



Sen. Andy Manar

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1 AMENDMENT TO SENATE BILL 1

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2 Sec. 13.2. Transfers among line item appropriations.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 made.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (35 ILCS 200/18-200)

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

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

11 (35 ILCS 200/18-249)

12 Sec. 18-249. Miscellaneous provisions.

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

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

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

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

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

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

9 (50 ILCS 470/33)

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

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

1 moneys in the Trust Fund shall be invested and reinvested by
2 the State Treasurer. All interest accruing from these
3 investments shall be deposited in the Trust Fund.

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

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

1 that amount as the total initial equalized assessed value of
2 the taxable real property within the STAR bond district.

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

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

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

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

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

1 the STAR Bonds School Improvement and Operations Trust Fund 15%
2 of property taxes attributable to the increase in equalized
3 assessed value within the STAR bond district from each taxing
4 district as certified in subsection (f).

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

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

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

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

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

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

25 Section 25. The County Economic Development Project Area

1 Property Tax Allocation Act is amended by changing Section 7 as
2 follows:

3 (55 ILCS 85/7) (from Ch. 34, par. 7007)

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

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

1 adopted shall be allocated and when collected shall be paid
2 by the county collector to the respective affected taxing
3 districts in the manner required by the law in the absence
4 of the adoption of property tax allocation financing.

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

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

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

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

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

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

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

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

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

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

1 (55 ILCS 90/50) (from Ch. 34, par. 8050)

2 Sec. 50. Special tax allocation fund.

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

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

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

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

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

24 (c) When the economic development projects costs,
25 including without limitation all county obligations financing
26 economic development project costs incurred under this Act,

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

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

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

26 (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

1 of the Act and (ii) reasonably distributed throughout the
2 improved part of the redevelopment project area:

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

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

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

24 (D) Presence of structures below minimum code
25 standards. All structures that do not meet the
26 standards of zoning, subdivision, building, fire, and

1 other governmental codes applicable to property, but
2 not including housing and property maintenance codes.

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

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

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

26 (H) Inadequate utilities. Underground and overhead

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

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

1 inadequate provision for loading and service.

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

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

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

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

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

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

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

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

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

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

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

1 required by State or federal law, provided that the
2 remediation costs constitute a material impediment to
3 the development or redevelopment of the redevelopment
4 project area.

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

26 (A) The area consists of one or more unused

1 quarries, mines, or strip mine ponds.

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

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

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

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

1 purpose.

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

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

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

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

26 (2) Obsolescence. The condition or process of falling

1 into disuse. Structures have become ill-suited for the
2 original use.

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

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

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

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

26 (7) Lack of ventilation, light, or sanitary

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

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

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

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

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

18 (11) 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. This
21 means that the development occurred prior to the adoption
22 by the municipality of a comprehensive or other community
23 plan or that the plan was not followed at the time of the
24 area's development. This factor must be documented by
25 evidence of adverse or incompatible land-use
26 relationships, inadequate street layout, improper

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

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

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

25 (c) "Industrial park" means an area in a blighted or
26 conservation area suitable for use by any manufacturing,

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

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

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

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

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

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

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

25 (h) "Municipal Sales Tax Increment" means an amount equal
26 to the increase in the aggregate amount of taxes paid to a

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

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

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

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

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

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

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

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

25 (k) "Net State Utility Tax Increment" means the sum of the
26 following: (a) 80% of the first \$100,000 of State Utility Tax

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

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

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

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

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

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

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

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

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

1 redevelopment project area located within a transit
2 facility improvement area established pursuant to Section
3 11-74.4-3.3;

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

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

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

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

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

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

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

26 (J) if property is to be annexed to the municipality,

1 the plan shall include the terms of the annexation
2 agreement.

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

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

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

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

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

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

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

25 (4) If any incremental revenues are being utilized
26 under Section 8(a)(1) or 8(a)(2) of this Act in

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

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

26 Part I of the housing impact study shall include (i)

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

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

26 (6) On and after November 1, 1999, the housing impact

1 study required by paragraph (5) shall be incorporated in
2 the redevelopment plan for the redevelopment project area.

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

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

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

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

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

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

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

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

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

1 that has been established pursuant to Section 11-74.4-3.3
2 without a finding that the area is classified as an industrial
3 park conservation area, a blighted area, a conservation area,
4 or any combination thereof.

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

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

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

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

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

23 (2) Property assembly costs, including but not limited
24 to acquisition of land and other property, real or
25 personal, or rights or interests therein, demolition of
26 buildings, site preparation, site improvements that serve

1 as an engineered barrier addressing ground level or below
2 ground environmental contamination, including, but not
3 limited to parking lots and other concrete or asphalt
4 barriers, and the clearing and grading of land;

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

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

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

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

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

1 including reasonable reserves related thereto;

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

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

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

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

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

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

1 amount of property tax increment revenue produced
2 by those housing units that have received tax
3 increment finance assistance under this Act; and

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

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

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

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

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

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

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

25 (i) no increased costs shall be reimbursed
26 unless the school district certifies that each of

1 the schools affected by the assisted housing
2 project is at or over its student capacity;

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

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

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

1 the redevelopment project area or projects;

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

25 The amount paid to a library district under this
26 paragraph (7.7) shall be calculated by multiplying (i) the

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

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

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

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

21 (9) Payment in lieu of taxes;

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

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

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

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

26 (B) such payments in any one year may not exceed

1 30% of the annual interest costs incurred by the
2 redeveloper with regard to the redevelopment project
3 during that year;

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

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

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

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

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

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

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

26 (11.5) If the redevelopment project area is located

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

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

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

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

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

25 If a special service area has been established pursuant to
26 the Special Service Area Tax Act or Special Service Area Tax

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

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

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

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

24 (s) "State Sales Tax Increment" means an amount equal to
25 the increase in the aggregate amount of taxes paid by retailers
26 and servicemen, other than retailers and servicemen subject to

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

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

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

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

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

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

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

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

26 (x) "LEED certified" means any certification level of

1 construction elements by a qualified Leadership in Energy and
2 Environmental Design Accredited Professional as determined by
3 the U.S. Green Building Council.

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

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

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

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

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

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

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

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

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

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

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

22 (4) The municipality has not requested that the total
23 initial equalized assessed value of real property be
24 adjusted as provided in subsection (b) of Section
25 11-74.4-9.

26 The conditions of paragraphs (1) through (4) do not

1 apply after December 31, 1999 to payments to a municipal
2 treasurer made by a county with 3,000,000 or more
3 inhabitants that has adopted an estimated billing
4 procedure for collecting taxes. If a county that has
5 adopted the estimated billing procedure makes an erroneous
6 overpayment of tax revenue to the municipal treasurer, then
7 the county may seek a refund of that overpayment. The
8 county shall send the municipal treasurer a notice of
9 liability for the overpayment on or before the mailing date
10 of the next real estate tax bill within the county. The
11 refund shall be limited to the amount of the overpayment.

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

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

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

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

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

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

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

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

24 Whenever a municipality issues bonds for the purpose of
25 financing redevelopment project costs, such municipality
26 may provide by ordinance for the appointment of a trustee,

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

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

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

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

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

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

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

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

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

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

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

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

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

19 Nothing in this Section shall be construed as relieving
20 property in such redevelopment project areas from being
21 assessed as provided in the Property Tax Code or as relieving
22 owners of such 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; 99-792, eff. 8-12-16.)

1 (65 ILCS 5/11-74.6-35)

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

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

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

26 (2) That portion, if any, of those taxes that is

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

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

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

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

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

26 The conditions of paragraphs (A) through (C) do not apply

1 after December 31, 1999 to payments to a municipal treasurer
2 made by a county with 3,000,000 or more inhabitants that has
3 adopted an estimated billing procedure for collecting taxes. If
4 a county that has adopted the estimated billing procedure makes
5 an erroneous overpayment of tax revenue to the municipal
6 treasurer, then the county may seek a refund of that
7 overpayment. The county shall send the municipal treasurer a
8 notice of liability for the overpayment on or before the
9 mailing date of the next real estate tax bill within the
10 county. The refund shall be limited to the amount of the
11 overpayment.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 Section 40. The Economic Development Project Area Tax

1 Increment Allocation Act of 1995 is amended by changing Section
2 50 as follows:

3 (65 ILCS 110/50)

4 Sec. 50. Special tax allocation fund.

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

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

1 the adoption of tax increment allocation financing.

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

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

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

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

25 (e) Nothing in this Section shall be construed as relieving
26 property in the economic development project areas from being

1 assessed as provided in the Property Tax Code or as relieving
2 owners or lessees of that property from paying a uniform rate
3 of taxes as required by Section 4 of Article IX of the Illinois
4 Constitution.

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

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

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

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

23 (a) The State Superintendent of Education may require a
24 school district, including any district subject to Article 34A

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

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

26 (1) The district has issued school or teacher orders

1 for wages as permitted in Sections 8-16, 32-7.2 and 34-76
2 of this Code.

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

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

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

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

25 No school district shall be certified by the State Board of
26 Education to be in financial difficulty solely by reason of any

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

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

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

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

26 Any financial profile compiled and distributed by the State

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

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

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

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

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

1 member or employee of the district for which the Panel is
2 constituted, nor may a member have a direct financial interest
3 in that district.

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

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

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

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

1 previous fiscal year.

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

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

18 (105 ILCS 5/1B-6) (from Ch. 122, par. 1B-6)

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

1 notes and bonds. Except as expressly limited by this Article,
2 the Panel shall have all powers necessary to meet its
3 responsibilities and to carry out its purposes and the purposes
4 of this Article, including, but not limited to, the following
5 powers:

6 (a) to sue and be sued;

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

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

17 (d) to approve the local board of education appointments to
18 the positions of treasurer in a Class I county school unit and
19 in each school district which forms a part of a Class II county
20 school unit but which no longer is subject to the jurisdiction
21 and authority of a township treasurer or trustees of schools of
22 a township because the district has withdrawn from the
23 jurisdiction and authority of the township treasurer and the
24 trustees of schools of the township or because those offices
25 have been abolished as provided in subsection (b) or (c) of
26 Section 5-1, and chief school business official, if such

1 official is not the superintendent of the district. Either the
2 board or the Panel may remove such treasurer or chief school
3 business official;

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

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

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

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

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

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

1 assistance consistent with the terms and conditions of
2 repayment and the district's approved financial plan and
3 budget;

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

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

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

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

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

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

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

1 instrumentality thereof, or from any other private or public
2 source, and to comply with the terms and conditions thereof;

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

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

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

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

14 (105 ILCS 5/1B-7) (from Ch. 122, par. 1B-7)

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

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

24 (b) to direct the local board to reorganize its financial
25 accounts, budgetary systems, and internal accounting and

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

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

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

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

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

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

24 (105 ILCS 5/1B-8) (from Ch. 122, par. 1B-8)

25 Sec. 1B-8. There is created in the State Treasury a special

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

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

1 from the district's general State aid or evidence-based
2 funding.

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

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

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

1 be applied to any fund or funds from which the local board of
2 education of that district is authorized to make expenditures
3 by law.

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

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

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

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

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

7 (105 ILCS 5/1C-1)

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

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

16 (Source: P.A. 88-555, eff. 7-27-94; 89-15, eff. 5-30-95;
17 89-397, eff. 8-20-95; 89-626, eff. 8-9-96.)

18 (105 ILCS 5/1C-2)

19 Sec. 1C-2. Block grants.

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

1 state block grants are subject to an audit. Therefore, block
2 grant receipts and block grant expenditures shall be recorded
3 to the appropriate fund code.

4 (b) (Blank).

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

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

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

8 (105 ILCS 5/1D-1)

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

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

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

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

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

1 Assembly encourages the board to pursue mandate waivers
2 pursuant to Section 2-3.25g.

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

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

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

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

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

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

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

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

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

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

24 (Source: P.A. 97-238, eff. 8-2-11; 97-324, eff. 8-12-11;
25 97-813, eff. 7-13-12.)

1 (105 ILCS 5/1E-20)

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

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

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

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

1 have a direct financial interest in the district.

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

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

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

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

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

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

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

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

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

26 Authority members shall be paid a stipend approved by the

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

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

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

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

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

24 (105 ILCS 5/1F-62)

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

1 ILCS 5/1F-165)

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

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

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

1 Superintendent until he or she has approved the proposal of the
2 School Finance Authority, either as submitted or in such lesser
3 amount determined by the State Superintendent.

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

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

25 (d) Any State emergency financial assistance proposed by
26 the School Finance Authority and approved by the State

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

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

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

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

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

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

19 (105 ILCS 5/1H-20)

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

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

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

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

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

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

26 (e) The first meeting of the Panel shall be held at the

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

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

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

9 (105 ILCS 5/1H-70)

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

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

21 (2) issue tax anticipation notes under the provisions
22 of the Tax Anticipation Note Act against taxes levied by
23 either the school board or the Panel pursuant to Section
24 1H-25 of this Code;

25 (3) issue revenue anticipation certificates or notes

1 under the provisions of the Revenue Anticipation Act;

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

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

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

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

13 (105 ILCS 5/2-3.33) (from Ch. 122, par. 2-3.33)

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

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

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

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

1 reduction in equalized assessed valuation shall be deducted
2 from the extension limitation equalized assessed valuation
3 that was used in calculating the original claim.

4 From the total amount of general State aid or
5 evidence-based funding to be provided to districts,
6 adjustments as a result of recomputation under this Section
7 together with adjustments under Section 2-3.84 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 5/2-3.51.5)

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

24 (1) For school districts, the program shall provide funding
25 for school safety, textbooks and software, electronic

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

1 regulations necessary for the implementation of this program.

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

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

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

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

15 (105 ILCS 5/2-3.66) (from Ch. 122, par. 2-3.66)

16 Sec. 2-3.66. Truants' alternative and optional education
17 programs. To establish projects to offer modified
18 instructional programs or other services designed to prevent
19 students from dropping out of school, including programs
20 pursuant to Section 2-3.41, and to serve as a part time or full
21 time option in lieu of regular school attendance and to award
22 grants to local school districts, educational service regions
23 or community college districts from appropriated funds to
24 assist districts in establishing such projects. The education
25 agency may operate its own program or enter into a contract

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

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

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

10 (105 ILCS 5/2-3.66b)

11 Sec. 2-3.66b. IHOPE Program.

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

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

1 5% for administrative costs, including the performance of a
2 program evaluation and the hiring of staff to implement and
3 administer the program.

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

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

26 (c) In order to be eligible for funding under the IHOPE

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

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

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

1 community-based organizations or a cooperative partnership
2 among these entities.

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

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

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

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

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

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

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

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

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

1 (2) Specific performance-based goals and outcomes and
2 measures of enrollment, attendance, skills, credits,
3 graduation, and the transition to college, training, and
4 employment.

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

7 (4) Voluntary enrollment.

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

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

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

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

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

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

1 as available.

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

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

9 (105 ILCS 5/2-3.84) (from Ch. 122, par. 2-3.84)

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

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

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

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

7 (105 ILCS 5/2-3.109a)

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

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

15 (105 ILCS 5/3-14.21) (from Ch. 122, par. 3-14.21)

16 Sec. 3-14.21. Inspection of schools.

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

1 shall report his or her findings to the State Board of
2 Education on forms provided by the State Board of Education.

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

1 shall be paid to the regional superintendent who shall contract
2 on behalf of the school board for the correction of the
3 outstanding violations.

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

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

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

2 (105 ILCS 5/7-14A) (from Ch. 122, par. 7-14A)

3 Sec. 7-14A. Annexation compensation. There shall be no
4 accounting made after a mere change in boundaries when no new
5 district is created, except that those districts whose
6 enrollment increases by 90% or more as a result of annexing
7 territory detached from another district pursuant to this
8 Article are eligible for supplementary State aid payments in
9 accordance with Section 11E-135 of this Code. Eligible annexing
10 districts shall apply to the State Board of Education for
11 supplementary State aid payments by submitting enrollment
12 figures for the year immediately preceding and the year
13 immediately following the effective date of the boundary change
14 for both the district gaining territory and the district losing
15 territory. Copies of any intergovernmental agreements between
16 the district gaining territory and the district losing
17 territory detailing any transfer of fund balances and staff
18 must also be submitted. In all instances of changes in
19 boundaries, the district losing territory shall not count the
20 average daily attendance of pupils living in the territory
21 during the year preceding the effective date of the boundary
22 change in its claim for reimbursement under Section 18-8.05 or
23 18-8.15 of this Code for the school year following the
24 effective date of the change in boundaries and the district
25 receiving the territory shall count the average daily

1 attendance of pupils living in the territory during the year
2 preceding the effective date of the boundary change in its
3 claim for reimbursement under Section 18-8.05 or 18-8.15 of
4 this Code for the school year following the effective date of
5 the change in boundaries. The changes to this Section made by
6 this amendatory Act of the 95th General Assembly are intended
7 to be retroactive and applicable to any annexation taking
8 effect on or after July 1, 2004.

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

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

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

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

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

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

26 With the prior approval of the State Board of Education and

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

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

13 (105 ILCS 5/10-22.5a) (from Ch. 122, par. 10-22.5a)

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

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

1 in exchange for the waiver of nonresident tuition.

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

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

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

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

12 (105 ILCS 5/10-22.20) (from Ch. 122, par. 10-22.20)

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

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

1 or high schools and for Americanization and high school
2 equivalency testing review classes.

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

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

21 (b) The Illinois Community College Board shall establish
22 the standards for the courses of instruction reimbursed under
23 this Section. The Illinois Community College Board shall
24 supervise the administration of the programs. The Illinois
25 Community College Board shall determine the cost of instruction
26 in accordance with standards established by the Illinois

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

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

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

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

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

25 For instruction provided by school districts and community
26 college districts beginning July 1, 1996 and thereafter,

1 reimbursement provided by the Illinois Community College Board
2 for classes authorized by this Section shall be provided from
3 funds appropriated for the reimbursement criteria set forth in
4 subsection (c) below.

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

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

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

26 (3) The maximum reimbursement per credit hour or per

1 unit of instruction in subparagraph (1) above shall be
2 multiplied by .90 for students enrolled in classes defined
3 as adult secondary education programs and approved by the
4 Illinois Community College Board;

5 (4) (Blank); and

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

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

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

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

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

24 (f) An education plan shall be established for each adult
25 or youth whose schooling has been interrupted and who is
26 participating in the instructional programs provided under

1 this Section.

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

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

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

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

1 College Board. Final adjusted payments shall be made by
2 September 30.

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

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

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

26 The board may charge for care of children for whom it

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

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

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

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

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

1 (105 ILCS 5/10-29)

2 Sec. 10-29. Remote educational programs.

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

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

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

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

22 (C) A description of the process that the school
23 district will use to approve participation in the
24 remote educational program. The process must include
25 without limitation a requirement that, for any student
26 who qualifies to receive services pursuant to the

1 federal Individuals with Disabilities Education
2 Improvement Act of 2004, the student's participation
3 in a remote educational program receive prior approval
4 from the student's individualized education program
5 team.

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

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

14 (F) A description of the process for renewing a
15 remote educational program at the expiration of its
16 term.

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

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

26 (3) The remote educational program is delivered by

1 instructors that meet the following qualifications:

2 (A) they are certificated under Article 21 of this
3 Code;

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

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

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

1 purposes of claiming general State aid or evidence-based
2 funding. Outside of the regular school term of the
3 district, the remote educational program may be offered as
4 part of any summer school program authorized by this Code.

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

14 (A) Specific achievement goals for the student
15 aligned to State learning standards.

