  
21 rules under Part 690 of Title 77 of the Illinois Administrative  
22 Code, at the time the objection is presented.

23 If the physical condition of the child is such that any one  
24 or more of the immunizing agents should not be administered,  
25 the examining physician, advanced practice nurse, or physician  
26 assistant responsible for the performance of the health

1 examination shall endorse that fact upon the health examination  
2 form.

3 Exempting a child from the health, dental, or eye  
4 examination does not exempt the child from participation in the  
5 program of physical education training provided in Sections  
6 27-5 through 27-7 of this Code.

7 (9) For the purposes of this Section, "nursery schools"  
8 means those nursery schools operated by elementary school  
9 systems or secondary level school units or institutions of  
10 higher learning.

11 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;  
12 99-249, eff. 8-3-15; 99-642, eff. 7-28-16; 99-927, eff.  
13 6-1-17.)

14 (105 ILCS 5/27A-9)

15 Sec. 27A-9. Term of charter; renewal.

16 (a) For charters granted before January 1, 2017 (the  
17 effective date of Public Act 99-840) ~~this amendatory Act of the~~  
18 ~~99th General Assembly~~, a charter may be granted for a period  
19 not less than 5 and not more than 10 school years. For charters  
20 granted on or after January 1, 2017 (the effective date of  
21 Public Act 99-840) ~~this amendatory Act of the 99th General~~  
22 ~~Assembly~~, a charter shall be granted for a period of 5 school  
23 years. For charters renewed before January 1, 2017 (the  
24 effective date of Public Act 99-840) ~~this amendatory Act of the~~  
25 ~~99th General Assembly~~, a charter may be renewed in incremental

1 periods not to exceed 5 school years. For charters renewed on  
2 or after January 1, 2017 (the effective date of Public Act  
3 99-840) ~~this amendatory Act of the 99th General Assembly~~, a  
4 charter may be renewed in incremental periods not to exceed 10  
5 school years; however, the Commission may renew a charter only  
6 in incremental periods not to exceed 5 years. Authorizers shall  
7 ensure that every charter granted on or after January 1, 2017  
8 (the effective date of Public Act 99-840) ~~this amendatory Act~~  
9 ~~of the 99th General Assembly~~ includes standards and goals for  
10 academic, organizational, and financial performance. A charter  
11 must meet all standards and goals for academic, organizational,  
12 and financial performance set forth by the authorizer in order  
13 to be renewed for a term in excess of 5 years but not more than  
14 10 years. If an authorizer fails to establish standards and  
15 goals, a charter shall not be renewed for a term in excess of 5  
16 years. Nothing contained in this Section shall require an  
17 authorizer to grant a full 10-year renewal term to any  
18 particular charter school, but an authorizer may award a full  
19 10-year renewal term to charter schools that have a  
20 demonstrated track record of improving student performance.

21 (b) A charter school renewal proposal submitted to the  
22 local school board or the Commission, as the chartering entity,  
23 shall contain:

24 (1) A report on the progress of the charter school in  
25 achieving the goals, objectives, pupil performance  
26 standards, content standards, and other terms of the

1 initial approved charter proposal; and

2 (2) A financial statement that discloses the costs of  
3 administration, instruction, and other spending categories  
4 for the charter school that is understandable to the  
5 general public and that will allow comparison of those  
6 costs to other schools or other comparable organizations,  
7 in a format required by the State Board.

8 (c) A charter may be revoked or not renewed if the local  
9 school board or the Commission, as the chartering entity,  
10 clearly demonstrates that the charter school did any of the  
11 following, or otherwise failed to comply with the requirements  
12 of this law:

13 (1) Committed a material violation of any of the  
14 conditions, standards, or procedures set forth in the  
15 charter.

16 (2) Failed to meet or make reasonable progress toward  
17 achievement of the content standards or pupil performance  
18 standards identified in the charter.

19 (3) Failed to meet generally accepted standards of  
20 fiscal management.

21 (4) Violated any provision of law from which the  
22 charter school was not exempted.

23 In the case of revocation, the local school board or the  
24 Commission, as the chartering entity, shall notify the charter  
25 school in writing of the reason why the charter is subject to  
26 revocation. The charter school shall submit a written plan to

1 the local school board or the Commission, whichever is  
2 applicable, to rectify the problem. The plan shall include a  
3 timeline for implementation, which shall not exceed 2 years or  
4 the date of the charter's expiration, whichever is earlier. If  
5 the local school board or the Commission, as the chartering  
6 entity, finds that the charter school has failed to implement  
7 the plan of remediation and adhere to the timeline, then the  
8 chartering entity shall revoke the charter. Except in  
9 situations of an emergency where the health, safety, or  
10 education of the charter school's students is at risk, the  
11 revocation shall take place at the end of a school year.  
12 Nothing in Public Act 96-105 ~~this amendatory Act of the 96th~~  
13 ~~General Assembly~~ shall be construed to prohibit an  
14 implementation timetable that is less than 2 years in duration.

15 (d) (Blank).

16 (e) Notice of a local school board's decision to deny,  
17 revoke, l or not ~~to~~ renew a charter shall be provided to the  
18 Commission and the State Board. The Commission may reverse a  
19 local board's decision if the Commission finds that the charter  
20 school or charter school proposal (i) is in compliance with  
21 this Article, and (ii) is in the best interests of the students  
22 it is designed to serve. The Commission may condition the  
23 granting of an appeal on the acceptance by the charter school  
24 of funding in an amount less than that requested in the  
25 proposal submitted to the local school board. Final decisions  
26 of the Commission shall be subject to judicial review under the

1 Administrative Review Law.

2 (f) Notwithstanding other provisions of this Article, if  
3 the Commission on appeal reverses a local board's decision or  
4 if a charter school is approved by referendum, the Commission  
5 shall act as the authorized chartering entity for the charter  
6 school. The Commission shall approve the charter and shall  
7 perform all functions under this Article otherwise performed by  
8 the local school board. The State Board shall determine whether  
9 the charter proposal approved by the Commission is consistent  
10 with the provisions of this Article and, if the approved  
11 proposal complies, certify the proposal pursuant to this  
12 Article. The State Board shall report the aggregate number of  
13 charter school pupils resident in a school district to that  
14 district and shall notify the district of the amount of funding  
15 to be paid by the State Board to the charter school enrolling  
16 such students. The Commission shall require the charter school  
17 to maintain accurate records of daily attendance that shall be  
18 deemed sufficient to file claims under Section 18-8.05 or  
19 18-8.15 notwithstanding any other requirements of that Section  
20 regarding hours of instruction and teacher certification. The  
21 State Board shall withhold from funds otherwise due the  
22 district the funds authorized by this Article to be paid to the  
23 charter school and shall pay such amounts to the charter  
24 school.

25 (g) For charter schools authorized by the Commission, the  
26 Commission shall quarterly certify to the State Board the

1 student enrollment for each of its charter schools.

2 (h) For charter schools authorized by the Commission, the  
3 State Board shall pay directly to a charter school any federal  
4 or State aid attributable to a student with a disability  
5 attending the school.

6 (Source: P.A. 98-739, eff. 7-16-14; 99-840, eff. 1-1-17;  
7 revised 10-27-16.)

8 (105 ILCS 5/27A-11)

9 Sec. 27A-11. Local financing.

10 (a) For purposes of the School Code, pupils enrolled in a  
11 charter school shall be included in the pupil enrollment of the  
12 school district within which the pupil resides. Each charter  
13 school (i) shall determine the school district in which each  
14 pupil who is enrolled in the charter school resides, (ii) shall  
15 report the aggregate number of pupils resident of a school  
16 district who are enrolled in the charter school to the school  
17 district in which those pupils reside, and (iii) shall maintain  
18 accurate records of daily attendance that shall be deemed  
19 sufficient to file claims under Section 18-8 or 18-8.15  
20 notwithstanding any other requirements of that Section  
21 regarding hours of instruction and teacher certification.

22 (b) Except for a charter school established by referendum  
23 under Section 27A-6.5, as part of a charter school contract,  
24 the charter school and the local school board shall agree on  
25 funding and any services to be provided by the school district

1 to the charter school. Agreed funding that a charter school is  
2 to receive from the local school board for a school year shall  
3 be paid in equal quarterly installments with the payment of the  
4 installment for the first quarter being made not later than  
5 July 1, unless the charter establishes a different payment  
6 schedule. However, if a charter school dismisses a pupil from  
7 the charter school after receiving a quarterly payment, the  
8 charter school shall return to the school district, on a  
9 quarterly basis, the prorated portion of public funding  
10 provided for the education of that pupil for the time the  
11 student is not enrolled at the charter school. Likewise, if a  
12 pupil transfers to a charter school between quarterly payments,  
13 the school district shall provide, on a quarterly basis, a  
14 prorated portion of the public funding to the charter school to  
15 provide for the education of that pupil.

16 All services centrally or otherwise provided by the school  
17 district including, but not limited to, rent, food services,  
18 custodial services, maintenance, curriculum, media services,  
19 libraries, transportation, and warehousing shall be subject to  
20 negotiation between a charter school and the local school board  
21 and paid for out of the revenues negotiated pursuant to this  
22 subsection (b); provided that the local school board shall not  
23 attempt, by negotiation or otherwise, to obligate a charter  
24 school to provide pupil transportation for pupils for whom a  
25 district is not required to provide transportation under the  
26 criteria set forth in subsection (a) (13) of Section 27A-7.



1           In no event shall the funding be less than 97% ~~75%~~ or more  
2 than 103% ~~125%~~ of the school district's per capita student  
3 tuition multiplied by the number of students residing in the  
4 district who are enrolled in the charter school.