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

21 (C) A description of the progress reports that will
22 be provided to the school district and the person or
23 persons authorized to enroll the student under Section
24 10-20.12b of this Code.

25 (D) Expectations, processes, and schedules for
26 interaction between a teacher and student.

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

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

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

19 (H) The identification of a parent, guardian, or
20 other responsible adult who will provide direct
21 supervision of the program. The plan must include an
22 acknowledgment by the parent, guardian, or other
23 responsible adult that he or she may engage only in
24 non-teaching duties not requiring instructional
25 judgment or the evaluation of a student. The plan shall
26 designate the parent, guardian, or other responsible

1 adult as non-teaching personnel or volunteer personnel
2 under subsection (a) of Section 10-22.34 of this Code.

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

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

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

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

26 (6) Students participating in a remote educational

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

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

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

26 (b) A school district may, by resolution of its school

1 board, establish a remote educational program.

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

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

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

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

22 (g) School districts that, pursuant to this Section, adopt
23 a policy for a remote educational program must submit to the
24 State Board of Education a copy of the policy and any
25 amendments thereto, as well as data on student participation in
26 a format specified by the State Board of Education. The State

1 Board of Education may perform or contract with an outside
2 entity to perform an evaluation of remote educational programs
3 in this State.

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

8 (Source: P.A. 98-972, eff. 8-15-14; 99-193, eff. 7-30-15;
9 99-194, eff. 7-30-15; 99-642, eff. 7-28-16.)

10 (105 ILCS 5/11E-135)

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

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

1 is greater, a supplementary payment equal to the difference
2 shall be made for the first 4 years of existence of the new
3 district.

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

20 (3) For 2 or more school districts that annex all of the
21 territory of one or more entire other school districts, as
22 defined in Article 7 of this Code, for the first year during
23 which the change of boundaries attributable to the annexation
24 becomes effective for all purposes, as determined under Section
25 7-9 of this Code, the general State aid and supplemental
26 general State aid calculated under Section 18-8.05 of this Code

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

1 shall be certified to the State Board of Education, on forms
2 that it shall provide for that purpose, by the regional
3 superintendent of schools for each educational service region
4 in which the annexing and annexed districts are located.

5 (4) For a school district conversion, as defined in Section
6 11E-15 of this Code, or a multi-unit conversion, as defined in
7 subsection (b) of Section 11E-30 of this Code, if in their
8 first year of existence the newly created elementary districts
9 and the newly created high school district, from a school
10 district conversion, or the newly created elementary district
11 or districts and newly created combined high school - unit
12 district, from a multi-unit conversion, qualify for less
13 general State aid under Section 18-8.05 of this Code or
14 evidence-based funding under Section 18-8.15 of this Code than
15 would have been payable under Section 18-8.05 or 18-8.15, as
16 applicable, for that same year to the previously existing
17 districts, then a supplementary payment equal to that
18 difference shall be made for the first 4 years of existence of
19 the newly created districts. The aggregate amount of each
20 supplementary payment shall be allocated among the newly
21 created districts in the proportion that the deemed pupil
22 enrollment in each district during its first year of existence
23 bears to the actual aggregate pupil enrollment in all of the
24 districts during their first year of existence. For purposes of
25 each allocation:

26 (A) the deemed pupil enrollment of the newly created

1 high school district from a school district conversion
2 shall be an amount equal to its actual pupil enrollment for
3 its first year of existence multiplied by 1.25;

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

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

22 (D) the deemed elementary pupil enrollment of each
23 newly created district from a multi-unit conversion shall
24 be an amount equal to each district's actual grade K
25 through 8 pupil enrollment for its first year of existence,
26 reduced by an amount equal to the product obtained when the

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

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

20 (5) For a partial elementary unit district, as defined in
21 subsection (a) or (c) of Section 11E-30 of this Code, if, in
22 the first year of existence, the newly created partial
23 elementary unit district qualifies for less general State aid
24 and supplemental general State aid under Section 18-8.05 of
25 this Code or less evidence-based funding under Section 18-8.15
26 of this Code, as applicable, than would have been payable under

1 those Sections ~~that Section~~ for that same year to the
2 previously existing districts that formed the partial
3 elementary unit district, then a supplementary payment equal to
4 that difference shall be made to the partial elementary unit
5 district for the first 4 years of existence of that newly
6 created district.

7 (6) For an elementary opt-in, as described in subsection
8 (d) of Section 11E-30 of this Code, the general State aid or
9 evidence-based funding difference shall be computed in
10 accordance with paragraph (5) of this subsection (a) as if the
11 elementary opt-in was included in an optional elementary unit
12 district at the optional elementary unit district's original
13 effective date. If the calculation in this paragraph (6) is
14 less than that calculated in paragraph (5) of this subsection
15 (a) at the optional elementary unit district's original
16 effective date, then no adjustments may be made. If the
17 calculation in this paragraph (6) is more than that calculated
18 in paragraph (5) of this subsection (a) at the optional
19 elementary unit district's original effective date, then the
20 excess must be paid as follows:

21 (A) If the effective date for the elementary opt-in is
22 one year after the effective date for the optional
23 elementary unit district, 100% 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 (B) If the effective date for the elementary opt-in is
2 2 years after the effective date for the optional
3 elementary unit district, 75% of the 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 (C) If the effective date for the elementary opt-in is
8 3 years after the effective date for the optional
9 elementary unit district, 50% of the calculated excess
10 shall be paid to the optional elementary unit district in
11 each of the first 4 years after the effective date of the
12 elementary opt-in.

13 (D) If the effective date for the elementary opt-in is
14 4 years after the effective date for the optional
15 elementary unit district, 25% of the calculated excess
16 shall be paid to the optional elementary unit district in
17 each of the first 4 years after the effective date of the
18 elementary opt-in.

19 (E) If the effective date for the elementary opt-in is
20 5 years after the effective date for the optional
21 elementary unit district, the optional elementary unit
22 district is not eligible for any additional incentives due
23 to the elementary opt-in.

24 (6.5) For a school district that annexes territory detached
25 from another school district whereby the enrollment of the
26 annexing district increases by 90% or more as a result of the

1 annexation, for the first year during which the change of
2 boundaries attributable to the annexation becomes effective
3 for all purposes as determined under Section 7-9 of this Code,
4 the general State aid and supplemental general State aid or
5 evidence-based funding, as applicable, calculated under this
6 Section shall be computed for the district gaining territory
7 and the district losing territory as constituted after the
8 annexation and for the same districts as constituted prior to
9 the annexation; and if the aggregate of the general State aid
10 and supplemental general State aid or evidence-based funding,
11 as applicable, as so computed for the district gaining
12 territory and the district losing territory as constituted
13 after the annexation is less than the aggregate of the general
14 State aid and supplemental general State aid or evidence-based
15 funding, as applicable, as so computed for the district gaining
16 territory and the district losing territory as constituted
17 prior to the annexation, then a supplementary payment shall be
18 made to the annexing district for the first 4 years of
19 existence after the annexation, equal to the difference
20 multiplied by the ratio of student enrollment in the territory
21 detached to the total student enrollment in the district losing
22 territory for the year prior to the effective date of the
23 annexation. The amount of the total difference and the
24 proportion paid to the annexing district shall be computed by
25 the State Board of Education on the basis of pupil enrollment
26 and other data that must be submitted to the State Board of

1 Education in accordance with Section 7-14A of this Code. The
2 changes to this Section made by Public Act 95-707 are intended
3 to be retroactive and applicable to any annexation taking
4 effect on or after July 1, 2004. For annexations that are
5 eligible for payments under this paragraph (6.5) and that are
6 effective on or after July 1, 2004, but before January 11, 2008
7 (the effective date of Public Act 95-707), the first required
8 yearly payment under this paragraph (6.5) shall be paid in the
9 fiscal year of January 11, 2008 (the effective date of Public
10 Act 95-707). Subsequent required yearly payments shall be paid
11 in subsequent fiscal years until the payment obligation under
12 this paragraph (6.5) is complete.

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

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

19 (b) (1) After the formation of a combined school district,
20 as defined in Section 11E-20 of this Code, or a unit district,
21 as defined in Section 11E-25 of this Code, a computation shall
22 be made to determine the difference between the salaries
23 effective in each of the previously existing districts on June
24 30, prior to the creation of the new district. For the first 4
25 years after the formation of the new district, a supplementary
26 State aid reimbursement shall be paid to the new district equal

1 to the difference between the sum of the salaries earned by
2 each of the certificated members of the new district, while
3 employed in one of the previously existing districts during the
4 year immediately preceding the formation of the new district,
5 and the sum of the salaries those certificated members would
6 have been paid during the year immediately prior to the
7 formation of the new district if placed on the salary schedule
8 of the previously existing district with the highest salary
9 schedule.

10 (2) After the territory of one or more school districts is
11 annexed by one or more other school districts as defined in
12 Article 7 of this Code, a computation shall be made to
13 determine the difference between the salaries effective in each
14 annexed district and in the annexing district or districts as
15 they were each constituted on June 30 preceding the date when
16 the change of boundaries attributable to the annexation became
17 effective for all purposes, as determined under Section 7-9 of
18 this Code. For the first 4 years after the annexation, a
19 supplementary State aid reimbursement shall be paid to each
20 annexing district as constituted after the annexation equal to
21 the difference between the sum of the salaries earned by each
22 of the certificated members of the annexing district as
23 constituted after the annexation, while employed in an annexed
24 or annexing district during the year immediately preceding the
25 annexation, and the sum of the salaries those certificated
26 members would have been paid during the immediately preceding

1 year if placed on the salary schedule of whichever of the
2 annexing or annexed districts had the highest salary schedule
3 during the immediately preceding year.

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

13 (4) For each newly created partial elementary unit
14 district, the State shall make a supplementary payment for 4
15 years equal to the difference between the sum of the salaries
16 earned by each certified member of the newly created partial
17 elementary unit district, while employed in one of the
18 previously existing districts that formed the partial
19 elementary unit district, and the sum of the salaries those
20 certified members would have been paid if placed on the salary
21 schedule of the previously existing district with the highest
22 salary schedule. The salary schedules used in the calculation
23 shall be those in effect in the previously existing districts
24 for the school year prior to the creation of the new partial
25 elementary unit district.

26 (5) For an elementary district opt-in, as described in

1 subsection (d) of Section 11E-30 of this Code, the salary
2 difference incentive shall be computed in accordance with
3 paragraph (4) of this subsection (b) as if the opted-in
4 elementary district was included in the optional elementary
5 unit district at the optional elementary unit district's
6 original effective date. If the calculation in this paragraph
7 (5) is less than that calculated in paragraph (4) of this
8 subsection (b) at the optional elementary unit district's
9 original effective date, then no adjustments may be made. If
10 the calculation in this paragraph (5) is more than that
11 calculated in paragraph (4) of this subsection (b) at the
12 optional elementary unit district's original effective date,
13 then the excess must be paid as follows:

14 (A) If the effective date for the elementary opt-in is
15 one year after the effective date for the optional
16 elementary unit district, 100% 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 (B) If the effective date for the elementary opt-in is
21 2 years after the effective date for the optional
22 elementary unit district, 75% of the calculated excess
23 shall be paid to the optional elementary unit district in
24 each of the first 4 years after the effective date of the
25 elementary opt-in.

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

1 3 years after the effective date for the optional
2 elementary unit district, 50% of the calculated excess
3 shall be paid to the optional elementary unit district in
4 each of the first 4 years after the effective date of the
5 elementary opt-in.

6 (D) If the effective date for the elementary opt-in is
7 4 years after the effective date for the partial elementary
8 unit district, 25% of the calculated excess shall be paid
9 to the optional elementary unit district in each of the
10 first 4 years after the effective date of the elementary
11 opt-in.

12 (E) If the effective date for the elementary opt-in is
13 5 years after the effective date for the optional
14 elementary unit district, the optional elementary unit
15 district is not eligible for any additional incentives due
16 to the elementary opt-in.

17 (5.5) After the formation of a cooperative high school by 2
18 or more school districts under Section 10-22.22c of this Code,
19 a computation shall be made to determine the difference between
20 the salaries effective in each of the previously existing high
21 schools on June 30 prior to the formation of the cooperative
22 high school. For the first 4 years after the formation of the
23 cooperative high school, a supplementary State aid
24 reimbursement shall be paid to the cooperative high school
25 equal to the difference between the sum of the salaries earned
26 by each of the certificated members of the cooperative high

1 school while employed in one of the previously existing high
2 schools during the year immediately preceding the formation of
3 the cooperative high school and the sum of the salaries those
4 certificated members would have been paid during the year
5 immediately prior to the formation of the cooperative high
6 school if placed on the salary schedule of the previously
7 existing high school with the highest salary schedule.

8 (5.10) After the annexation of territory detached from
9 another school district whereby the enrollment of the annexing
10 district increases by 90% or more as a result of the
11 annexation, a computation shall be made to determine the
12 difference between the salaries effective in the district
13 gaining territory and the district losing territory as they
14 each were constituted on June 30 preceding the date when the
15 change of boundaries attributable to the annexation became
16 effective for all purposes as determined under Section 7-9 of
17 this Code. For the first 4 years after the annexation, a
18 supplementary State aid reimbursement shall be paid to the
19 annexing district equal to the difference between the sum of
20 the salaries earned by each of the certificated members of the
21 annexing district as constituted after the annexation while
22 employed in the district gaining territory or the district
23 losing territory during the year immediately preceding the
24 annexation and the sum of the salaries those certificated
25 members would have been paid during such immediately preceding
26 year if placed on the salary schedule of whichever of the

1 district gaining territory or district losing territory had the
2 highest salary schedule during the immediately preceding year.
3 To be eligible for supplementary State aid reimbursement under
4 this Section, the intergovernmental agreement to be submitted
5 pursuant to Section 7-14A of this Code must show that staff
6 members were transferred from the control of the district
7 losing territory to the control of the district gaining
8 territory in the annexation. The changes to this Section made
9 by Public Act 95-707 are intended to be retroactive and
10 applicable to any annexation taking effect on or after July 1,
11 2004. For annexations that are eligible for payments under this
12 paragraph (5.10) and that are effective on or after July 1,
13 2004, but before January 11, 2008 (the effective date of Public
14 Act 95-707), the first required yearly payment under this
15 paragraph (5.10) shall be paid in the fiscal year of January
16 11, 2008 (the effective date of Public Act 95-707). Subsequent
17 required yearly payments shall be paid in subsequent fiscal
18 years until the payment obligation under this paragraph (5.10)
19 is complete.

20 (5.15) After the deactivation of a school facility in
21 accordance with Section 10-22.22b of this Code, a computation
22 shall be made to determine the difference between the salaries
23 effective in the sending school district and each receiving
24 school district on June 30 prior to the deactivation of the
25 school facility. For the lesser of the first 4 years after the
26 deactivation of the school facility or the length of the

1 deactivation agreement, including any renewals of the original
2 deactivation agreement, a supplementary State aid
3 reimbursement shall be paid to each receiving district equal to
4 the difference between the sum of the salaries earned by each
5 of the certificated members transferred to that receiving
6 district as a result of the deactivation while employed in the
7 sending district during the year immediately preceding the
8 deactivation and the sum of the salaries those certificated
9 members would have been paid during the year immediately
10 preceding the deactivation if placed on the salary schedule of
11 the sending or receiving district with the highest salary
12 schedule.

13 (6) The supplementary State aid reimbursement under this
14 subsection (b) shall be treated as separate from all other
15 payments made pursuant to Section 18-8.05 of this Code. In the
16 case of the formation of a new district or cooperative high
17 school or a deactivation, reimbursement shall begin during the
18 first year of operation of the new district or cooperative high
19 school or the first year of the deactivation, and in the case
20 of an annexation of the territory of one or more school
21 districts by one or more other school districts or the
22 annexation of territory detached from a school district whereby
23 the enrollment of the annexing district increases by 90% or
24 more as a result of the annexation, reimbursement shall begin
25 during the first year when the change in boundaries
26 attributable to the annexation becomes effective for all

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

16 (c) (1) For the first year after the formation of a combined
17 school district, as defined in Section 11E-20 of this Code or a
18 unit district, as defined in Section 11E-25 of this Code, a
19 computation shall be made totaling each previously existing
20 district's audited fund balances in the educational fund,
21 working cash fund, operations and maintenance fund, and
22 transportation fund for the year ending June 30 prior to the
23 referendum for the creation of the new district. The new
24 district shall be paid supplementary State aid equal to the sum
25 of the differences between the deficit of the previously
26 existing district with the smallest deficit and the deficits of

1 each of the other previously existing districts.

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

20 (3) For the first year after the annexation of all of the
21 territory of one or more entire school districts by 2 or more
22 other school districts, as defined by Article 7 of this Code,
23 computations shall be made, for the year ending June 30 prior
24 to the date that the change of boundaries attributable to the
25 annexation is allowed by the affirmative decision of the
26 regional board of school trustees under Section 7-6 of this

1 Code, notwithstanding any action for administrative review of
2 the decision, totaling each annexing and annexed district's
3 audited fund balances in their respective educational, working
4 cash, operations and maintenance, and transportation funds.
5 The annexing districts as constituted after the annexation
6 shall be paid supplementary State aid, allocated as provided in
7 this paragraph (3), in an aggregate amount equal to the sum of
8 the differences between the deficit of whichever of the
9 annexing or annexed districts as constituted prior to the
10 annexation had the smallest deficit and the deficits of each of
11 the other districts as constituted prior to the annexation. The
12 aggregate amount of the supplementary State aid payable under
13 this paragraph (3) shall be allocated between or among the
14 annexing districts as follows:

15 (A) the regional superintendent of schools for each
16 educational service region in which an annexed district is
17 located prior to the annexation shall certify to the State
18 Board of Education, on forms that it shall provide for that
19 purpose, the value of all taxable property in each annexed
20 district, as last equalized or assessed by the Department
21 of Revenue prior to the annexation, and the equalized
22 assessed value of each part of the annexed district that
23 was annexed to or included as a part of an annexing
24 district;

25 (B) using equalized assessed values as certified by the
26 regional superintendent of schools under clause (A) of this

1 paragraph (3), the combined audited fund balance deficit of
2 each annexed district as determined under this Section
3 shall be apportioned between or among the annexing
4 districts in the same ratio as the equalized assessed value
5 of that part of the annexed district that was annexed to or
6 included as a part of an annexing district bears to the
7 total equalized assessed value of the annexed district; and

8 (C) the aggregate supplementary State aid payment
9 under this paragraph (3) shall be allocated between or
10 among, and shall be paid to, the annexing districts in the
11 same ratio as the sum of the combined audited fund balance
12 deficit of each annexing district as constituted prior to
13 the annexation, plus all combined audited fund balance
14 deficit amounts apportioned to that annexing district
15 under clause (B) of this subsection, bears to the aggregate
16 of the combined audited fund balance deficits of all of the
17 annexing and annexed districts as constituted prior to the
18 annexation.

19 (4) For the new elementary districts and new high school
20 district formed through a school district conversion, as
21 defined in Section 11E-15 of this Code or the new elementary
22 district or districts and new combined high school - unit
23 district formed through a multi-unit conversion, as defined in
24 subsection (b) of Section 11E-30 of this Code, a computation
25 shall be made totaling each previously existing district's
26 audited fund balances in the educational fund, working cash

1 fund, operations and maintenance fund, and transportation fund
2 for the year ending June 30 prior to the referendum
3 establishing the new districts. In the first year of the new
4 districts, the State shall make a one-time supplementary
5 payment equal to the sum of the differences between the deficit
6 of the previously existing district with the smallest deficit
7 and the deficits of each of the other previously existing
8 districts. A district with a combined balance among the 4 funds
9 that is positive shall be considered to have a deficit of zero.
10 The supplementary payment shall be allocated among the newly
11 formed high school and elementary districts in the manner
12 provided by the petition for the formation of the districts, in
13 the form in which the petition is approved by the regional
14 superintendent of schools or State Superintendent of Education
15 under Section 11E-50 of this Code.

16 (5) For each newly created partial elementary unit
17 district, as defined in subsection (a) or (c) of Section 11E-30
18 of this Code, a computation shall be made totaling the audited
19 fund balances of each previously existing district that formed
20 the new partial elementary unit district in the educational
21 fund, working cash fund, operations and maintenance fund, and
22 transportation fund for the year ending June 30 prior to the
23 referendum for the formation of the partial elementary unit
24 district. In the first year of the new partial elementary unit
25 district, the State shall make a one-time supplementary payment
26 to the new district equal to the sum of the differences between

1 the deficit of the previously existing district with the
2 smallest deficit and the deficits of each of the other
3 previously existing districts. A district with a combined
4 balance among the 4 funds that is positive shall be considered
5 to have a deficit of zero.

6 (6) For an elementary opt-in as defined in subsection (d)
7 of Section 11E-30 of this Code, the deficit fund balance
8 incentive shall be computed in accordance with paragraph (5) of
9 this subsection (c) as if the opted-in elementary was included
10 in the optional elementary unit district at the optional
11 elementary unit district's original effective date. If the
12 calculation in this paragraph (6) is less than that calculated
13 in paragraph (5) of this subsection (c) at the optional
14 elementary unit district's original effective date, then no
15 adjustments may be made. If the calculation in this paragraph
16 (6) is more than that calculated in paragraph (5) of this
17 subsection (c) at the optional elementary unit district's
18 original effective date, then the excess must be paid as
19 follows:

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

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

1 2 years after the effective date for the optional
2 elementary unit district, 75% of the calculated excess
3 shall be paid to the optional elementary unit district in
4 the first year after the effective date of the elementary
5 opt-in.

6 (C) If the effective date for the elementary opt-in is
7 3 years after the effective date for the optional
8 elementary unit district, 50% of the calculated excess
9 shall be paid to the optional elementary unit district in
10 the first year after the effective date of the elementary
11 opt-in.

12 (D) If the effective date for the elementary opt-in is
13 4 years after the effective date for the optional
14 elementary unit district, 25% of the calculated excess
15 shall be paid to the optional elementary unit district in
16 the first year after the effective date of the elementary
17 opt-in.

18 (E) If the effective date for the elementary opt-in is
19 5 years after the effective date for the optional
20 elementary unit district, the optional elementary unit
21 district is not eligible for any additional incentives due
22 to the elementary opt-in.

23 (6.5) For the first year after the annexation of territory
24 detached from another school district whereby the enrollment of
25 the annexing district increases by 90% or more as a result of
26 the annexation, a computation shall be made totaling the

1 audited fund balances of the district gaining territory and the
2 audited fund balances of the district losing territory in the
3 educational fund, working cash fund, operations and
4 maintenance fund, and transportation fund for the year ending
5 June 30 prior to the date that the change of boundaries
6 attributable to the annexation is allowed by the affirmative
7 decision of the regional board of school trustees under Section
8 7-6 of this Code, notwithstanding any action for administrative
9 review of the decision. The annexing district as constituted
10 after the annexation shall be paid supplementary State aid
11 equal to the difference between the deficit of whichever
12 district included in this calculation as constituted prior to
13 the annexation had the smallest deficit and the deficit of each
14 other district included in this calculation as constituted
15 prior to the annexation, multiplied by the ratio of equalized
16 assessed value of the territory detached to the total equalized
17 assessed value of the district losing territory. The regional
18 superintendent of schools for the educational service region in
19 which a district losing territory is located prior to the
20 annexation shall certify to the State Board of Education the
21 value of all taxable property in the district losing territory
22 and the value of all taxable property in the territory being
23 detached, as last equalized or assessed by the Department of
24 Revenue prior to the annexation. To be eligible for
25 supplementary State aid reimbursement under this Section, the
26 intergovernmental agreement to be submitted pursuant to

1 Section 7-14A of this Code must show that fund balances were
2 transferred from the district losing territory to the district
3 gaining territory in the annexation. The changes to this
4 Section made by Public Act 95-707 are intended to be
5 retroactive and applicable to any annexation taking effect on
6 or after July 1, 2004. For annexations that are eligible for
7 payments under this paragraph (6.5) and that are effective on
8 or after July 1, 2004, but before January 11, 2008 (the
9 effective date of Public Act 95-707), the required payment
10 under this paragraph (6.5) shall be paid in the fiscal year of
11 January 11, 2008 (the effective date of Public Act 95-707).

12 (7) For purposes of any calculation required under
13 paragraph (1), (2), (3), (4), (5), (6), or (6.5) of this
14 subsection (c), a district with a combined fund balance that is
15 positive shall be considered to have a deficit of zero. For
16 purposes of determining each district's audited fund balances
17 in its educational fund, working cash fund, operations and
18 maintenance fund, and transportation fund for the specified
19 year ending June 30, as provided in paragraphs (1), (2), (3),
20 (4), (5), (6), and (6.5) of this subsection (c), the balance of
21 each fund shall be deemed decreased by an amount equal to the
22 amount of the annual property tax theretofore levied in the
23 fund by the district for collection and payment to the district
24 during the calendar year in which the June 30 fell, but only to
25 the extent that the tax so levied in the fund actually was
26 received by the district on or before or comprised a part of

1 the fund on such June 30. For purposes of determining each
2 district's audited fund balances, a calculation shall be made
3 for each fund to determine the average for the 3 years prior to
4 the specified year ending June 30, as provided in paragraphs
5 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c),
6 of the district's expenditures in the categories "purchased
7 services", "supplies and materials", and "capital outlay", as
8 those categories are defined in rules of the State Board of
9 Education. If this 3-year average is less than the district's
10 expenditures in these categories for the specified year ending
11 June 30, as provided in paragraphs (1), (2), (3), (4), (5),
12 (6), and (6.5) of this subsection (c), then the 3-year average
13 shall be used in calculating the amounts payable under this
14 Section in place of the amounts shown in these categories for
15 the specified year ending June 30, as provided in paragraphs
16 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c).
17 Any deficit because of State aid not yet received may not be
18 considered in determining the June 30 deficits. The same basis
19 of accounting shall be used by all previously existing
20 districts and by all annexing or annexed districts, as
21 constituted prior to the annexation, in making any computation
22 required under paragraphs (1), (2), (3), (4), (5), (6), and
23 (6.5) of this subsection (c).

24 (8) The supplementary State aid payments under this
25 subsection (c) shall be treated as separate from all other
26 payments made pursuant to Section 18-8.05 of this Code.

1 (d) (1) Following the formation of a combined school
 2 district, as defined in Section 11E-20 of this Code, a new unit
 3 district, as defined in Section 11E-25 of this Code, a new
 4 elementary district or districts and a new high school district
 5 formed through a school district conversion, as defined in
 6 Section 11E-15 of this Code, a new partial elementary unit
 7 district, as defined in Section 11E-30 of this Code, or a new
 8 elementary district or districts formed through a multi-unit
 9 conversion, as defined in subsection (b) of Section 11E-30 of
 10 this Code, or the annexation of all of the territory of one or
 11 more entire school districts by one or more other school
 12 districts, as defined in Article 7 of this Code, a
 13 supplementary State aid reimbursement shall be paid for the
 14 number of school years determined under the following table to
 15 each new or annexing district equal to the sum of \$4,000 for
 16 each certified employee who is employed by the district on a
 17 full-time basis for the regular term of the school year:

18	Reorganized District's Rank	Reorganized District's Rank	
19	by type of district (unit,	in Average Daily Attendance	
20	high school, elementary)	By Quintile	
21	in Equalized Assessed Value		
22	Per Pupil by Quintile		
23			3rd, 4th,
24		1st 2nd	or 5th
25		Quintile Quintile	Quintile

1	1st Quintile	1 year	1 year	1 year
2	2nd Quintile	1 year	2 years	2 years
3	3rd Quintile	2 years	3 years	3 years
4	4th Quintile	2 years	3 years	3 years
5	5th Quintile	2 years	3 years	3 years

6 The State Board of Education shall make a one-time calculation
7 of a reorganized district's quintile ranks. The average daily
8 attendance used in this calculation shall be the best 3 months'
9 average daily attendance for the district's first year. The
10 equalized assessed value per pupil shall be the district's real
11 property equalized assessed value used in calculating the
12 district's first-year general State aid claim, under Section
13 18-8.05 of this Code, or first-year evidence-based funding
14 claim, under Section 18-8.15 of this Code, as applicable,
15 divided by the best 3 months' average daily attendance.

16 No annexing or resulting school district shall be entitled
17 to supplementary State aid under this subsection (d) unless the
18 district acquires at least 30% of the average daily attendance
19 of the district from which the territory is being detached or
20 divided.

21 If a district results from multiple reorganizations that
22 would otherwise qualify the district for multiple payments
23 under this subsection (d) in any year, then the district shall
24 receive a single payment only for that year based solely on the
25 most recent reorganization.

1 (2) For an elementary opt-in, as defined in subsection (d)
2 of Section 11E-30 of this Code, the full-time certified staff
3 incentive shall be computed in accordance with paragraph (1) of
4 this subsection (d), equal to the sum of \$4,000 for each
5 certified employee of the elementary district that opts-in who
6 is employed by the optional elementary unit district on a
7 full-time basis for the regular term of the school year. The
8 calculation from this paragraph (2) 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 amount calculated in
12 this paragraph (2) shall be paid to the optional elementary
13 unit district for the number of years calculated in
14 paragraph (1) of this subsection (d) at the optional
15 elementary unit district's original effective date,
16 starting in the second year after the effective date of the
17 elementary opt-in.

18 (B) If the effective date for the elementary opt-in is
19 2 years after the effective date for the optional
20 elementary unit district, 75% of the amount calculated in
21 this paragraph (2) shall be paid to the optional elementary
22 unit district for the number of years calculated in
23 paragraph (1) of this subsection (d) at the optional
24 elementary unit district's original effective date,
25 starting in the second year after the effective date of the
26 elementary opt-in.

1 (C) If the effective date for the elementary opt-in is
2 3 years after the effective date for the optional
3 elementary unit district, 50% of the amount calculated in
4 this paragraph (2) shall be paid to the optional elementary
5 unit district for the number of years calculated in
6 paragraph (1) of this subsection (d) at the optional
7 elementary unit district's original effective date,
8 starting in the second year after the effective date of the
9 elementary opt-in.

10 (D) If the effective date for the elementary opt-in is
11 4 years after the effective date for the optional
12 elementary unit district, 25% of the amount calculated in
13 this paragraph (2) shall be paid to the optional elementary
14 unit district for the number of years calculated in
15 paragraph (1) of this subsection (d) at the optional
16 elementary unit district's original effective date,
17 starting in the second year after the effective date of the
18 elementary opt-in.

19 (E) If the effective date for the elementary opt-in is
20 5 years after the effective date for the optional
21 elementary unit district, the optional elementary unit
22 district is not eligible for any additional incentives due
23 to the elementary opt-in.

24 (2.5) Following the formation of a cooperative high school
25 by 2 or more school districts under Section 10-22.22c of this
26 Code, a supplementary State aid reimbursement shall be paid for

1 3 school years to the cooperative high school equal to the sum
2 of \$4,000 for each certified employee who is employed by the
3 cooperative high school on a full-time basis for the regular
4 term of any such school year. If a cooperative high school
5 results from multiple agreements that would otherwise qualify
6 the cooperative high school for multiple payments under this
7 Section in any year, the cooperative high school shall receive
8 a single payment for that year based solely on the most recent
9 agreement.

10 (2.10) Following the annexation of territory detached from
11 another school district whereby the enrollment of the annexing
12 district increases 90% or more as a result of the annexation, a
13 supplementary State aid reimbursement shall be paid to the
14 annexing district equal to the sum of \$4,000 for each certified
15 employee who is employed by the annexing district on a
16 full-time basis and shall be calculated in accordance with
17 subsection (a) of this Section. To be eligible for
18 supplementary State aid reimbursement under this Section, the
19 intergovernmental agreement to be submitted pursuant to
20 Section 7-14A of this Code must show that certified staff
21 members were transferred from the control of the district
22 losing territory to the control of the district gaining
23 territory in the annexation. The changes to this Section made
24 by Public Act 95-707 are intended to be retroactive and
25 applicable to any annexation taking effect on or after July 1,
26 2004. For annexations that are eligible for payments under this

1 paragraph (2.10) and that are effective on or after July 1,
2 2004, but before January 11, 2008 (the effective date of Public
3 Act 95-707), the first required yearly payment under this
4 paragraph (2.10) shall be paid in the second fiscal year after
5 January 11, 2008 (the effective date of Public Act 95-707). Any
6 subsequent required yearly payments shall be paid in subsequent
7 fiscal years until the payment obligation under this paragraph
8 (2.10) is complete.

9 (2.15) Following the deactivation of a school facility in
10 accordance with Section 10-22.22b of this Code, a supplementary
11 State aid reimbursement shall be paid for the lesser of 3
12 school years or the length of the deactivation agreement,
13 including any renewals of the original deactivation agreement,
14 to each receiving school district equal to the sum of \$4,000
15 for each certified employee who is employed by that receiving
16 district on a full-time basis for the regular term of any such
17 school year who was originally transferred to the control of
18 that receiving district as a result of the deactivation.
19 Receiving districts are eligible for payments under this
20 paragraph (2.15) based on the certified employees transferred
21 to that receiving district as a result of the deactivation and
22 are not required to receive at least 30% of the deactivating
23 district's average daily attendance as required under
24 paragraph (1) of this subsection (d) to be eligible for
25 payments.

26 (3) The supplementary State aid reimbursement payable

1 under this subsection (d) shall be separate from and in
2 addition to all other payments made to the district pursuant to
3 any other Section of this Article.

4 (4) During May of each school year for which a
5 supplementary State aid reimbursement is to be paid to a new,
6 annexing, or receiving school district or cooperative high
7 school pursuant to this subsection (d), the school board or
8 governing board shall certify to the State Board of Education,
9 on forms furnished to the school board or governing board by
10 the State Board of Education for purposes of this subsection
11 (d), the number of certified employees for which the district
12 or cooperative high school is entitled to reimbursement under
13 this Section, together with the names, certificate numbers, and
14 positions held by the certified employees.

15 (5) Upon certification by the State Board of Education to
16 the State Comptroller of the amount of the supplementary State
17 aid reimbursement to which a school district or cooperative
18 high school is entitled under this subsection (d), the State
19 Comptroller shall draw his or her warrant upon the State
20 Treasurer for the payment thereof to the school district or
21 cooperative high school and shall promptly transmit the payment
22 to the school district or cooperative high school through the
23 appropriate school treasurer.

24 (Source: P.A. 95-331, eff. 8-21-07; 95-707, eff. 1-11-08;
25 95-903, eff. 8-25-08; 96-328, eff. 8-11-09.)

1 (105 ILCS 5/13A-8)

2 Sec. 13A-8. Funding.

3 (a) The State of Illinois shall provide funding for the
4 alternative school programs within each educational service
5 region and within the Chicago public school system by line item
6 appropriation made to the State Board of Education for that
7 purpose. This money, when appropriated, shall be provided to
8 the regional superintendent and to the Chicago Board of
9 Education, who shall establish a budget, including salaries,
10 for their alternative school programs. Each program shall
11 receive funding in the amount of \$30,000 plus an amount based
12 on the ratio of the region's or Chicago's best 3 months'
13 average daily attendance in grades pre-kindergarten through 12
14 to the statewide totals of these amounts. For purposes of this
15 calculation, the best 3 months' average daily attendance for
16 each region or Chicago shall be calculated by adding to the
17 best 3 months' average daily attendance the number of
18 low-income students identified in the most recently available
19 federal census multiplied by one-half times the percentage of
20 the region's or Chicago's low-income students to the State's
21 total low-income students. The State Board of Education shall
22 retain up to 1.1% of the appropriation to be used to provide
23 technical assistance, professional development, and
24 evaluations for the programs.

25 (a-5) Notwithstanding any other provisions of this
26 Section, for the 1998-1999 fiscal year, the total amount

1 distributed under subsection (a) for an alternative school
2 program shall be not less than the total amount that was
3 distributed under that subsection for that alternative school
4 program for the 1997-1998 fiscal year. If an alternative school
5 program is to receive a total distribution under subsection (a)
6 for the 1998-1999 fiscal year that is less than the total
7 distribution that the program received under that subsection
8 for the 1997-1998 fiscal year, that alternative school program
9 shall also receive, from a separate appropriation made for
10 purposes of this subsection (a-5), a supplementary payment
11 equal to the amount by which its total distribution under
12 subsection (a) for the 1997-1998 fiscal year exceeds the amount
13 of the total distribution that the alternative school program
14 receives under that subsection for the 1998-1999 fiscal year.
15 If the amount appropriated for supplementary payments to
16 alternative school programs under this subsection (a-5) is
17 insufficient for that purpose, those supplementary payments
18 shall be prorated among the alternative school programs
19 entitled to receive those supplementary payments according to
20 the aggregate amount of the appropriation made for purposes of
21 this subsection (a-5).

22 (b) An alternative school program shall be entitled to
23 receive general State aid as calculated in subsection (K) of
24 Section 18-8.05 or evidence-based funding as calculated in
25 subsection (g) of Section 18-8.15 upon filing a claim as
26 provided therein. Any time that a student who is enrolled in an

1 alternative school program spends in work-based learning,
2 community service, or a similar alternative educational
3 setting shall be included in determining the student's minimum
4 number of clock hours of daily school work that constitute a
5 day of attendance for purposes of calculating general State aid
6 or evidence-based funding.

7 (c) An alternative school program may receive additional
8 funding from its school districts in such amount as may be
9 agreed upon by the parties and necessary to support the
10 program. In addition, an alternative school program is
11 authorized to accept and expend gifts, legacies, and grants,
12 including but not limited to federal grants, from any source
13 for purposes directly related to the conduct and operation of
14 the program.

15 (Source: P.A. 89-383, eff. 8-18-95; 89-629, eff. 8-9-96;
16 89-636, eff. 8-9-96; 90-14, eff. 7-1-97; 90-283, eff. 7-31-97;
17 90-802, eff. 12-15-98.)

18 (105 ILCS 5/13B-20.20)

19 Sec. 13B-20.20. Enrollment in other programs. High school
20 equivalency testing preparation programs are not eligible for
21 funding under this Article. A student may enroll in a program
22 approved under Section 18-8.05 or 18-8.15 of this Code, as
23 appropriate, or attend both the alternative learning
24 opportunities program and the regular school program to enhance
25 student performance and facilitate on-time graduation.

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

2 (105 ILCS 5/13B-45)

3 Sec. 13B-45. Days and hours of attendance. An alternative
4 learning opportunities program shall provide students with at
5 least the minimum number of days of pupil attendance required
6 under Section 10-19 of this Code and the minimum number of
7 daily hours of school work required under Section 18-8.05 or
8 18-8.15 of this Code, provided that the State Board may approve
9 exceptions to these requirements if the program meets all of
10 the following conditions:

11 (1) The district plan submitted under Section
12 13B-25.15 of this Code establishes that a program providing
13 the required minimum number of days of attendance or daily
14 hours of school work would not serve the needs of the
15 program's students.