5           It is the intent of the General Assembly that funding and  
6 service agreements under this subsection (b) shall be neither a  
7 financial incentive nor a financial disincentive to the  
8 establishment of a charter school.

9           The charter school may set and collect reasonable fees.  
10 Fees collected from students enrolled at a charter school shall  
11 be retained by the charter school.

12           (c) Notwithstanding subsection (b) of this Section, the  
13 proportionate share of State and federal resources generated by  
14 students with disabilities or staff serving them shall be  
15 directed to charter schools enrolling those students by their  
16 school districts or administrative units. The proportionate  
17 share of moneys generated under other federal or State  
18 categorical aid programs shall be directed to charter schools  
19 serving students eligible for that aid.

20           (d) The governing body of a charter school is authorized to  
21 accept gifts, donations, or grants of any kind made to the  
22 charter school and to expend or use gifts, donations, or grants  
23 in accordance with the conditions prescribed by the donor;  
24 however, a gift, donation, or grant may not be accepted by the  
25 governing body if it is subject to any condition contrary to  
26 applicable law or contrary to the terms of the contract between

1 the charter school and the local school board. Charter schools  
2 shall be encouraged to solicit and utilize community volunteer  
3 speakers and other instructional resources when providing  
4 instruction on the Holocaust and other historical events.

5 (e) (Blank).

6 (f) The Commission shall provide technical assistance to  
7 persons and groups preparing or revising charter applications.

8 (g) At the non-renewal or revocation of its charter, each  
9 charter school shall refund to the local board of education all  
10 unspent funds.

11 (h) A charter school is authorized to incur temporary,  
12 short term debt to pay operating expenses in anticipation of  
13 receipt of funds from the local school board.

14 (Source: P.A. 98-640, eff. 6-9-14; 98-739, eff. 7-16-14; 99-78,  
15 eff. 7-20-15.)

16 (105 ILCS 5/27A-11.5)

17 Sec. 27A-11.5. State financing. The State Board of  
18 Education shall make the following funds available to school  
19 districts and charter schools:

20 (1) From a separate appropriation made to the State  
21 Board for purposes of this subdivision (1), the State Board  
22 shall make transition impact aid available to school  
23 districts that approve a new charter school or that have  
24 funds withheld by the State Board to fund a new charter  
25 school that is chartered by the Commission. The amount of

1 the aid shall equal 90% of the per capita funding paid to  
2 the charter school during the first year of its initial  
3 charter term, 65% of the per capita funding paid to the  
4 charter school during the second year of its initial term,  
5 and 35% of the per capita funding paid to the charter  
6 school during the third year of its initial term. This  
7 transition impact aid shall be paid to the local school  
8 board in equal quarterly installments, with the payment of  
9 the installment for the first quarter being made by August  
10 1st immediately preceding the first, second, and third  
11 years of the initial term. The district shall file an  
12 application for this aid with the State Board in a format  
13 designated by the State Board. If the appropriation is  
14 insufficient in any year to pay all approved claims, the  
15 impact aid shall be prorated. However, for fiscal year  
16 2004, the State Board of Education shall pay approved  
17 claims only for charter schools with a valid charter  
18 granted prior to June 1, 2003. If any funds remain after  
19 these claims have been paid, then the State Board of  
20 Education may pay all other approved claims on a pro rata  
21 basis. Transition impact aid shall be paid beginning in the  
22 1999-2000 school year for charter schools that are in the  
23 first, second, or third year of their initial term.  
24 Transition impact aid shall not be paid for any charter  
25 school that is proposed and created by one or more boards  
26 of education, as authorized under the provisions of Public

1 Act 91-405.

2 (2) From a separate appropriation made for the purpose  
3 of this subdivision (2), the State Board shall make grants  
4 to charter schools to pay their start-up costs of acquiring  
5 educational materials and supplies, textbooks, electronic  
6 textbooks and the technological equipment necessary to  
7 gain access to and use electronic textbooks, furniture, and  
8 other equipment or materials needed during their initial  
9 term. The State Board shall annually establish the time and  
10 manner of application for these grants, which shall not  
11 exceed \$250 per student enrolled in the charter school.

12 (3) The Charter Schools Revolving Loan Fund is created  
13 as a special fund in the State treasury. Federal funds,  
14 such other funds as may be made available for costs  
15 associated with the establishment of charter schools in  
16 Illinois, and amounts repaid by charter schools that have  
17 received a loan from the Charter Schools Revolving Loan  
18 Fund shall be deposited into the Charter Schools Revolving  
19 Loan Fund, and the moneys in the Charter Schools Revolving  
20 Loan Fund shall be appropriated to the State Board and used  
21 to provide interest-free loans to charter schools. These  
22 funds shall be used to pay start-up costs of acquiring  
23 educational materials and supplies, textbooks, electronic  
24 textbooks and the technological equipment necessary to  
25 gain access to and use electronic textbooks, furniture, and  
26 other equipment or materials needed in the initial term of

1 the charter school and for acquiring and remodeling a  
2 suitable physical plant, within the initial term of the  
3 charter school. A charter school that has had its charter  
4 renewed at least one time and is in good standing with its  
5 authorizer may use funds to acquire furniture and other  
6 equipment or materials needed in the renewed term of the  
7 charter school and for acquiring and remodeling a suitable  
8 physical plant within the renewed term of the charter  
9 school. Loans shall be limited to one loan per charter  
10 school and shall not exceed \$750 per student enrolled in  
11 the charter school. A loan shall be repaid by the end of  
12 the initial term of the charter school. The State Board may  
13 deduct amounts necessary to repay the loan from funds due  
14 to the charter school or may require that the local school  
15 board that authorized the charter school deduct such  
16 amounts from funds due the charter school and remit these  
17 amounts to the State Board, provided that the local school  
18 board shall not be responsible for repayment of the loan.  
19 The State Board may use up to 3% of the appropriation to  
20 contract with a non-profit entity to administer the loan  
21 program.

22 (4) A charter school may apply for and receive, subject  
23 to the same restrictions applicable to school districts,  
24 any grant administered by the State Board that is available  
25 for school districts.

26 (Source: P.A. 98-739, eff. 7-16-14; 99-840, eff. 1-1-17.)

1 (105 ILCS 5/34-2.3) (from Ch. 122, par. 34-2.3)

2 Sec. 34-2.3. Local school councils - Powers and duties.  
3 Each local school council shall have and exercise, consistent  
4 with the provisions of this Article and the powers and duties  
5 of the board of education, the following powers and duties:

6 1. (A) To annually evaluate the performance of the  
7 principal of the attendance center using a Board approved  
8 principal evaluation form, which shall include the evaluation  
9 of (i) student academic improvement, as defined by the school  
10 improvement plan, (ii) student absenteeism rates at the school,  
11 (iii) instructional leadership, (iv) the effective  
12 implementation of programs, policies, or strategies to improve  
13 student academic achievement, (v) school management, and (vi)  
14 any other factors deemed relevant by the local school council,  
15 including, without limitation, the principal's communication  
16 skills and ability to create and maintain a student-centered  
17 learning environment, to develop opportunities for  
18 professional development, and to encourage parental  
19 involvement and community partnerships to achieve school  
20 improvement;

21 (B) to determine in the manner provided by subsection (c)  
22 of Section 34-2.2 and subdivision 1.5 of this Section whether  
23 the performance contract of the principal shall be renewed; and

24 (C) to directly select, in the manner provided by  
25 subsection (c) of Section 34-2.2, a new principal (including a

1 new principal to fill a vacancy) -- without submitting any list  
2 of candidates for that position to the general superintendent  
3 as provided in paragraph 2 of this Section -- to serve under a  
4 4 year performance contract; provided that (i) the  
5 determination of whether the principal's performance contract  
6 is to be renewed, based upon the evaluation required by  
7 subdivision 1.5 of this Section, shall be made no later than  
8 150 days prior to the expiration of the current  
9 performance-based contract of the principal, (ii) in cases  
10 where such performance contract is not renewed -- a direct  
11 selection of a new principal -- to serve under a 4 year  
12 performance contract shall be made by the local school council  
13 no later than 45 days prior to the expiration of the current  
14 performance contract of the principal, and (iii) a selection by  
15 the local school council of a new principal to fill a vacancy  
16 under a 4 year performance contract shall be made within 90  
17 days after the date such vacancy occurs. A Council shall be  
18 required, if requested by the principal, to provide in writing  
19 the reasons for the council's not renewing the principal's  
20 contract.

21 1.5. The local school council's determination of whether to  
22 renew the principal's contract shall be based on an evaluation  
23 to assess the educational and administrative progress made at  
24 the school during the principal's current performance-based  
25 contract. The local school council shall base its evaluation on  
26 (i) student academic improvement, as defined by the school

1 improvement plan, (ii) student absenteeism rates at the school,  
2 (iii) instructional leadership, (iv) the effective  
3 implementation of programs, policies, or strategies to improve  
4 student academic achievement, (v) school management, and (vi)  
5 any other factors deemed relevant by the local school council,  
6 including, without limitation, the principal's communication  
7 skills and ability to create and maintain a student-centered  
8 learning environment, to develop opportunities for  
9 professional development, and to encourage parental  
10 involvement and community partnerships to achieve school  
11 improvement. If a local school council fails to renew the  
12 performance contract of a principal rated by the general  
13 superintendent, or his or her designee, in the previous years'  
14 evaluations as meeting or exceeding expectations, the  
15 principal, within 15 days after the local school council's  
16 decision not to renew the contract, may request a review of the  
17 local school council's principal non-retention decision by a  
18 hearing officer appointed by the American Arbitration  
19 Association. A local school council member or members or the  
20 general superintendent may support the principal's request for  
21 review. During the period of the hearing officer's review of  
22 the local school council's decision on whether or not to retain  
23 the principal, the local school council shall maintain all  
24 authority to search for and contract with a person to serve as  
25 interim or acting principal, or as the principal of the  
26 attendance center under a 4-year performance contract,



1 provided that any performance contract entered into by the  
2 local school council shall be voidable or modified in  
3 accordance with the decision of the hearing officer. The  
4 principal may request review only once while at that attendance  
5 center. If a local school council renews the contract of a  
6 principal who failed to obtain a rating of "meets" or "exceeds  
7 expectations" in the general superintendent's evaluation for  
8 the previous year, the general superintendent, within 15 days  
9 after the local school council's decision to renew the  
10 contract, may request a review of the local school council's  
11 principal retention decision by a hearing officer appointed by  
12 the American Arbitration Association. The general  
13 superintendent may request a review only once for that  
14 principal at that attendance center. All requests to review the  
15 retention or non-retention of a principal shall be submitted to  
16 the general superintendent, who shall, in turn, forward such  
17 requests, within 14 days of receipt, to the American  
18 Arbitration Association. The general superintendent shall send  
19 a contemporaneous copy of the request that was forwarded to the  
20 American Arbitration Association to the principal and to each  
21 local school council member and shall inform the local school  
22 council of its rights and responsibilities under the  
23 arbitration process, including the local school council's  
24 right to representation and the manner and process by which the  
25 Board shall pay the costs of the council's representation. If  
26 the local school council retains the principal and the general

1 superintendent requests a review of the retention decision, the  
2 local school council and the general superintendent shall be  
3 considered parties to the arbitration, a hearing officer shall  
4 be chosen between those 2 parties pursuant to procedures  
5 promulgated by the State Board of Education, and the principal  
6 may retain counsel and participate in the arbitration. If the  
7 local school council does not retain the principal and the  
8 principal requests a review of the retention decision, the  
9 local school council and the principal shall be considered  
10 parties to the arbitration and a hearing officer shall be  
11 chosen between those 2 parties pursuant to procedures  
12 promulgated by the State Board of Education. The hearing shall  
13 begin (i) within 45 days after the initial request for review  
14 is submitted by the principal to the general superintendent or  
15 (ii) if the initial request for review is made by the general  
16 superintendent, within 45 days after that request is mailed to  
17 the American Arbitration Association. The hearing officer  
18 shall render a decision within 45 days after the hearing begins  
19 and within 90 days after the initial request for review. The  
20 Board shall contract with the American Arbitration Association  
21 for all of the hearing officer's reasonable and necessary  
22 costs. In addition, the Board shall pay any reasonable costs  
23 incurred by a local school council for representation before a  
24 hearing officer.

25 1.10. The hearing officer shall conduct a hearing, which  
26 shall include (i) a review of the principal's performance,

1 evaluations, and other evidence of the principal's service at  
2 the school, (ii) reasons provided by the local school council  
3 for its decision, and (iii) documentation evidencing views of  
4 interested persons, including, without limitation, students,  
5 parents, local school council members, school faculty and  
6 staff, the principal, the general superintendent or his or her  
7 designee, and members of the community. The burden of proof in  
8 establishing that the local school council's decision was  
9 arbitrary and capricious shall be on the party requesting the  
10 arbitration, and this party shall sustain the burden by a  
11 preponderance of the evidence. The hearing officer shall set  
12 the local school council decision aside if that decision, in  
13 light of the record developed at the hearing, is arbitrary and  
14 capricious. The decision of the hearing officer may not be  
15 appealed to the Board or the State Board of Education. If the  
16 hearing officer decides that the principal shall be retained,  
17 the retention period shall not exceed 2 years.

18 2. In the event (i) the local school council does not renew  
19 the performance contract of the principal, or the principal  
20 fails to receive a satisfactory rating as provided in  
21 subsection (h) of Section 34-8.3, or the principal is removed  
22 for cause during the term of his or her performance contract in  
23 the manner provided by Section 34-85, or a vacancy in the  
24 position of principal otherwise occurs prior to the expiration  
25 of the term of a principal's performance contract, and (ii) the  
26 local school council fails to directly select a new principal

1 to serve under a 4 year performance contract, the local school  
2 council in such event shall submit to the general  
3 superintendent a list of 3 candidates -- listed in the local  
4 school council's order of preference -- for the position of  
5 principal, one of which shall be selected by the general  
6 superintendent to serve as principal of the attendance center.  
7 If the general superintendent fails or refuses to select one of  
8 the candidates on the list to serve as principal within 30 days  
9 after being furnished with the candidate list, the general  
10 superintendent shall select and place a principal on an interim  
11 basis (i) for a period not to exceed one year or (ii) until the  
12 local school council selects a new principal with 7 affirmative  
13 votes as provided in subsection (c) of Section 34-2.2,  
14 whichever occurs first. If the local school council fails or  
15 refuses to select and appoint a new principal, as specified by  
16 subsection (c) of Section 34-2.2, the general superintendent  
17 may select and appoint a new principal on an interim basis for  
18 an additional year or until a new contract principal is  
19 selected by the local school council. There shall be no  
20 discrimination on the basis of race, sex, creed, color or  
21 disability unrelated to ability to perform in connection with  
22 the submission of candidates for, and the selection of a  
23 candidate to serve as principal of an attendance center. No  
24 person shall be directly selected, listed as a candidate for,  
25 or selected to serve as principal of an attendance center (i)  
26 if such person has been removed for cause from employment by

1 the Board or (ii) if such person does not hold a valid  
2 administrative certificate issued or exchanged under Article  
3 21 and endorsed as required by that Article for the position of  
4 principal. A principal whose performance contract is not  
5 renewed as provided under subsection (c) of Section 34-2.2 may  
6 nevertheless, if otherwise qualified and certified as herein  
7 provided and if he or she has received a satisfactory rating as  
8 provided in subsection (h) of Section 34-8.3, be included by a  
9 local school council as one of the 3 candidates listed in order  
10 of preference on any candidate list from which one person is to  
11 be selected to serve as principal of the attendance center  
12 under a new performance contract. The initial candidate list  
13 required to be submitted by a local school council to the  
14 general superintendent in cases where the local school council  
15 does not renew the performance contract of its principal and  
16 does not directly select a new principal to serve under a 4  
17 year performance contract shall be submitted not later than 30  
18 days prior to the expiration of the current performance  
19 contract. In cases where the local school council fails or  
20 refuses to submit the candidate list to the general  
21 superintendent no later than 30 days prior to the expiration of  
22 the incumbent principal's contract, the general superintendent  
23 may appoint a principal on an interim basis for a period not to  
24 exceed one year, during which time the local school council  
25 shall be able to select a new principal with 7 affirmative  
26 votes as provided in subsection (c) of Section 34-2.2. In cases

1 where a principal is removed for cause or a vacancy otherwise  
2 occurs in the position of principal and the vacancy is not  
3 filled by direct selection by the local school council, the  
4 candidate list shall be submitted by the local school council  
5 to the general superintendent within 90 days after the date  
6 such removal or vacancy occurs. In cases where the local school  
7 council fails or refuses to submit the candidate list to the  
8 general superintendent within 90 days after the date of the  
9 vacancy, the general superintendent may appoint a principal on  
10 an interim basis for a period of one year, during which time  
11 the local school council shall be able to select a new  
12 principal with 7 affirmative votes as provided in subsection  
13 (c) of Section 34-2.2.

14 2.5. Whenever a vacancy in the office of a principal occurs  
15 for any reason, the vacancy shall be filled in the manner  
16 provided by this Section by the selection of a new principal to  
17 serve under a 4 year performance contract.

18 3. To establish additional criteria to be included as part  
19 of the performance contract of its principal, provided that  
20 such additional criteria shall not discriminate on the basis of  
21 race, sex, creed, color or disability unrelated to ability to  
22 perform, and shall not be inconsistent with the uniform 4 year  
23 performance contract for principals developed by the board as  
24 provided in Section 34-8.1 of the School Code or with other  
25 provisions of this Article governing the authority and  
26 responsibility of principals.

1           4. To approve the expenditure plan prepared by the  
2 principal with respect to all funds allocated and distributed  
3 to the attendance center by the Board. The expenditure plan  
4 shall be administered by the principal. Notwithstanding any  
5 other provision of this Act or any other law, any expenditure  
6 plan approved and administered under this Section 34-2.3 shall  
7 be consistent with and subject to the terms of any contract for  
8 services with a third party entered into by the Chicago School  
9 Reform Board of Trustees or the board under this Act.

10           Via a supermajority vote of 7 members of the local school  
11 council or 8 members of a high school local school council, the  
12 Council may transfer allocations pursuant to Section 34-2.3  
13 within funds; provided that such a transfer is consistent with  
14 applicable law and collective bargaining agreements.

15           Beginning in fiscal year 1991 and in each fiscal year  
16 thereafter, the Board may reserve up to 1% of its total fiscal  
17 year budget for distribution on a prioritized basis to schools  
18 throughout the school system in order to assure adequate  
19 programs to meet the needs of special student populations as  
20 determined by the Board. This distribution shall take into  
21 account the needs catalogued in the Systemwide Plan and the  
22 various local school improvement plans of the local school  
23 councils. Information about these centrally funded programs  
24 shall be distributed to the local school councils so that their  
25 subsequent planning and programming will account for these  
26 provisions.