16 (2) Each day of attendance shall provide no fewer than
17 3 clock hours of school work, as defined under paragraph
18 (1) of subsection (F) of Section 18-8.05 of this Code.

19 (3) Each day of attendance that provides fewer than 5
20 clock hours of school work shall also provide supplementary
21 services, including without limitation work-based
22 learning, student assistance programs, counseling, case
23 management, health and fitness programs, or life-skills or
24 conflict resolution training, in order to provide a total
25 daily program to the student of 5 clock hours. A program

1 may claim general State aid or evidence-based funding for
2 up to 2 hours of the time each day that a student is
3 receiving supplementary services.

4 (4) Each program shall provide no fewer than 174 days
5 of actual pupil attendance during the school term; however,
6 approved evening programs that meet the requirements of
7 Section 13B-45 of this Code may offer less than 174 days of
8 actual pupil attendance during the school term.

9 (Source: P.A. 92-42, eff. 1-1-02.)

10 (105 ILCS 5/13B-50)

11 Sec. 13B-50. Eligibility to receive general State aid or
12 evidence-based funding. In order to receive general State aid
13 or evidence-based funding, alternative learning opportunities
14 programs must meet the requirements for claiming general State
15 aid as specified in Section 18-8.05 of this Code or
16 evidence-based funding as specified in Section 18-8.15 of this
17 Code, as applicable, with the exception of the length of the
18 instructional day, which may be less than 5 hours of school
19 work if the program meets the criteria set forth under Sections
20 13B-50.5 and 13B-50.10 of this Code and if the program is
21 approved by the State Board.

22 (Source: P.A. 92-42, eff. 1-1-02.)

23 (105 ILCS 5/13B-50.10)

24 Sec. 13B-50.10. Additional criteria for general State aid

1 or evidence-based funding. In order to claim general State aid
2 or evidence-based funding, an alternative learning
3 opportunities program must meet the following criteria:

4 (1) Teacher professional development plans should include
5 education in the instruction of at-risk students.

6 (2) Facilities must meet the health, life, and safety
7 requirements in this Code.

8 (3) The program must comply with all other State and
9 federal laws applicable to education providers.

10 (Source: P.A. 92-42, eff. 1-1-02.)

11 (105 ILCS 5/13B-50.15)

12 Sec. 13B-50.15. Level of funding. Approved alternative
13 learning opportunities programs are entitled to claim general
14 State aid or evidence-based funding, subject to Sections
15 13B-50, 13B-50.5, and 13B-50.10 of this Code. Approved programs
16 operated by regional offices of education are entitled to
17 receive general State aid at the foundation level of support. A
18 school district or consortium must ensure that an approved
19 program receives supplemental general State aid,
20 transportation reimbursements, and special education
21 resources, if appropriate, for students enrolled in the
22 program.

23 (Source: P.A. 92-42, eff. 1-1-02.)

24 (105 ILCS 5/14-7.02) (from Ch. 122, par. 14-7.02)

1 Sec. 14-7.02. Children attending private schools, public
2 out-of-state schools, public school residential facilities or
3 private special education facilities. The General Assembly
4 recognizes that non-public schools or special education
5 facilities provide an important service in the educational
6 system in Illinois.

7 If because of his or her disability the special education
8 program of a district is unable to meet the needs of a child
9 and the child attends a non-public school or special education
10 facility, a public out-of-state school or a special education
11 facility owned and operated by a county government unit that
12 provides special educational services required by the child and
13 is in compliance with the appropriate rules and regulations of
14 the State Superintendent of Education, the school district in
15 which the child is a resident shall pay the actual cost of
16 tuition for special education and related services provided
17 during the regular school term and during the summer school
18 term if the child's educational needs so require, excluding
19 room, board and transportation costs charged the child by that
20 non-public school or special education facility, public
21 out-of-state school or county special education facility, or
22 \$4,500 per year, whichever is less, and shall provide him any
23 necessary transportation. "Nonpublic special education
24 facility" shall include a residential facility, within or
25 without the State of Illinois, which provides special education
26 and related services to meet the needs of the child by

1 utilizing private schools or public schools, whether located on
2 the site or off the site of the residential facility.

3 The State Board of Education shall promulgate rules and
4 regulations for determining when placement in a private special
5 education facility is appropriate. Such rules and regulations
6 shall take into account the various types of services needed by
7 a child and the availability of such services to the particular
8 child in the public school. In developing these rules and
9 regulations the State Board of Education shall consult with the
10 Advisory Council on Education of Children with Disabilities and
11 hold public hearings to secure recommendations from parents,
12 school personnel, and others concerned about this matter.

13 The State Board of Education shall also promulgate rules
14 and regulations for transportation to and from a residential
15 school. Transportation to and from home to a residential school
16 more than once each school term shall be subject to prior
17 approval by the State Superintendent in accordance with the
18 rules and regulations of the State Board.

19 A school district making tuition payments pursuant to this
20 Section is eligible for reimbursement from the State for the
21 amount of such payments actually made in excess of the district
22 per capita tuition charge for students not receiving special
23 education services. Such reimbursement shall be approved in
24 accordance with Section 14-12.01 and each district shall file
25 its claims, computed in accordance with rules prescribed by the
26 State Board of Education, on forms prescribed by the State

1 Superintendent of Education. Data used as a basis of
2 reimbursement claims shall be for the preceding regular school
3 term and summer school term. Each school district shall
4 transmit its claims to the State Board of Education on or
5 before August 15. The State Board of Education, before
6 approving any such claims, shall determine their accuracy and
7 whether they are based upon services and facilities provided
8 under approved programs. Upon approval the State Board shall
9 cause vouchers to be prepared showing the amount due for
10 payment of reimbursement claims to school districts, for
11 transmittal to the State Comptroller on the 30th day of
12 September, December, and March, respectively, and the final
13 voucher, no later than June 20. If the money appropriated by
14 the General Assembly for such purpose for any year is
15 insufficient, it shall be apportioned on the basis of the
16 claims approved.

17 No child shall be placed in a special education program
18 pursuant to this Section if the tuition cost for special
19 education and related services increases more than 10 percent
20 over the tuition cost for the previous school year or exceeds
21 \$4,500 per year unless such costs have been approved by the
22 Illinois Purchased Care Review Board. The Illinois Purchased
23 Care Review Board shall consist of the following persons, or
24 their designees: the Directors of Children and Family Services,
25 Public Health, Public Aid, and the Governor's Office of
26 Management and Budget; the Secretary of Human Services; the

1 State Superintendent of Education; and such other persons as
2 the Governor may designate. The Review Board shall also consist
3 of one non-voting member who is an administrator of a private,
4 nonpublic, special education school. The Review Board shall
5 establish rules and regulations for its determination of
6 allowable costs and payments made by local school districts for
7 special education, room and board, and other related services
8 provided by non-public schools or special education facilities
9 and shall establish uniform standards and criteria which it
10 shall follow. The Review Board shall approve the usual and
11 customary rate or rates of a special education program that (i)
12 is offered by an out-of-state, non-public provider of
13 integrated autism specific educational and autism specific
14 residential services, (ii) offers 2 or more levels of
15 residential care, including at least one locked facility, and
16 (iii) serves 12 or fewer Illinois students.

17 The Review Board shall establish uniform definitions and
18 criteria for accounting separately by special education, room
19 and board and other related services costs. The Board shall
20 also establish guidelines for the coordination of services and
21 financial assistance provided by all State agencies to assure
22 that no otherwise qualified child with a disability receiving
23 services under Article 14 shall be excluded from participation
24 in, be denied the benefits of or be subjected to discrimination
25 under any program or activity provided by any State agency.

26 The Review Board shall review the costs for special

1 education and related services provided by non-public schools
2 or special education facilities and shall approve or disapprove
3 such facilities in accordance with the rules and regulations
4 established by it with respect to allowable costs.

5 The State Board of Education shall provide administrative
6 and staff support for the Review Board as deemed reasonable by
7 the State Superintendent of Education. This support shall not
8 include travel expenses or other compensation for any Review
9 Board member other than the State Superintendent of Education.

10 The Review Board shall seek the advice of the Advisory
11 Council on Education of Children with Disabilities on the rules
12 and regulations to be promulgated by it relative to providing
13 special education services.

14 If a child has been placed in a program in which the actual
15 per pupil costs of tuition for special education and related
16 services based on program enrollment, excluding room, board and
17 transportation costs, exceed \$4,500 and such costs have been
18 approved by the Review Board, the district shall pay such total
19 costs which exceed \$4,500. A district making such tuition
20 payments in excess of \$4,500 pursuant to this Section shall be
21 responsible for an amount in excess of \$4,500 equal to the
22 district per capita tuition charge and shall be eligible for
23 reimbursement from the State for the amount of such payments
24 actually made in excess of the districts per capita tuition
25 charge for students not receiving special education services.

26 If a child has been placed in an approved individual

1 program and the tuition costs including room and board costs
2 have been approved by the Review Board, then such room and
3 board costs shall be paid by the appropriate State agency
4 subject to the provisions of Section 14-8.01 of this Act. Room
5 and board costs not provided by a State agency other than the
6 State Board of Education shall be provided by the State Board
7 of Education on a current basis. In no event, however, shall
8 the State's liability for funding of these tuition costs begin
9 until after the legal obligations of third party payors have
10 been subtracted from such costs. If the money appropriated by
11 the General Assembly for such purpose for any year is
12 insufficient, it shall be apportioned on the basis of the
13 claims approved. Each district shall submit estimated claims to
14 the State Superintendent of Education. Upon approval of such
15 claims, the State Superintendent of Education shall direct the
16 State Comptroller to make payments on a monthly basis. The
17 frequency for submitting estimated claims and the method of
18 determining payment shall be prescribed in rules and
19 regulations adopted by the State Board of Education. Such
20 current state reimbursement shall be reduced by an amount equal
21 to the proceeds which the child or child's parents are eligible
22 to receive under any public or private insurance or assistance
23 program. Nothing in this Section shall be construed as
24 relieving an insurer or similar third party from an otherwise
25 valid obligation to provide or to pay for services provided to
26 a child with a disability.

1 If it otherwise qualifies, a school district is eligible
2 for the transportation reimbursement under Section 14-13.01
3 and for the reimbursement of tuition payments under this
4 Section whether the non-public school or special education
5 facility, public out-of-state school or county special
6 education facility, attended by a child who resides in that
7 district and requires special educational services, is within
8 or outside of the State of Illinois. However, a district is not
9 eligible to claim transportation reimbursement under this
10 Section unless the district certifies to the State
11 Superintendent of Education that the district is unable to
12 provide special educational services required by the child for
13 the current school year.

14 Nothing in this Section authorizes the reimbursement of a
15 school district for the amount paid for tuition of a child
16 attending a non-public school or special education facility,
17 public out-of-state school or county special education
18 facility unless the school district certifies to the State
19 Superintendent of Education that the special education program
20 of that district is unable to meet the needs of that child
21 because of his disability and the State Superintendent of
22 Education finds that the school district is in substantial
23 compliance with Section 14-4.01. However, if a child is
24 unilaterally placed by a State agency or any court in a
25 non-public school or special education facility, public
26 out-of-state school, or county special education facility, a

1 school district shall not be required to certify to the State
2 Superintendent of Education, for the purpose of tuition
3 reimbursement, that the special education program of that
4 district is unable to meet the needs of a child because of his
5 or her disability.

6 Any educational or related services provided, pursuant to
7 this Section in a non-public school or special education
8 facility or a special education facility owned and operated by
9 a county government unit shall be at no cost to the parent or
10 guardian of the child. However, current law and practices
11 relative to contributions by parents or guardians for costs
12 other than educational or related services are not affected by
13 this amendatory Act of 1978.

14 Reimbursement for children attending public school
15 residential facilities shall be made in accordance with the
16 provisions of this Section.

17 Notwithstanding any other provision of law, any school
18 district receiving a payment under this Section or under
19 Section 14-7.02b, 14-13.01, or 29-5 of this Code may classify
20 all or a portion of the funds that it receives in a particular
21 fiscal year or from general State aid pursuant to Section
22 18-8.05 of this Code as funds received in connection with any
23 funding program for which it is entitled to receive funds from
24 the State in that fiscal year (including, without limitation,
25 any funding program referenced in this Section), regardless of
26 the source or timing of the receipt. The district may not

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

23 Notwithstanding anything to the contrary contained in this
24 Section, the State Board of Education shall award to a school
25 district having a population exceeding 500,000 inhabitants
26 48.4% of the funds appropriated by the General Assembly for any

1 fiscal year for purposes of payments to school districts under
2 this Section.

3 (Source: P.A. 98-636, eff. 6-6-14; 98-1008, eff. 1-1-15; 99-78,
4 eff. 7-20-15; 99-143, eff. 7-27-15.)

5 (105 ILCS 5/14-7.02b)

6 Sec. 14-7.02b. Funding for children requiring special
7 education services. Payments to school districts for children
8 requiring special education services documented in their
9 individualized education program regardless of the program
10 from which these services are received, excluding children
11 claimed under Sections 14-7.02 and 14-7.03 of this Code, shall
12 be made in accordance with this Section. Funds received under
13 this Section may be used only for the provision of special
14 educational facilities and services as defined in Section
15 14-1.08 of this Code.

16 The appropriation for fiscal year 2005 through fiscal year
17 2017 and thereafter shall be based upon the IDEA child count of
18 all students in the State, excluding students claimed under
19 Sections 14-7.02 and 14-7.03 of this Code, on December 1 of the
20 fiscal year 2 years preceding, multiplied by 17.5% of the
21 general State aid foundation level of support established for
22 that fiscal year under Section 18-8.05 of this Code.

23 Beginning with fiscal year 2005 and through fiscal year
24 2007, individual school districts shall not receive payments
25 under this Section totaling less than they received under the

1 funding authorized under Section 14-7.02a of this Code during
2 fiscal year 2004, pursuant to the provisions of Section
3 14-7.02a as they were in effect before the effective date of
4 this amendatory Act of the 93rd General Assembly. This base
5 level funding shall be computed first.

6 Beginning with fiscal year 2008 through fiscal year 2017
7 ~~and each fiscal year thereafter~~, individual school districts
8 must not receive payments under this Section totaling less than
9 they received in fiscal year 2007. This funding shall be
10 computed last and shall be a separate calculation from any
11 other calculation set forth in this Section. This amount is
12 exempt from the requirements of Section 1D-1 of this Code.

13 Through fiscal year 2017, an ~~An~~ amount equal to 85% of the
14 funds remaining in the appropriation shall be allocated to
15 school districts based upon the district's average daily
16 attendance reported for purposes of Section 18-8.05 of this
17 Code for the preceding school year. Fifteen percent of the
18 funds remaining in the appropriation shall be allocated to
19 school districts based upon the district's low income eligible
20 pupil count used in the calculation of general State aid under
21 Section 18-8.05 of this Code for the same fiscal year. One
22 hundred percent of the funds computed and allocated to
23 districts under this Section shall be distributed and paid to
24 school districts.

25 For individual students with disabilities whose program
26 costs exceed 4 times the district's per capita tuition rate as

1 calculated under Section 10-20.12a of this Code, the costs in
2 excess of 4 times the district's per capita tuition rate shall
3 be paid by the State Board of Education from unexpended IDEA
4 discretionary funds originally designated for room and board
5 reimbursement pursuant to Section 14-8.01 of this Code. The
6 amount of tuition for these children shall be determined by the
7 actual cost of maintaining classes for these children, using
8 the per capita cost formula set forth in Section 14-7.01 of
9 this Code, with the program and cost being pre-approved by the
10 State Superintendent of Education. Reimbursement for
11 individual students with disabilities whose program costs
12 exceed 4 times the district's per capita tuition rate shall be
13 claimed beginning with costs encumbered for the 2004-2005
14 school year and thereafter.

15 The State Board of Education shall prepare vouchers equal
16 to one-fourth the amount allocated to districts, for
17 transmittal to the State Comptroller on the 30th day of
18 September, December, and March, respectively, and the final
19 voucher, no later than June 20. The Comptroller shall make
20 payments pursuant to this Section to school districts as soon
21 as possible after receipt of vouchers. If the money
22 appropriated from the General Assembly for such purposes for
23 any year is insufficient, it shall be apportioned on the basis
24 of the payments due to school districts.

25 Nothing in this Section shall be construed to decrease or
26 increase the percentage of all special education funds that are

1 allocated annually under Article 1D of this Code or to alter
2 the requirement that a school district provide special
3 education services.

4 Nothing in this amendatory Act of the 93rd General Assembly
5 shall eliminate any reimbursement obligation owed as of the
6 effective date of this amendatory Act of the 93rd General
7 Assembly to a school district with in excess of 500,000
8 inhabitants.

9 Except for reimbursement for individual students with
10 disabilities whose program costs exceed 4 times the district's
11 per capita tuition rate, no funding shall be provided to school
12 districts under this Section after fiscal year 2017.

13 (Source: P.A. 93-1022, eff. 8-24-08; 95-705, eff. 1-8-08.)

14 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

15 Sec. 14-13.01. Reimbursement payable by State; amounts for
16 personnel and transportation.

17 (a) Through fiscal year 2017, for ~~For~~ staff working on
18 behalf of children who have not been identified as eligible for
19 special education and for eligible children with physical
20 disabilities, including all eligible children whose placement
21 has been determined under Section 14-8.02 in hospital or home
22 instruction, 1/2 of the teacher's salary but not more than
23 \$1,000 annually per child or \$9,000 per teacher, whichever is
24 less.

25 (a-5) A child qualifies for home or hospital instruction if

1 it is anticipated that, due to a medical condition, the child
2 will be unable to attend school, and instead must be instructed
3 at home or in the hospital, for a period of 2 or more
4 consecutive weeks or on an ongoing intermittent basis. For
5 purposes of this Section, "ongoing intermittent basis" means
6 that the child's medical condition is of such a nature or
7 severity that it is anticipated that the child will be absent
8 from school due to the medical condition for periods of at
9 least 2 days at a time multiple times during the school year
10 totaling at least 10 days or more of absences. There shall be
11 no requirement that a child be absent from school a minimum
12 number of days before the child qualifies for home or hospital
13 instruction. In order to establish eligibility for home or
14 hospital services, a student's parent or guardian must submit
15 to the child's school district of residence a written statement
16 from a physician licensed to practice medicine in all of its
17 branches stating the existence of such medical condition, the
18 impact on the child's ability to participate in education, and
19 the anticipated duration or nature of the child's absence from
20 school. Home or hospital instruction may commence upon receipt
21 of a written physician's statement in accordance with this
22 Section, but instruction shall commence not later than 5 school
23 days after the school district receives the physician's
24 statement. Special education and related services required by
25 the child's IEP or services and accommodations required by the
26 child's federal Section 504 plan must be implemented as part of

1 the child's home or hospital instruction, unless the IEP team
2 or federal Section 504 plan team determines that modifications
3 are necessary during the home or hospital instruction due to
4 the child's condition.

5 (a-10) Through fiscal year 2017, eligible ~~Eligible~~
6 children to be included in any reimbursement under this
7 paragraph must regularly receive a minimum of one hour of
8 instruction each school day, or in lieu thereof of a minimum of
9 5 hours of instruction in each school week in order to qualify
10 for full reimbursement under this Section. If the attending
11 physician for such a child has certified that the child should
12 not receive as many as 5 hours of instruction in a school week,
13 however, reimbursement under this paragraph on account of that
14 child shall be computed proportionate to the actual hours of
15 instruction per week for that child divided by 5.