1           Beginning in fiscal year 1991 and in each fiscal year  
2 thereafter, from other amounts available in the applicable  
3 fiscal year budget, the board shall allocate a lump sum amount  
4 to each local school based upon such formula as the board shall  
5 determine taking into account the special needs of the student  
6 body. The local school principal shall develop an expenditure  
7 plan in consultation with the local school council, the  
8 professional personnel leadership committee and with all other  
9 school personnel, which reflects the priorities and activities  
10 as described in the school's local school improvement plan and  
11 is consistent with applicable law and collective bargaining  
12 agreements and with board policies and standards; however, the  
13 local school council shall have the right to request waivers of  
14 board policy from the board of education and waivers of  
15 employee collective bargaining agreements pursuant to Section  
16 34-8.1a.

17           The expenditure plan developed by the principal with  
18 respect to amounts available from the fund for prioritized  
19 special needs programs and the allocated lump sum amount must  
20 be approved by the local school council.

21           The lump sum allocation shall take into account the  
22 following principles:

23           a. Teachers: Each school shall be allocated funds equal  
24 to the amount appropriated in the previous school year for  
25 compensation for teachers (regular grades kindergarten  
26 through 12th grade) plus whatever increases in



1 compensation have been negotiated contractually or through  
2 longevity as provided in the negotiated agreement.  
3 Adjustments shall be made due to layoff or reduction in  
4 force, lack of funds or work, change in subject  
5 requirements, enrollment changes, or contracts with third  
6 parties for the performance of services or to rectify any  
7 inconsistencies with system-wide allocation formulas or  
8 for other legitimate reasons.

9 b. Other personnel: Funds for other teacher  
10 certificated and uncertificated personnel paid through  
11 non-categorical funds shall be provided according to  
12 system-wide formulas based on student enrollment and the  
13 special needs of the school as determined by the Board.

14 c. Non-compensation items: Appropriations for all  
15 non-compensation items shall be based on system-wide  
16 formulas based on student enrollment and on the special  
17 needs of the school or factors related to the physical  
18 plant, including but not limited to textbooks, electronic  
19 textbooks and the technological equipment necessary to  
20 gain access to and use electronic textbooks, supplies,  
21 electricity, equipment, and routine maintenance.

22 d. Funds for categorical programs: Schools shall  
23 receive personnel and funds based on, and shall use such  
24 personnel and funds in accordance with State and Federal  
25 requirements applicable to each categorical program  
26 provided to meet the special needs of the student body

1 (including but not limited to, Federal Chapter I,  
2 Bilingual, and Special Education).

3 d.1. Funds for State Title I: Each school shall receive  
4 funds based on State and Board requirements applicable to  
5 each State Title I pupil provided to meet the special needs  
6 of the student body. Each school shall receive the  
7 proportion of funds as provided in Section 18-8 or 18-8.15  
8 to which they are entitled. These funds shall be spent only  
9 with the budgetary approval of the Local School Council as  
10 provided in Section 34-2.3.

11 e. The Local School Council shall have the right to  
12 request the principal to close positions and open new ones  
13 consistent with the provisions of the local school  
14 improvement plan provided that these decisions are  
15 consistent with applicable law and collective bargaining  
16 agreements. If a position is closed, pursuant to this  
17 paragraph, the local school shall have for its use the  
18 system-wide average compensation for the closed position.

19 f. Operating within existing laws and collective  
20 bargaining agreements, the local school council shall have  
21 the right to direct the principal to shift expenditures  
22 within funds.

23 g. (Blank).

24 Any funds unexpended at the end of the fiscal year shall be  
25 available to the board of education for use as part of its  
26 budget for the following fiscal year.

1           5. To make recommendations to the principal concerning  
2 textbook selection and concerning curriculum developed  
3 pursuant to the school improvement plan which is consistent  
4 with systemwide curriculum objectives in accordance with  
5 Sections 34-8 and 34-18 of the School Code and in conformity  
6 with the collective bargaining agreement.

7           6. To advise the principal concerning the attendance and  
8 disciplinary policies for the attendance center, subject to the  
9 provisions of this Article and Article 26, and consistent with  
10 the uniform system of discipline established by the board  
11 pursuant to Section 34-19.

12           7. To approve a school improvement plan developed as  
13 provided in Section 34-2.4. The process and schedule for plan  
14 development shall be publicized to the entire school community,  
15 and the community shall be afforded the opportunity to make  
16 recommendations concerning the plan. At least twice a year the  
17 principal and local school council shall report publicly on  
18 progress and problems with respect to plan implementation.

19           8. To evaluate the allocation of teaching resources and  
20 other certificated and uncertificated staff to the attendance  
21 center to determine whether such allocation is consistent with  
22 and in furtherance of instructional objectives and school  
23 programs reflective of the school improvement plan adopted for  
24 the attendance center; and to make recommendations to the  
25 board, the general superintendent and the principal concerning  
26 any reallocation of teaching resources or other staff whenever

1 the council determines that any such reallocation is  
2 appropriate because the qualifications of any existing staff at  
3 the attendance center do not adequately match or support  
4 instructional objectives or school programs which reflect the  
5 school improvement plan.

6 9. To make recommendations to the principal and the general  
7 superintendent concerning their respective appointments, after  
8 August 31, 1989, and in the manner provided by Section 34-8 and  
9 Section 34-8.1, of persons to fill any vacant, additional or  
10 newly created positions for teachers at the attendance center  
11 or at attendance centers which include the attendance center  
12 served by the local school council.

13 10. To request of the Board the manner in which training  
14 and assistance shall be provided to the local school council.  
15 Pursuant to Board guidelines a local school council is  
16 authorized to direct the Board of Education to contract with  
17 personnel or not-for-profit organizations not associated with  
18 the school district to train or assist council members. If  
19 training or assistance is provided by contract with personnel  
20 or organizations not associated with the school district, the  
21 period of training or assistance shall not exceed 30 hours  
22 during a given school year; person shall not be employed on a  
23 continuous basis longer than said period and shall not have  
24 been employed by the Chicago Board of Education within the  
25 preceding six months. Council members shall receive training in  
26 at least the following areas:

- 1           1. school budgets;
- 2           2. educational theory pertinent to the attendance
- 3           center's particular needs, including the development of
- 4           the school improvement plan and the principal's
- 5           performance contract; and
- 6           3. personnel selection.

7           Council members shall, to the greatest extent possible,  
8           complete such training within 90 days of election.

9           11. In accordance with systemwide guidelines contained in  
10          the System-Wide Educational Reform Goals and Objectives Plan,  
11          criteria for evaluation of performance shall be established for  
12          local school councils and local school council members. If a  
13          local school council persists in noncompliance with systemwide  
14          requirements, the Board may impose sanctions and take necessary  
15          corrective action, consistent with Section 34-8.3.

16          12. Each local school council shall comply with the Open  
17          Meetings Act and the Freedom of Information Act. Each local  
18          school council shall issue and transmit to its school community  
19          a detailed annual report accounting for its activities  
20          programmatically and financially. Each local school council  
21          shall convene at least 2 well-publicized meetings annually with  
22          its entire school community. These meetings shall include  
23          presentation of the proposed local school improvement plan, of  
24          the proposed school expenditure plan, and the annual report,  
25          and shall provide an opportunity for public comment.

26          13. Each local school council is encouraged to involve

1 additional non-voting members of the school community in  
2 facilitating the council's exercise of its responsibilities.

3 14. The local school council may adopt a school uniform or  
4 dress code policy that governs the attendance center and that  
5 is necessary to maintain the orderly process of a school  
6 function or prevent endangerment of student health or safety,  
7 consistent with the policies and rules of the Board of  
8 Education. A school uniform or dress code policy adopted by a  
9 local school council: (i) shall not be applied in such manner  
10 as to discipline or deny attendance to a transfer student or  
11 any other student for noncompliance with that policy during  
12 such period of time as is reasonably necessary to enable the  
13 student to acquire a school uniform or otherwise comply with  
14 the dress code policy that is in effect at the attendance  
15 center into which the student's enrollment is transferred; and  
16 (ii) shall include criteria and procedures under which the  
17 local school council will accommodate the needs of or otherwise  
18 provide appropriate resources to assist a student from an  
19 indigent family in complying with an applicable school uniform  
20 or dress code policy. A student whose parents or legal  
21 guardians object on religious grounds to the student's  
22 compliance with an applicable school uniform or dress code  
23 policy shall not be required to comply with that policy if the  
24 student's parents or legal guardians present to the local  
25 school council a signed statement of objection detailing the  
26 grounds for the objection.

1           15. All decisions made and actions taken by the local  
2 school council in the exercise of its powers and duties shall  
3 comply with State and federal laws, all applicable collective  
4 bargaining agreements, court orders and rules properly  
5 promulgated by the Board.

6           15a. To grant, in accordance with board rules and policies,  
7 the use of assembly halls and classrooms when not otherwise  
8 needed, including lighting, heat, and attendants, for public  
9 lectures, concerts, and other educational and social  
10 activities.

11           15b. To approve, in accordance with board rules and  
12 policies, receipts and expenditures for all internal accounts  
13 of the attendance center, and to approve all fund-raising  
14 activities by nonschool organizations that use the school  
15 building.

16           16. (Blank).

17           17. Names and addresses of local school council members  
18 shall be a matter of public record.

19           (Source: P.A. 96-1403, eff. 7-29-10.)