16 (a-15) The State Board of Education shall establish rules
17 governing the required qualifications of staff providing home
18 or hospital instruction.

19 (b) For children described in Section 14-1.02, 80% of the
20 cost of transportation approved as a related service in the
21 Individualized Education Program for each student in order to
22 take advantage of special educational facilities.
23 Transportation costs shall be determined in the same fashion as
24 provided in Section 29-5 of this Code, provided that,
25 notwithstanding anything to the contrary contained in this
26 subsection (b) or Section 29-5 of this Code, the State Board of

1 Education shall award to a school district having a population
2 exceeding 500,000 inhabitants 30.7% of the funds appropriated
3 by the General Assembly for any fiscal year for purposes of
4 payment of transportation cost claims under this subsection
5 (b). For purposes of this subsection (b), the dates for
6 processing claims specified in Section 29-5 shall apply.

7 (c) Through fiscal year 2017, for ~~For~~ each qualified
8 worker, the annual sum of \$9,000.

9 (d) Through fiscal year 2017, for ~~For~~ one full time
10 qualified director of the special education program of each
11 school district which maintains a fully approved program of
12 special education the annual sum of \$9,000. Districts
13 participating in a joint agreement special education program
14 shall not receive such reimbursement if reimbursement is made
15 for a director of the joint agreement program.

16 (e) (Blank).

17 (f) (Blank).

18 (g) Through fiscal year 2017, for ~~For~~ readers, working with
19 blind or partially seeing children 1/2 of their salary but not
20 more than \$400 annually per child. Readers may be employed to
21 assist such children and shall not be required to be certified
22 but prior to employment shall meet standards set up by the
23 State Board of Education.

24 (h) Through fiscal year 2017, for ~~For~~ non-certified
25 employees, as defined by rules promulgated by the State Board
26 of Education, who deliver services to students with IEPs, 1/2

1 of the salary paid or \$3,500 per employee, whichever is less.

2 (i) The State Board of Education shall set standards and
3 prescribe rules for determining the allocation of
4 reimbursement under this section on less than a full time basis
5 and for less than a school year.

6 When any school district eligible for reimbursement under
7 this Section operates a school or program approved by the State
8 Superintendent of Education for a number of days in excess of
9 the adopted school calendar but not to exceed 235 school days,
10 such reimbursement shall be increased by 1/180 of the amount or
11 rate paid hereunder for each day such school is operated in
12 excess of 180 days per calendar year.

13 Notwithstanding any other provision of law, any school
14 district receiving a payment under this Section or under
15 Section 14-7.02, 14-7.02b, or 29-5 of this Code may classify
16 all or a portion of the funds that it receives in a particular
17 fiscal year or from evidence-based funding ~~general State aid~~
18 pursuant to Section 18-8.15 ~~18-8.05~~ of this Code as funds
19 received in connection with any funding program for which it is
20 entitled to receive funds from the State in that fiscal year
21 (including, without limitation, any funding program referenced
22 in this Section), regardless of the source or timing of the
23 receipt. The district may not classify more funds as funds
24 received in connection with the funding program than the
25 district is entitled to receive in that fiscal year for that
26 program. Any classification by a district must be made by a

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

20 (Source: P.A. 96-257, eff. 8-11-09; 97-123, eff. 7-14-11.)

21 (105 ILCS 5/14C-1) (from Ch. 122, par. 14C-1)

22 Sec. 14C-1. The General Assembly finds that there are large
23 numbers of children in this State who come from environments
24 where the primary language is other than English. Experience
25 has shown that public school classes in which instruction is

1 given only in English are often inadequate for the education of
2 children whose native tongue is another language. The General
3 Assembly believes that a program of transitional bilingual
4 education can meet the needs of these children and facilitate
5 their integration into the regular public school curriculum.
6 Therefore, pursuant to the policy of this State to ensure equal
7 educational opportunity to every child, and in recognition of
8 the educational needs of English learners, it is the purpose of
9 this Act to provide for the establishment of transitional
10 bilingual education programs in the public schools, to provide
11 supplemental financial assistance through fiscal year 2017 to
12 help local school districts meet the extra costs of such
13 programs, and to allow this State to directly or indirectly
14 provide technical assistance and professional development to
15 support transitional bilingual education programs statewide.

16 (Source: P.A. 99-30, eff. 7-10-15.)

17 (105 ILCS 5/14C-12) (from Ch. 122, par. 14C-12)

18 Sec. 14C-12. Account of expenditures; Cost report;
19 Reimbursement. Each school district with at least one English
20 learner shall keep an accurate, detailed and separate account
21 of all monies paid out by it for the programs in transitional
22 bilingual education required or permitted by this Article,
23 including transportation costs, and shall annually report
24 thereon for the school year ending June 30 indicating the
25 average per pupil expenditure. Through fiscal year 2017, each

1 ~~Each~~ school district shall be reimbursed for the amount by
2 which such costs exceed the average per pupil expenditure by
3 such school district for the education of children of
4 comparable age who are not in any special education program. No
5 funding shall be provided to school districts under this
6 Section after fiscal year 2017. In fiscal year 2018 and each
7 fiscal year thereafter, all funding received by a school
8 district from the State pursuant to Section 18-8.15 of this
9 Code that is attributable to instructions, supports, and
10 interventions for English learner pupils must be used for
11 programs and services authorized under this Article. At least
12 60% of transitional bilingual education funding received from
13 the State must be used for the instructional costs of programs
14 and services authorized under this Article ~~transitional~~
15 ~~bilingual education.~~

16 Applications for preapproval ~~for reimbursement~~ for costs
17 of transitional bilingual education programs must be submitted
18 to the State Superintendent of Education at least 60 days
19 before a transitional bilingual education program is started,
20 unless a justifiable exception is granted by the State
21 Superintendent of Education. Applications shall set forth a
22 plan for transitional bilingual education established and
23 maintained in accordance with this Article.

24 Through fiscal year 2017, reimbursement ~~Reimbursement~~
25 claims for transitional bilingual education programs shall be
26 made as follows:

1 Each school district shall claim reimbursement on a current
2 basis for the first 3 quarters of the fiscal year and file a
3 final adjusted claim for the school year ended June 30
4 preceding computed in accordance with rules prescribed by the
5 State Superintendent's Office. The State Superintendent of
6 Education before approving any such claims shall determine
7 their accuracy and whether they are based upon services and
8 facilities provided under approved programs. Upon approval he
9 shall transmit to the Comptroller the vouchers showing the
10 amounts due for school district reimbursement claims. Upon
11 receipt of the final adjusted claims the State Superintendent
12 of Education shall make a final determination of the accuracy
13 of such claims. If the money appropriated by the General
14 Assembly for such purpose for any year is insufficient, it
15 shall be apportioned on the basis of the claims approved.

16 Failure on the part of the school district to prepare and
17 certify the final adjusted claims due under this Section may
18 constitute a forfeiture by the school district of its right to
19 be reimbursed by the State under this Section.

20 (Source: P.A. 96-1170, eff. 1-1-11.)

21 (105 ILCS 5/17-1) (from Ch. 122, par. 17-1)

22 Sec. 17-1. Annual Budget. The board of education of each
23 school district under 500,000 inhabitants shall, within or
24 before the first quarter of each fiscal year, adopt and file
25 with the State Board of Education an annual balanced budget

1 which it deems necessary to defray all necessary expenses and
2 liabilities of the district, and in such annual budget shall
3 specify the objects and purposes of each item and amount needed
4 for each object or purpose.

5 The budget shall be entered upon a School District Budget
6 form prepared and provided by the State Board of Education and
7 therein shall contain a statement of the cash on hand at the
8 beginning of the fiscal year, an estimate of the cash expected
9 to be received during such fiscal year from all sources, an
10 estimate of the expenditures contemplated for such fiscal year,
11 and a statement of the estimated cash expected to be on hand at
12 the end of such year. The estimate of taxes to be received may
13 be based upon the amount of actual cash receipts that may
14 reasonably be expected by the district during such fiscal year,
15 estimated from the experience of the district in prior years
16 and with due regard for other circumstances that may
17 substantially affect such receipts. Nothing in this Section
18 shall be construed as requiring any district to change or
19 preventing any district from changing from a cash basis of
20 financing to a surplus or deficit basis of financing; or as
21 requiring any district to change or preventing any district
22 from changing its system of accounting. The budget shall
23 conform to the requirements adopted by the State Board of
24 Education pursuant to Section 2-3.28 of this Code.

25 To the extent that a school district's budget is not
26 balanced, the district shall also adopt and file with the State

1 Board of Education a deficit reduction plan to balance the
2 district's budget within 3 years. The deficit reduction plan
3 must be filed at the same time as the budget, but the State
4 Superintendent of Education may extend this deadline if the
5 situation warrants.

6 If, as the result of an audit performed in compliance with
7 Section 3-7 of this Code, the resulting Annual Financial Report
8 required to be submitted pursuant to Section 3-15.1 of this
9 Code reflects a deficit as defined for purposes of the
10 preceding paragraph, then the district shall, within 30 days
11 after acceptance of such audit report, submit a deficit
12 reduction plan.

13 The board of education of each district shall fix a fiscal
14 year therefor. If the beginning of the fiscal year of a
15 district is subsequent to the time that the tax levy due to be
16 made in such fiscal year shall be made, then such annual budget
17 shall be adopted prior to the time such tax levy shall be made.
18 The failure by a board of education of any district to adopt an
19 annual budget, or to comply in any respect with the provisions
20 of this Section, shall not affect the validity of any tax levy
21 of the district otherwise in conformity with the law. With
22 respect to taxes levied either before, on, or after the
23 effective date of this amendatory Act of the 91st General
24 Assembly, (i) a tax levy is made for the fiscal year in which
25 the levy is due to be made regardless of which fiscal year the
26 proceeds of the levy are expended or are intended to be

1 expended, and (ii) except as otherwise provided by law, a board
2 of education's adoption of an annual budget in conformity with
3 this Section is not a prerequisite to the adoption of a valid
4 tax levy and is not a limit on the amount of the levy.

5 Such budget shall be prepared in tentative form by some
6 person or persons designated by the board, and in such
7 tentative form shall be made conveniently available to public
8 inspection for at least 30 days prior to final action thereon.
9 At least 1 public hearing shall be held as to such budget prior
10 to final action thereon. Notice of availability for public
11 inspection and of such public hearing shall be given by
12 publication in a newspaper published in such district, at least
13 30 days prior to the time of such hearing. If there is no
14 newspaper published in such district, notice of such public
15 hearing shall be given by posting notices thereof in 5 of the
16 most public places in such district. It shall be the duty of
17 the secretary of such board to make such tentative budget
18 available to public inspection, and to arrange for such public
19 hearing. The board may from time to time make transfers between
20 the various items in any fund not exceeding in the aggregate
21 10% of the total of such fund as set forth in the budget. The
22 board may from time to time amend such budget by the same
23 procedure as is herein provided for its original adoption.

24 Beginning July 1, 1976, the board of education, or regional
25 superintendent, or governing board responsible for the
26 administration of a joint agreement shall, by September 1 of

1 each fiscal year thereafter, adopt an annual budget for the
2 joint agreement in the same manner and subject to the same
3 requirements as are provided in this Section.

4 The State Board of Education shall exercise powers and
5 duties relating to budgets as provided in Section 2-3.27 of
6 this Code and shall require school districts to submit their
7 annual budgets, deficit reduction plans, and other financial
8 information, including revenue and expenditure reports and
9 borrowing and interfund transfer plans, in such form and within
10 the timelines designated by the State Board of Education.

11 By fiscal year 1982 all school districts shall use the
12 Program Budget Accounting System.

13 In the case of a school district receiving emergency State
14 financial assistance under Article 1B, the school board shall
15 also be subject to the requirements established under Article
16 1B with respect to the annual budget.

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

18 (105 ILCS 5/17-1.2)

19 Sec. 17-1.2. Post annual budget on web site. If a school
20 district has an Internet web site, the school district shall
21 post its current annual budget, itemized by receipts and
22 expenditures, on the district's Internet web site. The budget
23 shall include information conforming to the rules adopted by
24 the State Board of Education pursuant to Section 2-3.28 of this
25 Code. The school district shall notify the parents or guardians

1 of its students that the budget has been posted on the
2 district's web site and what the web site's address is.

3 (Source: P.A. 92-438, eff. 1-1-02.)

4 (105 ILCS 5/17-1.5)

5 Sec. 17-1.5. Limitation of administrative costs.

6 (a) It is the purpose of this Section to establish
7 limitations on the growth of administrative expenditures in
8 order to maximize the proportion of school district resources
9 available for the instructional program, building maintenance,
10 and safety services for the students of each district.

11 (b) Definitions. For the purposes of this Section:

12 "Administrative expenditures" mean the annual expenditures
13 of school districts properly attributable to expenditure
14 functions defined by the rules of the State Board of Education
15 as: 2320 (Executive Administration Services); 2330 (Special
16 Area Administration Services); 2490 (Other Support Services -
17 School Administration); 2510 (Direction of Business Support
18 Services); 2570 (Internal Services); and 2610 (Direction of
19 Central Support Services); provided, however, that
20 "administrative expenditures" shall not include early
21 retirement or other pension system obligations required by
22 State law.

23 "School district" means all school districts having a
24 population of less than 500,000.

25 (c) For the 1998-99 school year and each school year

1 thereafter, each school district shall undertake budgetary and
2 expenditure control actions so that the increase in
3 administrative expenditures for that school year over the prior
4 school year does not exceed 5%. School districts with
5 administrative expenditures per pupil in the 25th percentile
6 and below for all districts of the same type, as defined by the
7 State Board of Education, may waive the limitation imposed
8 under this Section for any year following a public hearing and
9 with the affirmative vote of at least two-thirds of the members
10 of the school board of the district. Any district waiving the
11 limitation shall notify the State Board within 45 days of such
12 action.

13 (d) School districts shall file with the State Board of
14 Education by November 15, 1998 and by each November 15th
15 thereafter a one-page report that lists (i) the actual
16 administrative expenditures for the prior year from the
17 district's audited Annual Financial Report, and (ii) the
18 projected administrative expenditures for the current year
19 from the budget adopted by the school board pursuant to Section
20 17-1 of this Code.

21 If a school district that is ineligible to waive the
22 limitation imposed by subsection (c) of this Section by board
23 action exceeds the limitation solely because of circumstances
24 beyond the control of the district and the district has
25 exhausted all available and reasonable remedies to comply with
26 the limitation, the district may request a waiver pursuant to

1 Section 2-3.25g. The waiver application shall specify the
2 amount, nature, and reason for the relief requested, as well as
3 all remedies the district has exhausted to comply with the
4 limitation. Any emergency relief so requested shall apply only
5 to the specific school year for which the request is made. The
6 State Board of Education shall analyze all such waivers
7 submitted and shall recommend that the General Assembly
8 disapprove any such waiver requested that is not due solely to
9 circumstances beyond the control of the district and for which
10 the district has not exhausted all available and reasonable
11 remedies to comply with the limitation. The State
12 Superintendent shall have no authority to impose any sanctions
13 pursuant to this Section for any expenditures for which a
14 waiver has been requested until such waiver has been reviewed
15 by the General Assembly.

16 If the report and information required under this
17 subsection (d) are not provided by the school district in a
18 timely manner, or are subsequently determined by the State
19 Superintendent of Education to be incomplete or inaccurate, the
20 State Superintendent shall notify the district in writing of
21 reporting deficiencies. The school district shall, within 60
22 days of the notice, address the reporting deficiencies
23 identified.

24 (e) If the State Superintendent determines that a school
25 district has failed to comply with the administrative
26 expenditure limitation imposed in subsection (c) of this

1 Section, the State Superintendent shall notify the district of
2 the violation and direct the district to undertake corrective
3 action to bring the district's budget into compliance with the
4 administrative expenditure limitation. The district shall,
5 within 60 days of the notice, provide adequate assurance to the
6 State Superintendent that appropriate corrective actions have
7 been or will be taken. If the district fails to provide
8 adequate assurance or fails to undertake the necessary
9 corrective actions, the State Superintendent may impose
10 progressive sanctions against the district that may culminate
11 in withholding all subsequent payments of general State aid due
12 the district under Section 18-8.05 of this Code or
13 evidence-based funding due the district under Section 18-8.15
14 of this Code until the assurance is provided or the corrective
15 actions taken.

16 (f) The State Superintendent shall publish a list each year
17 of the school districts that violate the limitation imposed by
18 subsection (c) of this Section and a list of the districts that
19 waive the limitation by board action as provided in subsection
20 (c) of this Section.

21 (Source: P.A. 90-548, eff. 1-1-98; 90-653, eff. 7-29-98.)

22 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

23 Sec. 17-2.11. School board power to levy a tax or to borrow
24 money and issue bonds for fire prevention, safety, energy
25 conservation, accessibility, school security, and specified

1 repair purposes.

2 (a) Whenever, as a result of any lawful order of any
3 agency, other than a school board, having authority to enforce
4 any school building code applicable to any facility that houses
5 students, or any law or regulation for the protection and
6 safety of the environment, pursuant to the Environmental
7 Protection Act, any school district having a population of less
8 than 500,000 inhabitants is required to alter or reconstruct
9 any school building or permanent, fixed equipment; the district
10 may, by proper resolution, levy a tax for the purpose of making
11 such alteration or reconstruction, based on a survey report by
12 an architect or engineer licensed in this State, upon all of
13 the taxable property of the district at the value as assessed
14 by the Department of Revenue and at a rate not to exceed 0.05%
15 per year for a period sufficient to finance such alteration or
16 reconstruction, upon the following conditions:

17 (1) When there are not sufficient funds available in
18 the operations and maintenance fund of the school district,
19 the school facility occupation tax fund of the district, or
20 the fire prevention and safety fund of the district, as
21 determined by the district on the basis of rules adopted by
22 the State Board of Education, to make such alteration or
23 reconstruction or to purchase and install such permanent,
24 fixed equipment so ordered or determined as necessary.
25 Appropriate school district records must be made available
26 to the State Superintendent of Education, upon request, to

1 confirm this insufficiency.

2 (2) When a certified estimate of an architect or
3 engineer licensed in this State stating the estimated
4 amount necessary to make the alteration or reconstruction
5 or to purchase and install the equipment so ordered has
6 been secured by the school district, and the estimate has
7 been approved by the regional superintendent of schools
8 having jurisdiction over the district and the State
9 Superintendent of Education. Approval must not be granted
10 for any work that has already started without the prior
11 express authorization of the State Superintendent of
12 Education. If the estimate is not approved or is denied
13 approval by the regional superintendent of schools within 3
14 months after the date on which it is submitted to him or
15 her, the school board of the district may submit the
16 estimate directly to the State Superintendent of Education
17 for approval or denial.

18 In the case of an emergency situation, where the estimated
19 cost to effectuate emergency repairs is less than the amount
20 specified in Section 10-20.21 of this Code, the school district
21 may proceed with such repairs prior to approval by the State
22 Superintendent of Education, but shall comply with the
23 provisions of subdivision (2) of this subsection (a) as soon
24 thereafter as may be as well as Section 10-20.21 of this Code.
25 If the estimated cost to effectuate emergency repairs is
26 greater than the amount specified in Section 10-20.21 of this

1 Code, then the school district shall proceed in conformity with
2 Section 10-20.21 of this Code and with rules established by the
3 State Board of Education to address such situations. The rules
4 adopted by the State Board of Education to deal with these
5 situations shall stipulate that emergency situations must be
6 expedited and given priority consideration. For purposes of
7 this paragraph, an emergency is a situation that presents an
8 imminent and continuing threat to the health and safety of
9 students or other occupants of a facility, requires complete or
10 partial evacuation of a building or part of a building, or
11 consumes one or more of the 5 emergency days built into the
12 adopted calendar of the school or schools or would otherwise be
13 expected to cause such school or schools to fall short of the
14 minimum school calendar requirements.