20           (105 ILCS 5/34-18) (from Ch. 122, par. 34-18)

21           Sec. 34-18. Powers of the board. The board shall exercise  
22 general supervision and jurisdiction over the public education  
23 and the public school system of the city, and, except as  
24 otherwise provided by this Article, shall have power:

25           1. To make suitable provision for the establishment and

1 maintenance throughout the year or for such portion thereof  
2 as it may direct, not less than 9 months, of schools of all  
3 grades and kinds, including normal schools, high schools,  
4 night schools, schools for defectives and delinquents,  
5 parental and truant schools, schools for the blind, the  
6 deaf and persons with physical disabilities, schools or  
7 classes in manual training, constructural and vocational  
8 teaching, domestic arts and physical culture, vocation and  
9 extension schools and lecture courses, and all other  
10 educational courses and facilities, including  
11 establishing, equipping, maintaining and operating  
12 playgrounds and recreational programs, when such programs  
13 are conducted in, adjacent to, or connected with any public  
14 school under the general supervision and jurisdiction of  
15 the board; provided that the calendar for the school term  
16 and any changes must be submitted to and approved by the  
17 State Board of Education before the calendar or changes may  
18 take effect, and provided that in allocating funds from  
19 year to year for the operation of all attendance centers  
20 within the district, the board shall ensure that  
21 supplemental general State aid or supplemental grant funds  
22 are allocated and applied in accordance with Section 18-8,  
23 ~~or~~ 18-8.05, or 18-8.15. To admit to such schools without  
24 charge foreign exchange students who are participants in an  
25 organized exchange student program which is authorized by  
26 the board. The board shall permit all students to enroll in



1 apprenticeship programs in trade schools operated by the  
2 board, whether those programs are union-sponsored or not.  
3 No student shall be refused admission into or be excluded  
4 from any course of instruction offered in the common  
5 schools by reason of that student's sex. No student shall  
6 be denied equal access to physical education and  
7 interscholastic athletic programs supported from school  
8 district funds or denied participation in comparable  
9 physical education and athletic programs solely by reason  
10 of the student's sex. Equal access to programs supported  
11 from school district funds and comparable programs will be  
12 defined in rules promulgated by the State Board of  
13 Education in consultation with the Illinois High School  
14 Association. Notwithstanding any other provision of this  
15 Article, neither the board of education nor any local  
16 school council or other school official shall recommend  
17 that children with disabilities be placed into regular  
18 education classrooms unless those children with  
19 disabilities are provided with supplementary services to  
20 assist them so that they benefit from the regular classroom  
21 instruction and are included on the teacher's regular  
22 education class register;

23 2. To furnish lunches to pupils, to make a reasonable  
24 charge therefor, and to use school funds for the payment of  
25 such expenses as the board may determine are necessary in  
26 conducting the school lunch program;

1           3. To co-operate with the circuit court;

2           4. To make arrangements with the public or quasi-public  
3 libraries and museums for the use of their facilities by  
4 teachers and pupils of the public schools;

5           5. To employ dentists and prescribe their duties for  
6 the purpose of treating the pupils in the schools, but  
7 accepting such treatment shall be optional with parents or  
8 guardians;

9           6. To grant the use of assembly halls and classrooms  
10 when not otherwise needed, including light, heat, and  
11 attendants, for free public lectures, concerts, and other  
12 educational and social interests, free of charge, under  
13 such provisions and control as the principal of the  
14 affected attendance center may prescribe;

15          7. To apportion the pupils to the several schools;  
16 provided that no pupil shall be excluded from or segregated  
17 in any such school on account of his color, race, sex, or  
18 nationality. The board shall take into consideration the  
19 prevention of segregation and the elimination of  
20 separation of children in public schools because of color,  
21 race, sex, or nationality. Except that children may be  
22 committed to or attend parental and social adjustment  
23 schools established and maintained either for boys or girls  
24 only. All records pertaining to the creation, alteration or  
25 revision of attendance areas shall be open to the public.  
26 Nothing herein shall limit the board's authority to

1 establish multi-area attendance centers or other student  
2 assignment systems for desegregation purposes or  
3 otherwise, and to apportion the pupils to the several  
4 schools. Furthermore, beginning in school year 1994-95,  
5 pursuant to a board plan adopted by October 1, 1993, the  
6 board shall offer, commencing on a phased-in basis, the  
7 opportunity for families within the school district to  
8 apply for enrollment of their children in any attendance  
9 center within the school district which does not have  
10 selective admission requirements approved by the board.  
11 The appropriate geographical area in which such open  
12 enrollment may be exercised shall be determined by the  
13 board of education. Such children may be admitted to any  
14 such attendance center on a space available basis after all  
15 children residing within such attendance center's area  
16 have been accommodated. If the number of applicants from  
17 outside the attendance area exceed the space available,  
18 then successful applicants shall be selected by lottery.  
19 The board of education's open enrollment plan must include  
20 provisions that allow low income students to have access to  
21 transportation needed to exercise school choice. Open  
22 enrollment shall be in compliance with the provisions of  
23 the Consent Decree and Desegregation Plan cited in Section  
24 34-1.01;

25 8. To approve programs and policies for providing  
26 transportation services to students. Nothing herein shall

1 be construed to permit or empower the State Board of  
2 Education to order, mandate, or require busing or other  
3 transportation of pupils for the purpose of achieving  
4 racial balance in any school;

5 9. Subject to the limitations in this Article, to  
6 establish and approve system-wide curriculum objectives  
7 and standards, including graduation standards, which  
8 reflect the multi-cultural diversity in the city and are  
9 consistent with State law, provided that for all purposes  
10 of this Article courses or proficiency in American Sign  
11 Language shall be deemed to constitute courses or  
12 proficiency in a foreign language; and to employ principals  
13 and teachers, appointed as provided in this Article, and  
14 fix their compensation. The board shall prepare such  
15 reports related to minimal competency testing as may be  
16 requested by the State Board of Education, and in addition  
17 shall monitor and approve special education and bilingual  
18 education programs and policies within the district to  
19 assure that appropriate services are provided in  
20 accordance with applicable State and federal laws to  
21 children requiring services and education in those areas;

22 10. To employ non-teaching personnel or utilize  
23 volunteer personnel for: (i) non-teaching duties not  
24 requiring instructional judgment or evaluation of pupils,  
25 including library duties; and (ii) supervising study  
26 halls, long distance teaching reception areas used

1 incident to instructional programs transmitted by  
2 electronic media such as computers, video, and audio,  
3 detention and discipline areas, and school-sponsored  
4 extracurricular activities. The board may further utilize  
5 volunteer non-certificated personnel or employ  
6 non-certificated personnel to assist in the instruction of  
7 pupils under the immediate supervision of a teacher holding  
8 a valid certificate, directly engaged in teaching subject  
9 matter or conducting activities; provided that the teacher  
10 shall be continuously aware of the non-certificated  
11 persons' activities and shall be able to control or modify  
12 them. The general superintendent shall determine  
13 qualifications of such personnel and shall prescribe rules  
14 for determining the duties and activities to be assigned to  
15 such personnel;

16 10.5. To utilize volunteer personnel from a regional  
17 School Crisis Assistance Team (S.C.A.T.), created as part  
18 of the Safe to Learn Program established pursuant to  
19 Section 25 of the Illinois Violence Prevention Act of 1995,  
20 to provide assistance to schools in times of violence or  
21 other traumatic incidents within a school community by  
22 providing crisis intervention services to lessen the  
23 effects of emotional trauma on individuals and the  
24 community; the School Crisis Assistance Team Steering  
25 Committee shall determine the qualifications for  
26 volunteers;

1           11. To provide television studio facilities in not to  
2 exceed one school building and to provide programs for  
3 educational purposes, provided, however, that the board  
4 shall not construct, acquire, operate, or maintain a  
5 television transmitter; to grant the use of its studio  
6 facilities to a licensed television station located in the  
7 school district; and to maintain and operate not to exceed  
8 one school radio transmitting station and provide programs  
9 for educational purposes;

10           12. To offer, if deemed appropriate, outdoor education  
11 courses, including field trips within the State of  
12 Illinois, or adjacent states, and to use school educational  
13 funds for the expense of the said outdoor educational  
14 programs, whether within the school district or not;

15           13. During that period of the calendar year not  
16 embraced within the regular school term, to provide and  
17 conduct courses in subject matters normally embraced in the  
18 program of the schools during the regular school term and  
19 to give regular school credit for satisfactory completion  
20 by the student of such courses as may be approved for  
21 credit by the State Board of Education;

22           14. To insure against any loss or liability of the  
23 board, the former School Board Nominating Commission,  
24 Local School Councils, the Chicago Schools Academic  
25 Accountability Council, or the former Subdistrict Councils  
26 or of any member, officer, agent or employee thereof,

1 resulting from alleged violations of civil rights arising  
2 from incidents occurring on or after September 5, 1967 or  
3 from the wrongful or negligent act or omission of any such  
4 person whether occurring within or without the school  
5 premises, provided the officer, agent or employee was, at  
6 the time of the alleged violation of civil rights or  
7 wrongful act or omission, acting within the scope of his  
8 employment or under direction of the board, the former  
9 School Board Nominating Commission, the Chicago Schools  
10 Academic Accountability Council, Local School Councils, or  
11 the former Subdistrict Councils; and to provide for or  
12 participate in insurance plans for its officers and  
13 employees, including but not limited to retirement  
14 annuities, medical, surgical and hospitalization benefits  
15 in such types and amounts as may be determined by the  
16 board; provided, however, that the board shall contract for  
17 such insurance only with an insurance company authorized to  
18 do business in this State. Such insurance may include  
19 provision for employees who rely on treatment by prayer or  
20 spiritual means alone for healing, in accordance with the  
21 tenets and practice of a recognized religious  
22 denomination;

23 15. To contract with the corporate authorities of any  
24 municipality or the county board of any county, as the case  
25 may be, to provide for the regulation of traffic in parking  
26 areas of property used for school purposes, in such manner

1 as is provided by Section 11-209 of The Illinois Vehicle  
2 Code, approved September 29, 1969, as amended;

3 16. (a) To provide, on an equal basis, access to a high  
4 school campus and student directory information to the  
5 official recruiting representatives of the armed forces of  
6 Illinois and the United States for the purposes of  
7 informing students of the educational and career  
8 opportunities available in the military if the board has  
9 provided such access to persons or groups whose purpose is  
10 to acquaint students with educational or occupational  
11 opportunities available to them. The board is not required  
12 to give greater notice regarding the right of access to  
13 recruiting representatives than is given to other persons  
14 and groups. In this paragraph 16, "directory information"  
15 means a high school student's name, address, and telephone  
16 number.

17 (b) If a student or his or her parent or guardian  
18 submits a signed, written request to the high school before  
19 the end of the student's sophomore year (or if the student  
20 is a transfer student, by another time set by the high  
21 school) that indicates that the student or his or her  
22 parent or guardian does not want the student's directory  
23 information to be provided to official recruiting  
24 representatives under subsection (a) of this Section, the  
25 high school may not provide access to the student's  
26 directory information to these recruiting representatives.



1 The high school shall notify its students and their parents  
2 or guardians of the provisions of this subsection (b).

3 (c) A high school may require official recruiting  
4 representatives of the armed forces of Illinois and the  
5 United States to pay a fee for copying and mailing a  
6 student's directory information in an amount that is not  
7 more than the actual costs incurred by the high school.

8 (d) Information received by an official recruiting  
9 representative under this Section may be used only to  
10 provide information to students concerning educational and  
11 career opportunities available in the military and may not  
12 be released to a person who is not involved in recruiting  
13 students for the armed forces of Illinois or the United  
14 States;

15 17. (a) To sell or market any computer program  
16 developed by an employee of the school district, provided  
17 that such employee developed the computer program as a  
18 direct result of his or her duties with the school district  
19 or through the utilization of the school district resources  
20 or facilities. The employee who developed the computer  
21 program shall be entitled to share in the proceeds of such  
22 sale or marketing of the computer program. The distribution  
23 of such proceeds between the employee and the school  
24 district shall be as agreed upon by the employee and the  
25 school district, except that neither the employee nor the  
26 school district may receive more than 90% of such proceeds.

1 The negotiation for an employee who is represented by an  
2 exclusive bargaining representative may be conducted by  
3 such bargaining representative at the employee's request.

4 (b) For the purpose of this paragraph 17:

5 (1) "Computer" means an internally programmed,  
6 general purpose digital device capable of  
7 automatically accepting data, processing data and  
8 supplying the results of the operation.

9 (2) "Computer program" means a series of coded  
10 instructions or statements in a form acceptable to a  
11 computer, which causes the computer to process data in  
12 order to achieve a certain result.

13 (3) "Proceeds" means profits derived from  
14 marketing or sale of a product after deducting the  
15 expenses of developing and marketing such product;

16 18. To delegate to the general superintendent of  
17 schools, by resolution, the authority to approve contracts  
18 and expenditures in amounts of \$10,000 or less;

19 19. Upon the written request of an employee, to  
20 withhold from the compensation of that employee any dues,  
21 payments or contributions payable by such employee to any  
22 labor organization as defined in the Illinois Educational  
23 Labor Relations Act. Under such arrangement, an amount  
24 shall be withheld from each regular payroll period which is  
25 equal to the pro rata share of the annual dues plus any  
26 payments or contributions, and the board shall transmit

1 such withholdings to the specified labor organization  
2 within 10 working days from the time of the withholding;

3 19a. Upon receipt of notice from the comptroller of a  
4 municipality with a population of 500,000 or more, a county  
5 with a population of 3,000,000 or more, the Cook County  
6 Forest Preserve District, the Chicago Park District, the  
7 Metropolitan Water Reclamation District, the Chicago  
8 Transit Authority, or a housing authority of a municipality  
9 with a population of 500,000 or more that a debt is due and  
10 owing the municipality, the county, the Cook County Forest  
11 Preserve District, the Chicago Park District, the  
12 Metropolitan Water Reclamation District, the Chicago  
13 Transit Authority, or the housing authority by an employee  
14 of the Chicago Board of Education, to withhold, from the  
15 compensation of that employee, the amount of the debt that  
16 is due and owing and pay the amount withheld to the  
17 municipality, the county, the Cook County Forest Preserve  
18 District, the Chicago Park District, the Metropolitan  
19 Water Reclamation District, the Chicago Transit Authority,  
20 or the housing authority; provided, however, that the  
21 amount deducted from any one salary or wage payment shall  
22 not exceed 25% of the net amount of the payment. Before the  
23 Board deducts any amount from any salary or wage of an  
24 employee under this paragraph, the municipality, the  
25 county, the Cook County Forest Preserve District, the  
26 Chicago Park District, the Metropolitan Water Reclamation

1 District, the Chicago Transit Authority, or the housing  
2 authority shall certify that (i) the employee has been  
3 afforded an opportunity for a hearing to dispute the debt  
4 that is due and owing the municipality, the county, the  
5 Cook County Forest Preserve District, the Chicago Park  
6 District, the Metropolitan Water Reclamation District, the  
7 Chicago Transit Authority, or the housing authority and  
8 (ii) the employee has received notice of a wage deduction  
9 order and has been afforded an opportunity for a hearing to  
10 object to the order. For purposes of this paragraph, "net  
11 amount" means that part of the salary or wage payment  
12 remaining after the deduction of any amounts required by  
13 law to be deducted and "debt due and owing" means (i) a  
14 specified sum of money owed to the municipality, the  
15 county, the Cook County Forest Preserve District, the  
16 Chicago Park District, the Metropolitan Water Reclamation  
17 District, the Chicago Transit Authority, or the housing  
18 authority for services, work, or goods, after the period  
19 granted for payment has expired, or (ii) a specified sum of  
20 money owed to the municipality, the county, the Cook County  
21 Forest Preserve District, the Chicago Park District, the  
22 Metropolitan Water Reclamation District, the Chicago  
23 Transit Authority, or the housing authority pursuant to a  
24 court order or order of an administrative hearing officer  
25 after the exhaustion of, or the failure to exhaust,  
26 judicial review;

1           20. The board is encouraged to employ a sufficient  
2 number of certified school counselors to maintain a  
3 student/counselor ratio of 250 to 1 by July 1, 1990. Each  
4 counselor shall spend at least 75% of his work time in  
5 direct contact with students and shall maintain a record of  
6 such time;

7           21. To make available to students vocational and career  
8 counseling and to establish 5 special career counseling  
9 days for students and parents. On these days  
10 representatives of local businesses and industries shall  
11 be invited to the school campus and shall inform students  
12 of career opportunities available to them in the various  
13 businesses and industries. Special consideration shall be  
14 given to counseling minority students as to career  
15 opportunities available to them in various fields. For the  
16 purposes of this paragraph, minority student means a person  
17 who is any of the following:

18           (a) American Indian or Alaska Native (a person having  
19 origins in any of the original peoples of North and South  
20 America, including Central America, and who maintains  
21 tribal affiliation or community attachment).

22           (b) Asian (a person having origins in any of the  
23 original peoples of the Far East, Southeast Asia, or the  
24 Indian subcontinent, including, but not limited to,  
25 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,  
26 the Philippine Islands, Thailand, and Vietnam).

1 (c) Black or African American (a person having origins  
2 in any of the black racial groups of Africa). Terms such as  
3 "Haitian" or "Negro" can be used in addition to "Black or  
4 African American".

5 (d) Hispanic or Latino (a person of Cuban, Mexican,  
6 Puerto Rican, South or Central American, or other Spanish  
7 culture or origin, regardless of race).

8 (e) Native Hawaiian or Other Pacific Islander (a person  
9 having origins in any of the original peoples of Hawaii,  
10 Guam, Samoa, or other Pacific Islands).

11 Counseling days shall not be in lieu of regular school  
12 days;

13 22. To report to the State Board of Education the  
14 annual student dropout rate and number of students who  
15 graduate from, transfer from or otherwise leave bilingual  
16 programs;

17 23. Except as otherwise provided in the Abused and  
18 Neglected Child Reporting Act or other applicable State or  
19 federal law, to permit school officials to withhold, from  
20 any person, information on the whereabouts of any child  
21 removed from school premises when the child has been taken  
22 into protective custody as a victim of suspected child  
23 abuse. School officials shall direct such person to the  
24 Department of Children and Family Services, or to the local  
25 law enforcement agency if appropriate;

26 24. To develop a policy, based on the current state of

1 existing school facilities, projected enrollment and  
2 efficient utilization of available resources, for capital  
3 improvement of schools and school buildings within the  
4 district, addressing in that policy both the relative  
5 priority for major repairs, renovations and additions to  
6 school facilities, and the advisability or necessity of  
7 building new school facilities or closing existing schools  
8 to meet current or projected demographic patterns within  
9 the district;

10 25. To make available to the students in every high  
11 school attendance center the ability to take all courses  
12 necessary to comply with the Board of Higher Education's  
13 college entrance criteria effective in 1993;

14 26. To encourage mid-career changes into the teaching  
15 profession, whereby qualified professionals become  
16 certified teachers, by allowing credit for professional  
17 employment in related fields when determining point of  
18 entry on teacher pay scale;

19 27. To provide or contract out training programs for  
20 administrative personnel and principals with revised or  
21 expanded duties pursuant to this Act in order to assure  
22 they have the knowledge and skills to perform their duties;

23 28. To establish a fund for the prioritized special  
24 needs programs, and to allocate such funds and other lump  
25 sum amounts to each attendance center in a manner  
26 consistent with the provisions of part 4 of Section 34-2.3.