15 (b) Whenever any such district determines that it is
16 necessary for energy conservation purposes that any school
17 building or permanent, fixed equipment should be altered or
18 reconstructed and that such alterations or reconstruction will
19 be made with funds not necessary for the completion of approved
20 and recommended projects contained in any safety survey report
21 or amendments thereto authorized by Section 2-3.12 of this Act;
22 the district may levy a tax or issue bonds as provided in
23 subsection (a) of this Section.

24 (c) Whenever any such district determines that it is
25 necessary for accessibility purposes and to comply with the
26 school building code that any school building or equipment

1 should be altered or reconstructed and that such alterations or
2 reconstruction will be made with funds not necessary for the
3 completion of approved and recommended projects contained in
4 any safety survey report or amendments thereto authorized under
5 Section 2-3.12 of this Act, the district may levy a tax or
6 issue bonds as provided in subsection (a) of this Section.

7 (d) Whenever any such district determines that it is
8 necessary for school security purposes and the related
9 protection and safety of pupils and school personnel that any
10 school building or property should be altered or reconstructed
11 or that security systems and equipment (including but not
12 limited to intercom, early detection and warning, access
13 control and television monitoring systems) should be purchased
14 and installed, and that such alterations, reconstruction or
15 purchase and installation of equipment will be made with funds
16 not necessary for the completion of approved and recommended
17 projects contained in any safety survey report or amendment
18 thereto authorized by Section 2-3.12 of this Act and will deter
19 and prevent unauthorized entry or activities upon school
20 property by unknown or dangerous persons, assure early
21 detection and advance warning of any such actual or attempted
22 unauthorized entry or activities and help assure the continued
23 safety of pupils and school staff if any such unauthorized
24 entry or activity is attempted or occurs; the district may levy
25 a tax or issue bonds as provided in subsection (a) of this
26 Section.

1 (e) If a school district does not need funds for other fire
2 prevention and safety projects, including the completion of
3 approved and recommended projects contained in any safety
4 survey report or amendments thereto authorized by Section
5 2-3.12 of this Act, and it is determined after a public hearing
6 (which is preceded by at least one published notice (i)
7 occurring at least 7 days prior to the hearing in a newspaper
8 of general circulation within the school district and (ii)
9 setting forth the time, date, place, and general subject matter
10 of the hearing) that there is a substantial, immediate, and
11 otherwise unavoidable threat to the health, safety, or welfare
12 of pupils due to disrepair of school sidewalks, playgrounds,
13 parking lots, or school bus turnarounds and repairs must be
14 made; then the district may levy a tax or issue bonds as
15 provided in subsection (a) of this Section.

16 (f) For purposes of this Section a school district may
17 replace a school building or build additions to replace
18 portions of a building when it is determined that the
19 effectuation of the recommendations for the existing building
20 will cost more than the replacement costs. Such determination
21 shall be based on a comparison of estimated costs made by an
22 architect or engineer licensed in the State of Illinois. The
23 new building or addition shall be equivalent in area (square
24 feet) and comparable in purpose and grades served and may be on
25 the same site or another site. Such replacement may only be
26 done upon order of the regional superintendent of schools and

1 the approval of the State Superintendent of Education.

2 (g) The filing of a certified copy of the resolution
3 levying the tax when accompanied by the certificates of the
4 regional superintendent of schools and State Superintendent of
5 Education shall be the authority of the county clerk to extend
6 such tax.

7 (h) The county clerk of the county in which any school
8 district levying a tax under the authority of this Section is
9 located, in reducing raised levies, shall not consider any such
10 tax as a part of the general levy for school purposes and shall
11 not include the same in the limitation of any other tax rate
12 which may be extended.

13 Such tax shall be levied and collected in like manner as
14 all other taxes of school districts, subject to the provisions
15 contained in this Section.

16 (i) The tax rate limit specified in this Section may be
17 increased to .10% upon the approval of a proposition to effect
18 such increase by a majority of the electors voting on that
19 proposition at a regular scheduled election. Such proposition
20 may be initiated by resolution of the school board and shall be
21 certified by the secretary to the proper election authorities
22 for submission in accordance with the general election law.

23 (j) When taxes are levied by any school district for fire
24 prevention, safety, energy conservation, and school security
25 purposes as specified in this Section, and the purposes for
26 which the taxes have been levied are accomplished and paid in

1 full, and there remain funds on hand in the Fire Prevention and
2 Safety Fund from the proceeds of the taxes levied, including
3 interest earnings thereon, the school board by resolution shall
4 use such excess and other board restricted funds, excluding
5 bond proceeds and earnings from such proceeds, as follows:

6 (1) for other authorized fire prevention, safety,
7 energy conservation, required safety inspections, school
8 security purposes, sampling for lead in drinking water in
9 schools, and for repair and mitigation due to lead levels
10 in the drinking water supply; or

11 (2) for transfer to the Operations and Maintenance Fund
12 for the purpose of abating an equal amount of operations
13 and maintenance purposes taxes.

14 Notwithstanding subdivision (2) of this subsection (j) and
15 subsection (k) of this Section, through June 30, 2020 ~~2019~~, the
16 school board may, by proper resolution following a public
17 hearing set by the school board or the president of the school
18 board (that is preceded (i) by at least one published notice
19 over the name of the clerk or secretary of the board, occurring
20 at least 7 days and not more than 30 days prior to the hearing,
21 in a newspaper of general circulation within the school
22 district and (ii) by posted notice over the name of the clerk
23 or secretary of the board, at least 48 hours before the
24 hearing, at the principal office of the school board or at the
25 building where the hearing is to be held if a principal office
26 does not exist, with both notices setting forth the time, date,

1 place, and subject matter of the hearing), transfer surplus
2 life safety taxes and interest earnings thereon to the
3 Operations and Maintenance Fund for building repair work.

4 (k) If any transfer is made to the Operation and
5 Maintenance Fund, the secretary of the school board shall
6 within 30 days notify the county clerk of the amount of that
7 transfer and direct the clerk to abate the taxes to be extended
8 for the purposes of operations and maintenance authorized under
9 Section 17-2 of this Act by an amount equal to such transfer.

10 (l) If the proceeds from the tax levy authorized by this
11 Section are insufficient to complete the work approved under
12 this Section, the school board is authorized to sell bonds
13 without referendum under the provisions of this Section in an
14 amount that, when added to the proceeds of the tax levy
15 authorized by this Section, will allow completion of the
16 approved work.

17 (m) Any bonds issued pursuant to this Section shall bear
18 interest at a rate not to exceed the maximum rate authorized by
19 law at the time of the making of the contract, shall mature
20 within 20 years from date, and shall be signed by the president
21 of the school board and the treasurer of the school district.

22 (n) In order to authorize and issue such bonds, the school
23 board shall adopt a resolution fixing the amount of bonds, the
24 date thereof, the maturities thereof, rates of interest
25 thereof, place of payment and denomination, which shall be in
26 denominations of not less than \$100 and not more than \$5,000,

1 and provide for the levy and collection of a direct annual tax
2 upon all the taxable property in the school district sufficient
3 to pay the principal and interest on such bonds to maturity.
4 Upon the filing in the office of the county clerk of the county
5 in which the school district is located of a certified copy of
6 the resolution, it is the duty of the county clerk to extend
7 the tax therefor in addition to and in excess of all other
8 taxes heretofore or hereafter authorized to be levied by such
9 school district.

10 (o) After the time such bonds are issued as provided for by
11 this Section, if additional alterations or reconstructions are
12 required to be made because of surveys conducted by an
13 architect or engineer licensed in the State of Illinois, the
14 district may levy a tax at a rate not to exceed .05% per year
15 upon all the taxable property of the district or issue
16 additional bonds, whichever action shall be the most feasible.

17 (p) This Section is cumulative and constitutes complete
18 authority for the issuance of bonds as provided in this Section
19 notwithstanding any other statute or law to the contrary.

20 (q) With respect to instruments for the payment of money
21 issued under this Section either before, on, or after the
22 effective date of Public Act 86-004 (June 6, 1989), it is, and
23 always has been, the intention of the General Assembly (i) that
24 the Omnibus Bond Acts are, and always have been, supplementary
25 grants of power to issue instruments in accordance with the
26 Omnibus Bond Acts, regardless of any provision of this Act that

1 may appear to be or to have been more restrictive than those
2 Acts, (ii) that the provisions of this Section are not a
3 limitation on the supplementary authority granted by the
4 Omnibus Bond Acts, and (iii) that instruments issued under this
5 Section within the supplementary authority granted by the
6 Omnibus Bond Acts are not invalid because of any provision of
7 this Act that may appear to be or to have been more restrictive
8 than those Acts.

9 (r) When the purposes for which the bonds are issued have
10 been accomplished and paid for in full and there remain funds
11 on hand from the proceeds of the bond sale and interest
12 earnings therefrom, the board shall, by resolution, use such
13 excess funds in accordance with the provisions of Section
14 10-22.14 of this Act.

15 (s) Whenever any tax is levied or bonds issued for fire
16 prevention, safety, energy conservation, and school security
17 purposes, such proceeds shall be deposited and accounted for
18 separately within the Fire Prevention and Safety Fund.

19 (Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14;
20 99-143, eff. 7-27-15; 99-713, eff. 8-5-16; 99-922, eff.
21 1-17-17.)

22 (105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)

23 Sec. 17-2A. Interfund transfers.

24 (a) The school board of any district having a population of
25 less than 500,000 inhabitants may, by proper resolution

1 following a public hearing set by the school board or the
2 president of the school board (that is preceded (i) by at least
3 one published notice over the name of the clerk or secretary of
4 the board, occurring at least 7 days and not more than 30 days
5 prior to the hearing, in a newspaper of general circulation
6 within the school district and (ii) by posted notice over the
7 name of the clerk or secretary of the board, at least 48 hours
8 before the hearing, at the principal office of the school board
9 or at the building where the hearing is to be held if a
10 principal office does not exist, with both notices setting
11 forth the time, date, place, and subject matter of the
12 hearing), transfer money from (1) the Educational Fund to the
13 Operations and Maintenance Fund or the Transportation Fund, (2)
14 the Operations and Maintenance Fund to the Educational Fund or
15 the Transportation Fund, (3) the Transportation Fund to the
16 Educational Fund or the Operations and Maintenance Fund, or (4)
17 the Tort Immunity Fund to the Operations and Maintenance Fund
18 of said district, provided that, except during the period from
19 July 1, 2003 through June 30, 2020 ~~2019~~, such transfer is made
20 solely for the purpose of meeting one-time, non-recurring
21 expenses. Except during the period from July 1, 2003 through
22 June 30, 2020 ~~2019~~ and except as otherwise provided in
23 subsection (b) of this Section, any other permanent interfund
24 transfers authorized by any provision or judicial
25 interpretation of this Code for which the transferee fund is
26 not precisely and specifically set forth in the provision of

1 this Code authorizing such transfer shall be made to the fund
2 of the school district most in need of the funds being
3 transferred, as determined by resolution of the school board.

4 (b) (Blank).

5 (c) Notwithstanding subsection (a) of this Section or any
6 other provision of this Code to the contrary, the school board
7 of any school district (i) that is subject to the Property Tax
8 Extension Limitation Law, (ii) that is an elementary district
9 servicing students in grades K through 8, (iii) whose territory
10 is in one county, (iv) that is eligible for Section 7002
11 Federal Impact Aid, and (v) that has no more than \$81,000 in
12 funds remaining from refinancing bonds that were refinanced a
13 minimum of 5 years prior to January 20, 2017 (the effective
14 date of Public Act 99-926) ~~this amendatory Act of the 99th~~
15 ~~General Assembly~~ may make a one-time transfer of the funds
16 remaining from the refinancing bonds to the Operations and
17 Maintenance Fund of the district by proper resolution following
18 a public hearing set by the school board or the president of
19 the school board, with notice as provided in subsection (a) of
20 this Section, so long as the district meets the qualifications
21 set forth in this subsection (c) on January 20, 2017 (the
22 effective date of Public Act 99-926) ~~this amendatory Act of the~~
23 ~~99th General Assembly~~.

24 (Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14; 99-713,
25 eff. 8-5-16; 99-922, eff. 1-17-17; 99-926, eff. 1-20-17;
26 revised 1-23-17.)

1 (105 ILCS 5/17-3.6 new)

2 Sec. 17-3.6. Educational purposes tax rate for school
3 districts subject to Property Tax Extension Limitation Law.
4 Notwithstanding the provisions, requirements, or limitations
5 of this Code or any other law, any tax levied for educational
6 purposes by a school district subject to the Property Tax
7 Extension Limitation Law for the 2016 levy year or any
8 subsequent levy year may be extended at a rate exceeding the
9 rate established for educational purposes by referendum or this
10 Code, provided that the rate does not cause the school district
11 to exceed the limiting rate applicable to the school district
12 under the Property Tax Extension Limitation Law for that levy
13 year.

14 (105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

15 Sec. 18-4.3. Summer school grants. Through fiscal year
16 2017, grants ~~Grants~~ shall be determined for pupil attendance in
17 summer schools conducted under Sections 10-22.33A and 34-18 and
18 approved under Section 2-3.25 in the following manner.

19 The amount of grant for each accredited summer school
20 attendance pupil shall be obtained by dividing the total amount
21 of apportionments determined under Section 18-8.05 by the
22 actual number of pupils in average daily attendance used for
23 such apportionments. The number of credited summer school
24 attendance pupils shall be determined (a) by counting clock

1 hours of class instruction by pupils enrolled in grades 1
2 through 12 in approved courses conducted at least 60 clock
3 hours in summer sessions; (b) by dividing such total of clock
4 hours of class instruction by 4 to produce days of credited
5 pupil attendance; (c) by dividing such days of credited pupil
6 attendance by the actual number of days in the regular term as
7 used in computation in the general apportionment in Section
8 18-8.05; and (d) by multiplying by 1.25.

9 The amount of the grant for a summer school program
10 approved by the State Superintendent of Education for children
11 with disabilities, as defined in Sections 14-1.02 through
12 14-1.07, shall be determined in the manner contained above
13 except that average daily membership shall be utilized in lieu
14 of average daily attendance.

15 In the case of an apportionment based on summer school
16 attendance or membership pupils, the claim therefor shall be
17 presented as a separate claim for the particular school year in
18 which such summer school session ends. On or before November 1
19 of each year the superintendent of each eligible school
20 district shall certify to the State Superintendent of Education
21 the claim of the district for the summer session just ended.
22 Failure on the part of the school board to so certify shall
23 constitute a forfeiture of its right to such payment. The State
24 Superintendent of Education shall transmit to the Comptroller
25 no later than December 15th of each year vouchers for payment
26 of amounts due school districts for summer school. The State

1 Superintendent of Education shall direct the Comptroller to
2 draw his warrants for payments thereof by the 30th day of
3 December. If the money appropriated by the General Assembly for
4 such purpose for any year is insufficient, it shall be
5 apportioned on the basis of claims approved.

6 However, notwithstanding the foregoing provisions, for
7 each fiscal year the money appropriated by the General Assembly
8 for the purposes of this Section shall only be used for grants
9 for approved summer school programs for those children with
10 disabilities served pursuant to Section 14-7.02 or 14-7.02b of
11 this Code.

12 No funding shall be provided to school districts under this
13 Section after fiscal year 2017.

14 (Source: P.A. 93-1022, eff. 8-24-04.)

15 (105 ILCS 5/18-8.05)

16 Sec. 18-8.05. Basis for apportionment of general State
17 financial aid and supplemental general State aid to the common
18 schools for the 1998-1999 through the 2016-2017 ~~and subsequent~~
19 school years.

20 (A) General Provisions.

21 (1) The provisions of this Section relating to the
22 calculation and apportionment of general State financial aid
23 and supplemental general State aid apply to the 1998-1999
24 through the 2016-2017 ~~and subsequent~~ school years. The system

1 of general State financial aid provided for in this Section is
2 designed to assure that, through a combination of State
3 financial aid and required local resources, the financial
4 support provided each pupil in Average Daily Attendance equals
5 or exceeds a prescribed per pupil Foundation Level. This
6 formula approach imputes a level of per pupil Available Local
7 Resources and provides for the basis to calculate a per pupil
8 level of general State financial aid that, when added to
9 Available Local Resources, equals or exceeds the Foundation
10 Level. The amount of per pupil general State financial aid for
11 school districts, in general, varies in inverse relation to
12 Available Local Resources. Per pupil amounts are based upon
13 each school district's Average Daily Attendance as that term is
14 defined in this Section.

15 (2) In addition to general State financial aid, school
16 districts with specified levels or concentrations of pupils
17 from low income households are eligible to receive supplemental
18 general State financial aid grants as provided pursuant to
19 subsection (H). The supplemental State aid grants provided for
20 school districts under subsection (H) shall be appropriated for
21 distribution to school districts as part of the same line item
22 in which the general State financial aid of school districts is
23 appropriated under this Section.

24 (3) To receive financial assistance under this Section,
25 school districts are required to file claims with the State
26 Board of Education, subject to the following requirements:

1 (a) Any school district which fails for any given
2 school year to maintain school as required by law, or to
3 maintain a recognized school is not eligible to file for
4 such school year any claim upon the Common School Fund. In
5 case of nonrecognition of one or more attendance centers in
6 a school district otherwise operating recognized schools,
7 the claim of the district shall be reduced in the
8 proportion which the Average Daily Attendance in the
9 attendance center or centers bear to the Average Daily
10 Attendance in the school district. A "recognized school"
11 means any public school which meets the standards as
12 established for recognition by the State Board of
13 Education. A school district or attendance center not
14 having recognition status at the end of a school term is
15 entitled to receive State aid payments due upon a legal
16 claim which was filed while it was recognized.

17 (b) School district claims filed under this Section are
18 subject to Sections 18-9 and 18-12, except as otherwise
19 provided in this Section.

20 (c) If a school district operates a full year school
21 under Section 10-19.1, the general State aid to the school
22 district shall be determined by the State Board of
23 Education in accordance with this Section as near as may be
24 applicable.

25 (d) (Blank).

26 (4) Except as provided in subsections (H) and (L), the

1 board of any district receiving any of the grants provided for
2 in this Section may apply those funds to any fund so received
3 for which that board is authorized to make expenditures by law.

4 School districts are not required to exert a minimum
5 Operating Tax Rate in order to qualify for assistance under
6 this Section.

7 (5) As used in this Section the following terms, when
8 capitalized, shall have the meaning ascribed herein:

9 (a) "Average Daily Attendance": A count of pupil
10 attendance in school, averaged as provided for in
11 subsection (C) and utilized in deriving per pupil financial
12 support levels.

13 (b) "Available Local Resources": A computation of
14 local financial support, calculated on the basis of Average
15 Daily Attendance and derived as provided pursuant to
16 subsection (D).

17 (c) "Corporate Personal Property Replacement Taxes":
18 Funds paid to local school districts pursuant to "An Act in
19 relation to the abolition of ad valorem personal property
20 tax and the replacement of revenues lost thereby, and
21 amending and repealing certain Acts and parts of Acts in
22 connection therewith", certified August 14, 1979, as
23 amended (Public Act 81-1st S.S.-1).

24 (d) "Foundation Level": A prescribed level of per pupil
25 financial support as provided for in subsection (B).