1 Nothing in this paragraph shall be construed to require any  
2 additional appropriations of State funds for this purpose;

3 29. (Blank);

4 30. Notwithstanding any other provision of this Act or  
5 any other law to the contrary, to contract with third  
6 parties for services otherwise performed by employees,  
7 including those in a bargaining unit, and to layoff those  
8 employees upon 14 days written notice to the affected  
9 employees. Those contracts may be for a period not to  
10 exceed 5 years and may be awarded on a system-wide basis.  
11 The board may not operate more than 30 contract schools,  
12 provided that the board may operate an additional 5  
13 contract turnaround schools pursuant to item (5.5) of  
14 subsection (d) of Section 34-8.3 of this Code;

15 31. To promulgate rules establishing procedures  
16 governing the layoff or reduction in force of employees and  
17 the recall of such employees, including, but not limited  
18 to, criteria for such layoffs, reductions in force or  
19 recall rights of such employees and the weight to be given  
20 to any particular criterion. Such criteria shall take into  
21 account factors including, but not be limited to,  
22 qualifications, certifications, experience, performance  
23 ratings or evaluations, and any other factors relating to  
24 an employee's job performance;

25 32. To develop a policy to prevent nepotism in the  
26 hiring of personnel or the selection of contractors;



1           33. To enter into a partnership agreement, as required  
2           by Section 34-3.5 of this Code, and, notwithstanding any  
3           other provision of law to the contrary, to promulgate  
4           policies, enter into contracts, and take any other action  
5           necessary to accomplish the objectives and implement the  
6           requirements of that agreement; and

7           34. To establish a Labor Management Council to the  
8           board comprised of representatives of the board, the chief  
9           executive officer, and those labor organizations that are  
10          the exclusive representatives of employees of the board and  
11          to promulgate policies and procedures for the operation of  
12          the Council.

13          The specifications of the powers herein granted are not to  
14          be construed as exclusive but the board shall also exercise all  
15          other powers that they may be requisite or proper for the  
16          maintenance and the development of a public school system, not  
17          inconsistent with the other provisions of this Article or  
18          provisions of this Code which apply to all school districts.

19          In addition to the powers herein granted and authorized to  
20          be exercised by the board, it shall be the duty of the board to  
21          review or to direct independent reviews of special education  
22          expenditures and services. The board shall file a report of  
23          such review with the General Assembly on or before May 1, 1990.

24          (Source: P.A. 99-143, eff. 7-27-15.)

1           Sec. 34-18.30. Dependents of military personnel; no  
2 tuition charge. If, at the time of enrollment, a dependent of  
3 United States military personnel is housed in temporary housing  
4 located outside of the school district, but will be living  
5 within the district within 60 days after the time of initial  
6 enrollment, the dependent must be allowed to enroll, subject to  
7 the requirements of this Section, and must not be charged  
8 tuition. Any United States military personnel attempting to  
9 enroll a dependent under this Section shall provide proof that  
10 the dependent will be living within the district within 60 days  
11 after the time of initial enrollment. Proof of residency may  
12 include, but is not limited to, postmarked mail addressed to  
13 the military personnel and sent to an address located within  
14 the district, a lease agreement for occupancy of a residence  
15 located within the district, or proof of ownership of a  
16 residence located within the district. Non-resident dependents  
17 of United States military personnel attending school on a  
18 tuition-free basis may be counted for the purposes of  
19 determining the apportionment of State aid provided under  
20 Section 18-8.05 or 18-8.15 of this Code.

21       (Source: P.A. 95-331, eff. 8-21-07.)

22           (105 ILCS 5/34-43.1) (from Ch. 122, par. 34-43.1)

23           Sec. 34-43.1. (A) Limitation of noninstructional costs. It  
24 is the purpose of this Section to establish for the Board of  
25 Education and the general superintendent of schools

1 requirements and standards which maximize the proportion of  
2 school district resources in direct support of educational,  
3 program, and building maintenance and safety services for the  
4 pupils of the district, and which correspondingly minimize the  
5 amount and proportion of such resources associated with  
6 centralized administration, administrative support services,  
7 and other noninstructional services.

8 For the 1989-90 school year and for all subsequent school  
9 years, the Board of Education shall undertake budgetary and  
10 expenditure control actions which limit the administrative  
11 expenditures of the Board of Education to levels, as provided  
12 for in this Section, which represent an average of the  
13 administrative expenses of all school districts in this State  
14 not subject to Article 34.

15 (B) Certification of expenses by the State Superintendent  
16 of Education. The State Superintendent of Education shall  
17 annually certify, on or before May 1, to the Board of Education  
18 and the School Finance Authority, for the applicable school  
19 year, the following information:

20 (1) the annual expenditures of all school districts of  
21 the State not subject to Article 34 properly attributable  
22 to expenditure functions defined by the rules and  
23 regulations of the State Board of Education as: 2210  
24 (Improvement of Instructional Services); 2300 (Support  
25 Services - General Administration) excluding, however,  
26 2320 (Executive Administrative Services); 2490 (Other

1 Support Services - School Administration); 2500 (Support  
2 Services - Business); 2600 (Support Services - Central);

3 (2) the total annual expenditures of all school  
4 districts not subject to Article 34 attributable to the  
5 Education Fund, the Operations, Building and Maintenance  
6 Fund, the Transportation Fund and the Illinois Municipal  
7 Retirement Fund of the several districts, as defined by the  
8 rules and regulations of the State Board of Education; and

9 (3) a ratio, to be called the statewide average of  
10 administrative expenditures, derived by dividing the  
11 expenditures certified pursuant to paragraph (B) (1) by the  
12 expenditures certified pursuant to paragraph (B) (2).

13 For purposes of the annual certification of expenditures  
14 and ratios required by this Section, the "applicable year" of  
15 certification shall initially be the 1986-87 school year and,  
16 in sequent years, each succeeding school year.

17 The State Superintendent of Education shall consult with  
18 the Board of Education to ascertain whether particular  
19 expenditure items allocable to the administrative functions  
20 enumerated in paragraph (B) (1) are appropriately or  
21 necessarily higher in the applicable school district than in  
22 the rest of the State due to noncomparable factors. The State  
23 Superintendent shall also review the relevant cost proportions  
24 in other large urban school districts. The State Superintendent  
25 shall also review the expenditure categories in paragraph  
26 (B) (1) to ascertain whether they contain school-level

1 expenses. If he or she finds that adjustments to the formula  
2 are appropriate or necessary to establish a more fair and  
3 comparable standard for administrative cost for the Board of  
4 Education or to exclude school-level expenses, the State  
5 Superintendent shall recommend to the School Finance Authority  
6 rules and regulations adjusting particular subcategories in  
7 this subsection (B) or adjusting certain costs in determining  
8 the budget and expenditure items properly attributable to the  
9 functions or otherwise adjust the formula.

10 (C) Administrative expenditure limitations. The annual  
11 budget of the Board of Education, as adopted and implemented,  
12 and the related annual expenditures for the school year, shall  
13 reflect a limitation on administrative outlays as required by  
14 the following provisions, taking into account any adjustments  
15 established by the State Superintendent of Education: (1) the  
16 budget and expenditures of the Board of Education for the  
17 1989-90 school year shall reflect a ratio of administrative  
18 expenditures to total expenditures equal to or less than the  
19 statewide average of administrative expenditures for the  
20 1986-87 school year as certified by the State Superintendent of  
21 Education pursuant to paragraph (B) (3); (2) for the 1990-91  
22 school year and for all subsequent school years, the budget and  
23 expenditures of the Board of Education shall reflect a ratio of  
24 administrative expenditures to total expenditures equal to or  
25 less than the statewide average of administrative expenditures  
26 certified by the State Superintendent of Education for the

1 applicable year pursuant to paragraph (B)(3); (3) if for any  
2 school year the budget of the Board of Education reflects a  
3 ratio of administrative expenditures to total expenditures  
4 which exceeds the applicable statewide average, the Board of  
5 Education shall reduce expenditure items allocable to the  
6 administrative functions enumerated in paragraph (B)(1) such  
7 that the Board of Education's ratio of administrative  
8 expenditures to total expenditures is equal to or less than the  
9 applicable statewide average ratio.

10 For purposes of this Section, the ratio of administrative  
11 expenditures to the total expenditures of the Board of  
12 Education, as applied to the budget of the Board of Education,  
13 shall mean: the budgeted expenditure items of the Board of  
14 Education properly attributable to the expenditure functions  
15 identified in paragraph (B)(1) divided by the total budgeted  
16 expenditures of the Board of Education properly attributable to  
17 the Board of Education funds corresponding to those funds  
18 identified in paragraph (B)(2), exclusive of any monies  
19 budgeted for payment to the Public School Teachers' Pension and  
20 Retirement System, attributable to payments due from the  
21 General Funds of the State of Illinois.

22 The annual expenditure of the Board of Education for 2320  
23 (Executive Administrative Services) for the 1989-90 school  
24 year shall be no greater than the 2320 expenditure for the  
25 1988-89 school year. The annual expenditure of the Board of  
26 Education for 2320 for the 1990-91 school year and each

1 subsequent school year shall be no greater than the 2320  
2 expenditure for the immediately preceding school year or the  
3 1988-89 school year, whichever is less. This annual expenditure  
4 limitation may be adjusted in each year in an amount not to  
5 exceed any change effective during the applicable school year  
6 in salary to be paid under the collective bargaining agreement  
7 with instructional personnel to which the Board is a party and  
8 in benefit costs either required by law or such collective  
9 bargaining agreement.

10 (D) Cost control measures. In undertaking actions to  
11 control or reduce expenditure items necessitated by the  
12 administrative expenditure limitations of this Section, the  
13 Board of Education shall give priority consideration to  
14 reductions or cost controls with the least effect upon direct  
15 services to students or instructional services for pupils, and  
16 upon the safety and well-being of pupils, and, as applicable,  
17 with the particular costs or functions to which the Board of  
18 Education is higher than the statewide average.

19 For purposes of assuring that the cost control priorities  
20 of this subsection (D) are met, the State Superintendent of  
21 Education shall, with the assistance of the Board of Education,  
22 review the cost allocation practices of the Board of Education,  
23 and the State Superintendent of Education shall thereafter  
24 recommend to the School Finance Authority rules and regulations  
25 which define administrative areas which most impact upon the  
26 direct and instructional needs of students and upon the safety

1 and well-being of the pupils of the district. No position  
2 closed shall be reopened using State or federal categorical  
3 funds.

4 (E) Report of Audited Information. For the 1988-89 school  
5 year and for all subsequent school years, the Board of  
6 Education shall file with the State Board of Education the  
7 Annual Financial Report and its audit, as required by the rules  
8 of the State Board of Education. Such reports shall be filed no  
9 later than February 15 following the end of the school year of  
10 the Board of Education, beginning with the report to be filed  
11 no later than February 15, 1990 for the 1988-89 school year.

12 As part of the required Annual Financial Report, the Board  
13 of Education shall provide a detailed accounting of the central  
14 level, district, bureau and department costs and personnel  
15 included within expenditure functions included in paragraph  
16 (B)(1). The nature and detail of the reporting required for  
17 these functions shall be prescribed by the State Board of  
18 Education in rules and regulations. A copy of this detailed  
19 accounting shall also be provided annually to the School  
20 Finance Authority and the public. This report shall contain a  
21 reconciliation to the board of education's adopted budget for  
22 that fiscal year, specifically delineating administrative  
23 functions.

24 If the information required under this Section is not  
25 provided by the Board of Education in a timely manner, or is  
26 initially or subsequently determined by the State



1 Superintendent of Education to be incomplete or inaccurate, the  
2 State Superintendent shall, in writing, notify the Board of  
3 Education of reporting deficiencies. The Board of Education  
4 shall, within 60 days of such notice, address the reporting  
5 deficiencies identified. If the State Superintendent of  
6 Education does not receive satisfactory response to these  
7 reporting deficiencies within 60 days, the next payment of  
8 general State aid or evidence-based funding due the Board of  
9 Education under Section 18-8 or Section 18-8.15, as applicable,  
10 and all subsequent payments, shall be withheld by the State  
11 Superintendent of Education until the enumerated deficiencies  
12 have been addressed.

13 Utilizing the Annual Financial Report, the State  
14 Superintendent of Education shall certify on or before May 1 to  
15 the School Finance Authority the Board of Education's ratio of  
16 administrative expenditures to total expenditures for the  
17 1988-89 school year and for each succeeding school year. Such  
18 certification shall indicate the extent to which the  
19 administrative expenditure ratio of the Board of Education  
20 conformed to the limitations required in subsection (C) of this  
21 Section, taking into account any adjustments of the limitations  
22 which may have been recommended by the State Superintendent of  
23 Education to the School Finance Authority. In deriving the  
24 administrative expenditure ratio of the Chicago Board of  
25 Education, the State Superintendent of Education shall utilize  
26 the definition of this ratio prescribed in subsection (C) of

1 this Section, except that the actual expenditures of the Board  
2 of Education shall be substituted for budgeted expenditure  
3 items.

4 (F) Approval and adjustments to administrative expenditure  
5 limitations. The School Finance Authority organized under  
6 Article 34A shall monitor the Board of Education's adherence to  
7 the requirements of this Section. As part of its responsibility  
8 the School Finance Authority shall determine whether the Board  
9 of Education's budget for the next school year, and the  
10 expenditures for a prior school year, comply with the  
11 limitation of administrative expenditures required by this  
12 Section. The Board of Education and the State Board of  
13 Education shall provide such information as is required by the  
14 School Finance Authority in order for the Authority to  
15 determine compliance with the provisions of this Section. If  
16 the Authority determines that the budget proposed by the Board  
17 of Education does not meet the cost control requirements of  
18 this Section, the Board of Education shall undertake budgetary  
19 reductions, consistent with the requirements of this Section,  
20 to bring the proposed budget into compliance with such cost  
21 control limitations.

22 If, in formulating cost control and cost reduction  
23 alternatives, the Board of Education believes that meeting the  
24 cost control requirements of this Section related to the budget  
25 for the ensuing year would impair the education, safety, or  
26 well-being of the pupils of the school district, the Board of

1 Education may request that the School Finance Authority make  
2 adjustments to the limitations required by this Section. The  
3 Board of Education shall specify the amount, nature, and  
4 reasons for the relief required and shall also identify cost  
5 reductions which can be made in expenditure functions not  
6 enumerated in paragraph (B) (1), which would serve the purposes  
7 of this Section.

8 The School Finance Authority shall consult with the State  
9 Superintendent of Education concerning the reasonableness from  
10 an educational administration perspective of the adjustments  
11 sought by the Board of Education. The School Finance Authority  
12 shall provide an opportunity for the public to comment upon the  
13 reasonableness of the Board's request. If, after such  
14 consultation, the School Finance Authority determines that all  
15 or a portion of the adjustments sought by the Board of  
16 Education are reasonably appropriate or necessary, the  
17 Authority may grant such relief from the provisions of this  
18 Section which the Authority deems appropriate. Adjustments so  
19 granted apply only to the specific school year for which the  
20 request was made.

21 In the event that the School Finance Authority determines  
22 that the Board of Education has failed to achieve the required  
23 administrative expenditure limitations for a prior school  
24 year, or if the Authority determines that the Board of  
25 Education has not met the requirements of subsection (F), the  
26 Authority shall make recommendations to the Board of Education

1 concerning appropriate corrective actions. If the Board of  
2 Education fails to provide adequate assurance to the Authority  
3 that appropriate corrective actions have been or will be taken,  
4 the Authority may, within 60 days thereafter, require the board  
5 to adjust its current budget to correct for the prior year's  
6 shortage or may recommend to the members of the General  
7 Assembly and the Governor such sanctions or remedial actions as  
8 will serve to deter any further such failures on the part of  
9 the Board of Education.

10 To assist the Authority in its monitoring  
11 responsibilities, the Board of Education shall provide such  
12 reports and information as are from time to time required by  
13 the Authority.

14 (G) Independent reviews of administrative expenditures.  
15 The School Finance Authority may direct independent reviews of  
16 the administrative and administrative support expenditures and  
17 services and other non-instructional expenditure functions of  
18 the Board of Education. The Board of Education shall afford  
19 full cooperation to the School Finance Authority in such review  
20 activity. The purpose of such reviews shall be to verify  
21 specific targets for improved operating efficiencies of the  
22 Board of Education, to identify other areas of potential  
23 efficiencies, and to assure full and proper compliance by the  
24 Board of Education with all requirements of this Section.

25 In the conduct of reviews under this subsection, the  
26 Authority may request the assistance and consultation of the

1 State Superintendent of Education with regard to questions of  
2 efficiency and effectiveness in educational administration.

3 (H) Reports to Governor and General Assembly. On or before  
4 May 1, 1991 and no less frequently than yearly thereafter, the  
5 School Finance Authority shall provide to the Governor, the  
6 State Board of Education, and the members of the General  
7 Assembly an annual report, as outlined in Section 34A-606,  
8 which includes the following information: (1) documenting the  
9 compliance or non-compliance of the Board of Education with the  
10 requirements of this Section; (2) summarizing the costs,  
11 findings, and recommendations of any reviews directed by the  
12 School Finance Authority, and the response to such  
13 recommendations made by the Board of Education; and (3)  
14 recommending sanctions or legislation necessary to fulfill the  
15 intent of this Section.

16 (Source: P.A. 86-124; 86-1477.)

17 Section 50. The Educational Opportunity for Military  
18 Children Act is amended by changing Section 25 as follows:

19 (105 ILCS 70/25)

20 Sec. 25. Tuition for children of active duty military  
21 personnel who are transfer students. If a student who is a  
22 child of active duty military personnel is (i) placed with a  
23 non-custodial parent and (ii) as a result of placement, must  
24 attend a non-resident school district, then the student must

1 not be charged the tuition of the school that the student  
2 attends as a result of placement with the non-custodial parent  
3 and the student must be counted in the calculation of average  
4 daily attendance under Section 18-8.05 or 18-8.15 of the School  
5 Code.

6 (Source: P.A. 98-673, eff. 6-30-14.)

7 Section 95. No acceleration or delay. Where this Act makes  
8 changes in a statute that is represented in this Act by text  
9 that is not yet or no longer in effect (for example, a Section  
10 represented by multiple versions), the use of that text does  
11 not accelerate or delay the taking effect of (i) the changes  
12 made by this Act or (ii) provisions derived from any other  
13 Public Act.

14 Section 97. Savings clause. Any repeal or amendment made by  
15 this Act shall not affect or impair any of the following: suits  
16 pending or rights existing at the time this Act takes effect;  
17 any grant or conveyance made or right acquired or cause of  
18 action now existing under any Section, Article, or Act repealed  
19 or amended by this Act; the validity of any bonds or other  
20 obligations issued or sold and constituting valid obligations  
21 of the issuing authority at the time this Act takes effect; the  
22 validity of any contract; the validity of any tax levied under  
23 any law in effect prior to the effective date of this Act; or  
24 any offense committed, act done, penalty, punishment, or

1 forfeiture incurred or any claim, right, power, or remedy  
2 accrued under any law in effect prior to the effective date of  
3 this Act.

4 Section 99. Effective date. This Act takes effect upon  
5 becoming law, but this Act does not take effect at all unless  
6 Senate Bills 3, 4, 5, 6, 7, 8, 9, 10, 12, 13, and 16 of the  
7 100th General Assembly become law.".