26 (e) "Operating Tax Rate": All school district property

1 taxes extended for all purposes, except Bond and Interest,
2 Summer School, Rent, Capital Improvement, and Vocational
3 Education Building purposes.

4 (B) Foundation Level.

5 (1) The Foundation Level is a figure established by the
6 State representing the minimum level of per pupil financial
7 support that should be available to provide for the basic
8 education of each pupil in Average Daily Attendance. As set
9 forth in this Section, each school district is assumed to exert
10 a sufficient local taxing effort such that, in combination with
11 the aggregate of general State financial aid provided the
12 district, an aggregate of State and local resources are
13 available to meet the basic education needs of pupils in the
14 district.

15 (2) For the 1998-1999 school year, the Foundation Level of
16 support is \$4,225. For the 1999-2000 school year, the
17 Foundation Level of support is \$4,325. For the 2000-2001 school
18 year, the Foundation Level of support is \$4,425. For the
19 2001-2002 school year and 2002-2003 school year, the Foundation
20 Level of support is \$4,560. For the 2003-2004 school year, the
21 Foundation Level of support is \$4,810. For the 2004-2005 school
22 year, the Foundation Level of support is \$4,964. For the
23 2005-2006 school year, the Foundation Level of support is
24 \$5,164. For the 2006-2007 school year, the Foundation Level of
25 support is \$5,334. For the 2007-2008 school year, the

1 Foundation Level of support is \$5,734. For the 2008-2009 school
2 year, the Foundation Level of support is \$5,959.

3 (3) For the 2009-2010 school year and each school year
4 thereafter, the Foundation Level of support is \$6,119 or such
5 greater amount as may be established by law by the General
6 Assembly.

7 (C) Average Daily Attendance.

8 (1) For purposes of calculating general State aid pursuant
9 to subsection (E), an Average Daily Attendance figure shall be
10 utilized. The Average Daily Attendance figure for formula
11 calculation purposes shall be the monthly average of the actual
12 number of pupils in attendance of each school district, as
13 further averaged for the best 3 months of pupil attendance for
14 each school district. In compiling the figures for the number
15 of pupils in attendance, school districts and the State Board
16 of Education shall, for purposes of general State aid funding,
17 conform attendance figures to the requirements of subsection
18 (F).

19 (2) The Average Daily Attendance figures utilized in
20 subsection (E) shall be the requisite attendance data for the
21 school year immediately preceding the school year for which
22 general State aid is being calculated or the average of the
23 attendance data for the 3 preceding school years, whichever is
24 greater. The Average Daily Attendance figures utilized in
25 subsection (H) shall be the requisite attendance data for the

1 school year immediately preceding the school year for which
2 general State aid is being calculated.

3 (D) Available Local Resources.

4 (1) For purposes of calculating general State aid pursuant
5 to subsection (E), a representation of Available Local
6 Resources per pupil, as that term is defined and determined in
7 this subsection, shall be utilized. Available Local Resources
8 per pupil shall include a calculated dollar amount representing
9 local school district revenues from local property taxes and
10 from Corporate Personal Property Replacement Taxes, expressed
11 on the basis of pupils in Average Daily Attendance. Calculation
12 of Available Local Resources shall exclude any tax amnesty
13 funds received as a result of Public Act 93-26.

14 (2) In determining a school district's revenue from local
15 property taxes, the State Board of Education shall utilize the
16 equalized assessed valuation of all taxable property of each
17 school district as of September 30 of the previous year. The
18 equalized assessed valuation utilized shall be obtained and
19 determined as provided in subsection (G).

20 (3) For school districts maintaining grades kindergarten
21 through 12, local property tax revenues per pupil shall be
22 calculated as the product of the applicable equalized assessed
23 valuation for the district multiplied by 3.00%, and divided by
24 the district's Average Daily Attendance figure. For school
25 districts maintaining grades kindergarten through 8, local

1 property tax revenues per pupil shall be calculated as the
2 product of the applicable equalized assessed valuation for the
3 district multiplied by 2.30%, and divided by the district's
4 Average Daily Attendance figure. For school districts
5 maintaining grades 9 through 12, local property tax revenues
6 per pupil shall be the applicable equalized assessed valuation
7 of the district multiplied by 1.05%, and divided by the
8 district's Average Daily Attendance figure.

9 For partial elementary unit districts created pursuant to
10 Article 11E of this Code, local property tax revenues per pupil
11 shall be calculated as the product of the equalized assessed
12 valuation for property within the partial elementary unit
13 district for elementary purposes, as defined in Article 11E of
14 this Code, multiplied by 2.06% and divided by the district's
15 Average Daily Attendance figure, plus the product of the
16 equalized assessed valuation for property within the partial
17 elementary unit district for high school purposes, as defined
18 in Article 11E of this Code, multiplied by 0.94% and divided by
19 the district's Average Daily Attendance figure.

20 (4) The Corporate Personal Property Replacement Taxes paid
21 to each school district during the calendar year one year
22 before the calendar year in which a school year begins, divided
23 by the Average Daily Attendance figure for that district, shall
24 be added to the local property tax revenues per pupil as
25 derived by the application of the immediately preceding
26 paragraph (3). The sum of these per pupil figures for each

1 school district shall constitute Available Local Resources as
2 that term is utilized in subsection (E) in the calculation of
3 general State aid.

4 (E) Computation of General State Aid.

5 (1) For each school year, the amount of general State aid
6 allotted to a school district shall be computed by the State
7 Board of Education as provided in this subsection.

8 (2) For any school district for which Available Local
9 Resources per pupil is less than the product of 0.93 times the
10 Foundation Level, general State aid for that district shall be
11 calculated as an amount equal to the Foundation Level minus
12 Available Local Resources, multiplied by the Average Daily
13 Attendance of the school district.

14 (3) For any school district for which Available Local
15 Resources per pupil is equal to or greater than the product of
16 0.93 times the Foundation Level and less than the product of
17 1.75 times the Foundation Level, the general State aid per
18 pupil shall be a decimal proportion of the Foundation Level
19 derived using a linear algorithm. Under this linear algorithm,
20 the calculated general State aid per pupil shall decline in
21 direct linear fashion from 0.07 times the Foundation Level for
22 a school district with Available Local Resources equal to the
23 product of 0.93 times the Foundation Level, to 0.05 times the
24 Foundation Level for a school district with Available Local
25 Resources equal to the product of 1.75 times the Foundation

1 Level. The allocation of general State aid for school districts
2 subject to this paragraph 3 shall be the calculated general
3 State aid per pupil figure multiplied by the Average Daily
4 Attendance of the school district.

5 (4) For any school district for which Available Local
6 Resources per pupil equals or exceeds the product of 1.75 times
7 the Foundation Level, the general State aid for the school
8 district shall be calculated as the product of \$218 multiplied
9 by the Average Daily Attendance of the school district.

10 (5) The amount of general State aid allocated to a school
11 district for the 1999-2000 school year meeting the requirements
12 set forth in paragraph (4) of subsection (G) shall be increased
13 by an amount equal to the general State aid that would have
14 been received by the district for the 1998-1999 school year by
15 utilizing the Extension Limitation Equalized Assessed
16 Valuation as calculated in paragraph (4) of subsection (G) less
17 the general State aid allotted for the 1998-1999 school year.
18 This amount shall be deemed a one time increase, and shall not
19 affect any future general State aid allocations.

20 (F) Compilation of Average Daily Attendance.

21 (1) Each school district shall, by July 1 of each year,
22 submit to the State Board of Education, on forms prescribed by
23 the State Board of Education, attendance figures for the school
24 year that began in the preceding calendar year. The attendance
25 information so transmitted shall identify the average daily

1 attendance figures for each month of the school year. Beginning
2 with the general State aid claim form for the 2002-2003 school
3 year, districts shall calculate Average Daily Attendance as
4 provided in subdivisions (a), (b), and (c) of this paragraph
5 (1).

6 (a) In districts that do not hold year-round classes,
7 days of attendance in August shall be added to the month of
8 September and any days of attendance in June shall be added
9 to the month of May.

10 (b) In districts in which all buildings hold year-round
11 classes, days of attendance in July and August shall be
12 added to the month of September and any days of attendance
13 in June shall be added to the month of May.

14 (c) In districts in which some buildings, but not all,
15 hold year-round classes, for the non-year-round buildings,
16 days of attendance in August shall be added to the month of
17 September and any days of attendance in June shall be added
18 to the month of May. The average daily attendance for the
19 year-round buildings shall be computed as provided in
20 subdivision (b) of this paragraph (1). To calculate the
21 Average Daily Attendance for the district, the average
22 daily attendance for the year-round buildings shall be
23 multiplied by the days in session for the non-year-round
24 buildings for each month and added to the monthly
25 attendance of the non-year-round buildings.

26 Except as otherwise provided in this Section, days of

1 attendance by pupils shall be counted only for sessions of not
2 less than 5 clock hours of school work per day under direct
3 supervision of: (i) teachers, or (ii) non-teaching personnel or
4 volunteer personnel when engaging in non-teaching duties and
5 supervising in those instances specified in subsection (a) of
6 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils
7 of legal school age and in kindergarten and grades 1 through
8 12. Days of attendance by pupils through verified participation
9 in an e-learning program approved by the State Board of
10 Education under Section 10-20.56 of the Code shall be
11 considered as full days of attendance for purposes of this
12 Section.

13 Days of attendance by tuition pupils shall be accredited
14 only to the districts that pay the tuition to a recognized
15 school.

16 (2) Days of attendance by pupils of less than 5 clock hours
17 of school shall be subject to the following provisions in the
18 compilation of Average Daily Attendance.

19 (a) Pupils regularly enrolled in a public school for
20 only a part of the school day may be counted on the basis
21 of 1/6 day for every class hour of instruction of 40
22 minutes or more attended pursuant to such enrollment,
23 unless a pupil is enrolled in a block-schedule format of 80
24 minutes or more of instruction, in which case the pupil may
25 be counted on the basis of the proportion of minutes of
26 school work completed each day to the minimum number of

1 minutes that school work is required to be held that day.

2 (b) (Blank).

3 (c) A session of 4 or more clock hours may be counted
4 as a day of attendance upon certification by the regional
5 superintendent, and approved by the State Superintendent
6 of Education to the extent that the district has been
7 forced to use daily multiple sessions.

8 (d) A session of 3 or more clock hours may be counted
9 as a day of attendance (1) when the remainder of the school
10 day or at least 2 hours in the evening of that day is
11 utilized for an in-service training program for teachers,
12 up to a maximum of 5 days per school year, provided a
13 district conducts an in-service training program for
14 teachers in accordance with Section 10-22.39 of this Code;
15 or, in lieu of 4 such days, 2 full days may be used, in
16 which event each such day may be counted as a day required
17 for a legal school calendar pursuant to Section 10-19 of
18 this Code; (1.5) when, of the 5 days allowed under item
19 (1), a maximum of 4 days are used for parent-teacher
20 conferences, or, in lieu of 4 such days, 2 full days are
21 used, in which case each such day may be counted as a
22 calendar day required under Section 10-19 of this Code,
23 provided that the full-day, parent-teacher conference
24 consists of (i) a minimum of 5 clock hours of
25 parent-teacher conferences, (ii) both a minimum of 2 clock
26 hours of parent-teacher conferences held in the evening

1 following a full day of student attendance, as specified in
2 subsection (F)(1)(c), and a minimum of 3 clock hours of
3 parent-teacher conferences held on the day immediately
4 following evening parent-teacher conferences, or (iii)
5 multiple parent-teacher conferences held in the evenings
6 following full days of student attendance, as specified in
7 subsection (F)(1)(c), in which the time used for the
8 parent-teacher conferences is equivalent to a minimum of 5
9 clock hours; and (2) when days in addition to those
10 provided in items (1) and (1.5) are scheduled by a school
11 pursuant to its school improvement plan adopted under
12 Article 34 or its revised or amended school improvement
13 plan adopted under Article 2, provided that (i) such
14 sessions of 3 or more clock hours are scheduled to occur at
15 regular intervals, (ii) the remainder of the school days in
16 which such sessions occur are utilized for in-service
17 training programs or other staff development activities
18 for teachers, and (iii) a sufficient number of minutes of
19 school work under the direct supervision of teachers are
20 added to the school days between such regularly scheduled
21 sessions to accumulate not less than the number of minutes
22 by which such sessions of 3 or more clock hours fall short
23 of 5 clock hours. Any full days used for the purposes of
24 this paragraph shall not be considered for computing
25 average daily attendance. Days scheduled for in-service
26 training programs, staff development activities, or

1 parent-teacher conferences may be scheduled separately for
2 different grade levels and different attendance centers of
3 the district.

4 (e) A session of not less than one clock hour of
5 teaching hospitalized or homebound pupils on-site or by
6 telephone to the classroom may be counted as 1/2 day of
7 attendance, however these pupils must receive 4 or more
8 clock hours of instruction to be counted for a full day of
9 attendance.

10 (f) A session of at least 4 clock hours may be counted
11 as a day of attendance for first grade pupils, and pupils
12 in full day kindergartens, and a session of 2 or more hours
13 may be counted as 1/2 day of attendance by pupils in
14 kindergartens which provide only 1/2 day of attendance.

15 (g) For children with disabilities who are below the
16 age of 6 years and who cannot attend 2 or more clock hours
17 because of their disability or immaturity, a session of not
18 less than one clock hour may be counted as 1/2 day of
19 attendance; however for such children whose educational
20 needs so require a session of 4 or more clock hours may be
21 counted as a full day of attendance.

22 (h) A recognized kindergarten which provides for only
23 1/2 day of attendance by each pupil shall not have more
24 than 1/2 day of attendance counted in any one day. However,
25 kindergartens may count 2 1/2 days of attendance in any 5
26 consecutive school days. When a pupil attends such a

1 kindergarten for 2 half days on any one school day, the
2 pupil shall have the following day as a day absent from
3 school, unless the school district obtains permission in
4 writing from the State Superintendent of Education.
5 Attendance at kindergartens which provide for a full day of
6 attendance by each pupil shall be counted the same as
7 attendance by first grade pupils. Only the first year of
8 attendance in one kindergarten shall be counted, except in
9 case of children who entered the kindergarten in their
10 fifth year whose educational development requires a second
11 year of kindergarten as determined under the rules and
12 regulations of the State Board of Education.

13 (i) On the days when the assessment that includes a
14 college and career ready determination is administered
15 under subsection (c) of Section 2-3.64a-5 of this Code, the
16 day of attendance for a pupil whose school day must be
17 shortened to accommodate required testing procedures may
18 be less than 5 clock hours and shall be counted towards the
19 176 days of actual pupil attendance required under Section
20 10-19 of this Code, provided that a sufficient number of
21 minutes of school work in excess of 5 clock hours are first
22 completed on other school days to compensate for the loss
23 of school work on the examination days.

24 (j) Pupils enrolled in a remote educational program
25 established under Section 10-29 of this Code may be counted
26 on the basis of one-fifth day of attendance for every clock

1 hour of instruction attended in the remote educational
2 program, provided that, in any month, the school district
3 may not claim for a student enrolled in a remote
4 educational program more days of attendance than the
5 maximum number of days of attendance the district can claim
6 (i) for students enrolled in a building holding year-round
7 classes if the student is classified as participating in
8 the remote educational program on a year-round schedule or
9 (ii) for students enrolled in a building not holding
10 year-round classes if the student is not classified as
11 participating in the remote educational program on a
12 year-round schedule.

13 (G) Equalized Assessed Valuation Data.

14 (1) For purposes of the calculation of Available Local
15 Resources required pursuant to subsection (D), the State Board
16 of Education shall secure from the Department of Revenue the
17 value as equalized or assessed by the Department of Revenue of
18 all taxable property of every school district, together with
19 (i) the applicable tax rate used in extending taxes for the
20 funds of the district as of September 30 of the previous year
21 and (ii) the limiting rate for all school districts subject to
22 property tax extension limitations as imposed under the
23 Property Tax Extension Limitation Law.

24 The Department of Revenue shall add to the equalized
25 assessed value of all taxable property of each school district

1 situated entirely or partially within a county that is or was
2 subject to the provisions of Section 15-176 or 15-177 of the
3 Property Tax Code (a) an amount equal to the total amount by
4 which the homestead exemption allowed under Section 15-176 or
5 15-177 of the Property Tax Code for real property situated in
6 that school district exceeds the total amount that would have
7 been allowed in that school district if the maximum reduction
8 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in
9 all other counties in tax year 2003 or (ii) \$5,000 in all
10 counties in tax year 2004 and thereafter and (b) an amount
11 equal to the aggregate amount for the taxable year of all
12 additional exemptions under Section 15-175 of the Property Tax
13 Code for owners with a household income of \$30,000 or less. The
14 county clerk of any county that is or was subject to the
15 provisions of Section 15-176 or 15-177 of the Property Tax Code
16 shall annually calculate and certify to the Department of
17 Revenue for each school district all homestead exemption
18 amounts under Section 15-176 or 15-177 of the Property Tax Code
19 and all amounts of additional exemptions under Section 15-175
20 of the Property Tax Code for owners with a household income of
21 \$30,000 or less. It is the intent of this paragraph that if the
22 general homestead exemption for a parcel of property is
23 determined under Section 15-176 or 15-177 of the Property Tax
24 Code rather than Section 15-175, then the calculation of
25 Available Local Resources shall not be affected by the
26 difference, if any, between the amount of the general homestead

1 exemption allowed for that parcel of property under Section
2 15-176 or 15-177 of the Property Tax Code and the amount that
3 would have been allowed had the general homestead exemption for
4 that parcel of property been determined under Section 15-175 of
5 the Property Tax Code. It is further the intent of this
6 paragraph that if additional exemptions are allowed under
7 Section 15-175 of the Property Tax Code for owners with a
8 household income of less than \$30,000, then the calculation of
9 Available Local Resources shall not be affected by the
10 difference, if any, because of those additional exemptions.

11 This equalized assessed valuation, as adjusted further by
12 the requirements of this subsection, shall be utilized in the
13 calculation of Available Local Resources.

14 (2) The equalized assessed valuation in paragraph (1) shall
15 be adjusted, as applicable, in the following manner:

16 (a) For the purposes of calculating State aid under
17 this Section, with respect to any part of a school district
18 within a redevelopment project area in respect to which a
19 municipality has adopted tax increment allocation
20 financing pursuant to the Tax Increment Allocation
21 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11
22 of the Illinois Municipal Code or the Industrial Jobs
23 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the
24 Illinois Municipal Code, no part of the current equalized
25 assessed valuation of real property located in any such
26 project area which is attributable to an increase above the

1 total initial equalized assessed valuation of such
2 property shall be used as part of the equalized assessed
3 valuation of the district, until such time as all
4 redevelopment project costs have been paid, as provided in
5 Section 11-74.4-8 of the Tax Increment Allocation
6 Redevelopment Act or in Section 11-74.6-35 of the
7 Industrial Jobs Recovery Law. For the purpose of the
8 equalized assessed valuation of the district, the total
9 initial equalized assessed valuation or the current
10 equalized assessed valuation, whichever is lower, shall be
11 used until such time as all redevelopment project costs
12 have been paid.

13 (b) The real property equalized assessed valuation for
14 a school district shall be adjusted by subtracting from the
15 real property value as equalized or assessed by the
16 Department of Revenue for the district an amount computed
17 by dividing the amount of any abatement of taxes under
18 Section 18-170 of the Property Tax Code by 3.00% for a
19 district maintaining grades kindergarten through 12, by
20 2.30% for a district maintaining grades kindergarten
21 through 8, or by 1.05% for a district maintaining grades 9
22 through 12 and adjusted by an amount computed by dividing
23 the amount of any abatement of taxes under subsection (a)
24 of Section 18-165 of the Property Tax Code by the same
25 percentage rates for district type as specified in this
26 subparagraph (b).

1 (3) For the 1999-2000 school year and each school year
2 thereafter, if a school district meets all of the criteria of
3 this subsection (G) (3), the school district's Available Local
4 Resources shall be calculated under subsection (D) using the
5 district's Extension Limitation Equalized Assessed Valuation
6 as calculated under this subsection (G) (3).

7 For purposes of this subsection (G) (3) the following terms
8 shall have the following meanings:

9 "Budget Year": The school year for which general State
10 aid is calculated and awarded under subsection (E).

11 "Base Tax Year": The property tax levy year used to
12 calculate the Budget Year allocation of general State aid.

13 "Preceding Tax Year": The property tax levy year
14 immediately preceding the Base Tax Year.

15 "Base Tax Year's Tax Extension": The product of the
16 equalized assessed valuation utilized by the County Clerk
17 in the Base Tax Year multiplied by the limiting rate as
18 calculated by the County Clerk and defined in the Property
19 Tax Extension Limitation Law.

20 "Preceding Tax Year's Tax Extension": The product of
21 the equalized assessed valuation utilized by the County
22 Clerk in the Preceding Tax Year multiplied by the Operating
23 Tax Rate as defined in subsection (A).

24 "Extension Limitation Ratio": A numerical ratio,
25 certified by the County Clerk, in which the numerator is
26 the Base Tax Year's Tax Extension and the denominator is

1 the Preceding Tax Year's Tax Extension.

2 "Operating Tax Rate": The operating tax rate as defined
3 in subsection (A).

4 If a school district is subject to property tax extension
5 limitations as imposed under the Property Tax Extension
6 Limitation Law, the State Board of Education shall calculate
7 the Extension Limitation Equalized Assessed Valuation of that
8 district. For the 1999-2000 school year, the Extension
9 Limitation Equalized Assessed Valuation of a school district as
10 calculated by the State Board of Education shall be equal to
11 the product of the district's 1996 Equalized Assessed Valuation
12 and the district's Extension Limitation Ratio. Except as
13 otherwise provided in this paragraph for a school district that
14 has approved or does approve an increase in its limiting rate,
15 for the 2000-2001 school year and each school year thereafter,
16 the Extension Limitation Equalized Assessed Valuation of a
17 school district as calculated by the State Board of Education
18 shall be equal to the product of the Equalized Assessed
19 Valuation last used in the calculation of general State aid and
20 the district's Extension Limitation Ratio. If the Extension
21 Limitation Equalized Assessed Valuation of a school district as
22 calculated under this subsection (G)(3) is less than the
23 district's equalized assessed valuation as calculated pursuant
24 to subsections (G)(1) and (G)(2), then for purposes of
25 calculating the district's general State aid for the Budget
26 Year pursuant to subsection (E), that Extension Limitation

1 Equalized Assessed Valuation shall be utilized to calculate the
2 district's Available Local Resources under subsection (D). For
3 the 2009-2010 school year and each school year thereafter, if a
4 school district has approved or does approve an increase in its
5 limiting rate, pursuant to Section 18-190 of the Property Tax
6 Code, affecting the Base Tax Year, the Extension Limitation
7 Equalized Assessed Valuation of the school district, as
8 calculated by the State Board of Education, shall be equal to
9 the product of the Equalized Assessed Valuation last used in
10 the calculation of general State aid times an amount equal to
11 one plus the percentage increase, if any, in the Consumer Price
12 Index for all Urban Consumers for all items published by the
13 United States Department of Labor for the 12-month calendar
14 year preceding the Base Tax Year, plus the Equalized Assessed
15 Valuation of new property, annexed property, and recovered tax
16 increment value and minus the Equalized Assessed Valuation of
17 disconnected property. New property and recovered tax
18 increment value shall have the meanings set forth in the
19 Property Tax Extension Limitation Law.

20 Partial elementary unit districts created in accordance
21 with Article 11E of this Code shall not be eligible for the
22 adjustment in this subsection (G)(3) until the fifth year
23 following the effective date of the reorganization.

24 (3.5) For the 2010-2011 school year and each school year
25 thereafter, if a school district's boundaries span multiple
26 counties, then the Department of Revenue shall send to the

1 State Board of Education, for the purpose of calculating
2 general State aid, the limiting rate and individual rates by
3 purpose for the county that contains the majority of the school
4 district's Equalized Assessed Valuation.

5 (4) For the purposes of calculating general State aid for
6 the 1999-2000 school year only, if a school district
7 experienced a triennial reassessment on the equalized assessed
8 valuation used in calculating its general State financial aid
9 apportionment for the 1998-1999 school year, the State Board of
10 Education shall calculate the Extension Limitation Equalized
11 Assessed Valuation that would have been used to calculate the
12 district's 1998-1999 general State aid. This amount shall equal
13 the product of the equalized assessed valuation used to
14 calculate general State aid for the 1997-1998 school year and
15 the district's Extension Limitation Ratio. If the Extension
16 Limitation Equalized Assessed Valuation of the school district
17 as calculated under this paragraph (4) is less than the
18 district's equalized assessed valuation utilized in
19 calculating the district's 1998-1999 general State aid
20 allocation, then for purposes of calculating the district's
21 general State aid pursuant to paragraph (5) of subsection (E),
22 that Extension Limitation Equalized Assessed Valuation shall
23 be utilized to calculate the district's Available Local
24 Resources.

25 (5) For school districts having a majority of their
26 equalized assessed valuation in any county except Cook, DuPage,

1 Kane, Lake, McHenry, or Will, if the amount of general State
2 aid allocated to the school district for the 1999-2000 school
3 year under the provisions of subsection (E), (H), and (J) of
4 this Section is less than the amount of general State aid
5 allocated to the district for the 1998-1999 school year under
6 these subsections, then the general State aid of the district
7 for the 1999-2000 school year only shall be increased by the
8 difference between these amounts. The total payments made under
9 this paragraph (5) shall not exceed \$14,000,000. Claims shall
10 be prorated if they exceed \$14,000,000.

11 (H) Supplemental General State Aid.

12 (1) In addition to the general State aid a school district
13 is allotted pursuant to subsection (E), qualifying school
14 districts shall receive a grant, paid in conjunction with a
15 district's payments of general State aid, for supplemental
16 general State aid based upon the concentration level of
17 children from low-income households within the school
18 district. Supplemental State aid grants provided for school
19 districts under this subsection shall be appropriated for
20 distribution to school districts as part of the same line item
21 in which the general State financial aid of school districts is
22 appropriated under this Section.

23 (1.5) This paragraph (1.5) applies only to those school
24 years preceding the 2003-2004 school year. For purposes of this
25 subsection (H), the term "Low-Income Concentration Level"

1 shall be the low-income eligible pupil count from the most
2 recently available federal census divided by the Average Daily
3 Attendance of the school district. If, however, (i) the
4 percentage decrease from the 2 most recent federal censuses in
5 the low-income eligible pupil count of a high school district
6 with fewer than 400 students exceeds by 75% or more the
7 percentage change in the total low-income eligible pupil count
8 of contiguous elementary school districts, whose boundaries
9 are coterminous with the high school district, or (ii) a high
10 school district within 2 counties and serving 5 elementary
11 school districts, whose boundaries are coterminous with the
12 high school district, has a percentage decrease from the 2 most
13 recent federal censuses in the low-income eligible pupil count
14 and there is a percentage increase in the total low-income
15 eligible pupil count of a majority of the elementary school
16 districts in excess of 50% from the 2 most recent federal
17 censuses, then the high school district's low-income eligible
18 pupil count from the earlier federal census shall be the number
19 used as the low-income eligible pupil count for the high school
20 district, for purposes of this subsection (H). The changes made
21 to this paragraph (1) by Public Act 92-28 shall apply to
22 supplemental general State aid grants for school years
23 preceding the 2003-2004 school year that are paid in fiscal
24 year 1999 or thereafter and to any State aid payments made in
25 fiscal year 1994 through fiscal year 1998 pursuant to
26 subsection 1(n) of Section 18-8 of this Code (which was

1 repealed on July 1, 1998), and any high school district that is
2 affected by Public Act 92-28 is entitled to a recomputation of
3 its supplemental general State aid grant or State aid paid in
4 any of those fiscal years. This recomputation shall not be
5 affected by any other funding.

6 (1.10) This paragraph (1.10) applies to the 2003-2004
7 school year and each school year thereafter through the
8 2016-2017 school year. For purposes of this subsection (H), the
9 term "Low-Income Concentration Level" shall, for each fiscal
10 year, be the low-income eligible pupil count as of July 1 of
11 the immediately preceding fiscal year (as determined by the
12 Department of Human Services based on the number of pupils who
13 are eligible for at least one of the following low income
14 programs: Medicaid, the Children's Health Insurance Program,
15 TANF, or Food Stamps, excluding pupils who are eligible for
16 services provided by the Department of Children and Family
17 Services, averaged over the 2 immediately preceding fiscal
18 years for fiscal year 2004 and over the 3 immediately preceding
19 fiscal years for each fiscal year thereafter) divided by the
20 Average Daily Attendance of the school district.

21 (2) Supplemental general State aid pursuant to this
22 subsection (H) shall be provided as follows for the 1998-1999,
23 1999-2000, and 2000-2001 school years only:

24 (a) For any school district with a Low Income
25 Concentration Level of at least 20% and less than 35%, the
26 grant for any school year shall be \$800 multiplied by the

1 low income eligible pupil count.

2 (b) For any school district with a Low Income
3 Concentration Level of at least 35% and less than 50%, the
4 grant for the 1998-1999 school year shall be \$1,100
5 multiplied by the low income eligible pupil count.

6 (c) For any school district with a Low Income
7 Concentration Level of at least 50% and less than 60%, the
8 grant for the 1998-99 school year shall be \$1,500
9 multiplied by the low income eligible pupil count.

10 (d) For any school district with a Low Income
11 Concentration Level of 60% or more, the grant for the
12 1998-99 school year shall be \$1,900 multiplied by the low
13 income eligible pupil count.

14 (e) For the 1999-2000 school year, the per pupil amount
15 specified in subparagraphs (b), (c), and (d) immediately
16 above shall be increased to \$1,243, \$1,600, and \$2,000,
17 respectively.

18 (f) For the 2000-2001 school year, the per pupil
19 amounts specified in subparagraphs (b), (c), and (d)
20 immediately above shall be \$1,273, \$1,640, and \$2,050,
21 respectively.

22 (2.5) Supplemental general State aid pursuant to this
23 subsection (H) shall be provided as follows for the 2002-2003
24 school year:

25 (a) For any school district with a Low Income
26 Concentration Level of less than 10%, the grant for each

1 school year shall be \$355 multiplied by the low income
2 eligible pupil count.

3 (b) For any school district with a Low Income
4 Concentration Level of at least 10% and less than 20%, the
5 grant for each school year shall be \$675 multiplied by the
6 low income eligible pupil count.

7 (c) For any school district with a Low Income
8 Concentration Level of at least 20% and less than 35%, the
9 grant for each school year shall be \$1,330 multiplied by
10 the low income eligible pupil count.

11 (d) For any school district with a Low Income
12 Concentration Level of at least 35% and less than 50%, the
13 grant for each school year shall be \$1,362 multiplied by
14 the low income eligible pupil count.

15 (e) For any school district with a Low Income
16 Concentration Level of at least 50% and less than 60%, the
17 grant for each school year shall be \$1,680 multiplied by
18 the low income eligible pupil count.

19 (f) For any school district with a Low Income
20 Concentration Level of 60% or more, the grant for each
21 school year shall be \$2,080 multiplied by the low income
22 eligible pupil count.

23 (2.10) Except as otherwise provided, supplemental general
24 State aid pursuant to this subsection (H) shall be provided as
25 follows for the 2003-2004 school year and each school year
26 thereafter:

1 (a) For any school district with a Low Income
2 Concentration Level of 15% or less, 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 greater than 15%, the grant for each
7 school year shall be \$294.25 added to the product of \$2,700
8 and the square of the Low Income Concentration Level, all
9 multiplied by the low income eligible pupil count.

10 For the 2003-2004 school year and each school year
11 thereafter through the 2008-2009 school year only, the grant
12 shall be no less than the grant for the 2002-2003 school year.
13 For the 2009-2010 school year only, the grant shall be no less
14 than the grant for the 2002-2003 school year multiplied by
15 0.66. For the 2010-2011 school year only, the grant shall be no
16 less than the grant for the 2002-2003 school year multiplied by
17 0.33. Notwithstanding the provisions of this paragraph to the
18 contrary, if for any school year supplemental general State aid
19 grants are prorated as provided in paragraph (1) of this
20 subsection (H), then the grants under this paragraph shall be
21 prorated.

22 For the 2003-2004 school year only, the grant shall be no
23 greater than the grant received during the 2002-2003 school
24 year added to the product of 0.25 multiplied by the difference
25 between the grant amount calculated under subsection (a) or (b)
26 of this paragraph (2.10), whichever is applicable, and the

1 grant received during the 2002-2003 school year. For the
2 2004-2005 school year only, the grant shall be no greater than
3 the grant received during the 2002-2003 school year added to
4 the product of 0.50 multiplied by the difference between the
5 grant amount calculated under subsection (a) or (b) of this
6 paragraph (2.10), whichever is applicable, and the grant
7 received during the 2002-2003 school year. For the 2005-2006
8 school year only, the grant shall be no greater than the grant
9 received during the 2002-2003 school year added to the product
10 of 0.75 multiplied by the difference between the grant amount
11 calculated under subsection (a) or (b) of this paragraph
12 (2.10), whichever is applicable, and the grant received during
13 the 2002-2003 school year.

14 (3) School districts with an Average Daily Attendance of
15 more than 1,000 and less than 50,000 that qualify for
16 supplemental general State aid pursuant to this subsection
17 shall submit a plan to the State Board of Education prior to
18 October 30 of each year for the use of the funds resulting from
19 this grant of supplemental general State aid for the
20 improvement of instruction in which priority is given to
21 meeting the education needs of disadvantaged children. Such
22 plan shall be submitted in accordance with rules and
23 regulations promulgated by the State Board of Education.

24 (4) School districts with an Average Daily Attendance of
25 50,000 or more that qualify for supplemental general State aid
26 pursuant to this subsection shall be required to distribute

1 from funds available pursuant to this Section, no less than
2 \$261,000,000 in accordance with the following requirements:

3 (a) The required amounts shall be distributed to the
4 attendance centers within the district in proportion to the
5 number of pupils enrolled at each attendance center who are
6 eligible to receive free or reduced-price lunches or
7 breakfasts under the federal Child Nutrition Act of 1966
8 and under the National School Lunch Act during the
9 immediately preceding school year.

10 (b) The distribution of these portions of supplemental
11 and general State aid among attendance centers according to
12 these requirements shall not be compensated for or
13 contravened by adjustments of the total of other funds
14 appropriated to any attendance centers, and the Board of
15 Education shall utilize funding from one or several sources
16 in order to fully implement this provision annually prior
17 to the opening of school.

18 (c) Each attendance center shall be provided by the
19 school district a distribution of noncategorical funds and
20 other categorical funds to which an attendance center is
21 entitled under law in order that the general State aid and
22 supplemental general State aid provided by application of
23 this subsection supplements rather than supplants the
24 noncategorical funds and other categorical funds provided
25 by the school district to the attendance centers.

26 (d) Any funds made available under this subsection that

1 by reason of the provisions of this subsection are not
2 required to be allocated and provided to attendance centers
3 may be used and appropriated by the board of the district
4 for any lawful school purpose.

5 (e) Funds received by an attendance center pursuant to
6 this subsection shall be used by the attendance center at
7 the discretion of the principal and local school council
8 for programs to improve educational opportunities at
9 qualifying schools through the following programs and
10 services: early childhood education, reduced class size or
11 improved adult to student classroom ratio, enrichment
12 programs, remedial assistance, attendance improvement, and
13 other educationally beneficial expenditures which
14 supplement the regular and basic programs as determined by
15 the State Board of Education. Funds provided shall not be
16 expended for any political or lobbying purposes as defined
17 by board rule.

18 (f) Each district subject to the provisions of this
19 subdivision (H) (4) shall submit an acceptable plan to meet
20 the educational needs of disadvantaged children, in
21 compliance with the requirements of this paragraph, to the
22 State Board of Education prior to July 15 of each year.
23 This plan shall be consistent with the decisions of local
24 school councils concerning the school expenditure plans
25 developed in accordance with part 4 of Section 34-2.3. The
26 State Board shall approve or reject the plan within 60 days

1 after its submission. If the plan is rejected, the district
2 shall give written notice of intent to modify the plan
3 within 15 days of the notification of rejection and then
4 submit a modified plan within 30 days after the date of the
5 written notice of intent to modify. Districts may amend
6 approved plans pursuant to rules promulgated by the State
7 Board of Education.

8 Upon notification by the State Board of Education that
9 the district has not submitted a plan prior to July 15 or a
10 modified plan within the time period specified herein, the
11 State aid funds affected by that plan or modified plan
12 shall be withheld by the State Board of Education until a
13 plan or modified plan is submitted.

14 If the district fails to distribute State aid to
15 attendance centers in accordance with an approved plan, the
16 plan for the following year shall allocate funds, in
17 addition to the funds otherwise required by this
18 subsection, to those attendance centers which were
19 underfunded during the previous year in amounts equal to
20 such underfunding.

21 For purposes of determining compliance with this
22 subsection in relation to the requirements of attendance
23 center funding, each district subject to the provisions of
24 this subsection shall submit as a separate document by
25 December 1 of each year a report of expenditure data for
26 the prior year in addition to any modification of its

1 current plan. If it is determined that there has been a
2 failure to comply with the expenditure provisions of this
3 subsection regarding contravention or supplanting, the
4 State Superintendent of Education shall, within 60 days of
5 receipt of the report, notify the district and any affected
6 local school council. The district shall within 45 days of
7 receipt of that notification inform the State
8 Superintendent of Education of the remedial or corrective
9 action to be taken, whether by amendment of the current
10 plan, if feasible, or by adjustment in the plan for the
11 following year. Failure to provide the expenditure report
12 or the notification of remedial or corrective action in a
13 timely manner shall result in a withholding of the affected
14 funds.

15 The State Board of Education shall promulgate rules and
16 regulations to implement the provisions of this
17 subsection. No funds shall be released under this
18 subdivision (H) (4) to any district that has not submitted a
19 plan that has been approved by the State Board of
20 Education.

21 (I) (Blank).

22 (J) (Blank).

23 (K) Grants to Laboratory and Alternative Schools.

1 In calculating the amount to be paid to the governing board
2 of a public university that operates a laboratory school under
3 this Section or to any alternative school that is operated by a
4 regional superintendent of schools, the State Board of
5 Education shall require by rule such reporting requirements as
6 it deems necessary.

7 As used in this Section, "laboratory school" means a public
8 school which is created and operated by a public university and
9 approved by the State Board of Education. The governing board
10 of a public university which receives funds from the State
11 Board under this subsection (K) or subsection (g) of Section
12 18-8.15 of this Code may not increase the number of students
13 enrolled in its laboratory school from a single district, if
14 that district is already sending 50 or more students, except
15 under a mutual agreement between the school board of a
16 student's district of residence and the university which
17 operates the laboratory school. A laboratory school may not
18 have more than 1,000 students, excluding students with
19 disabilities in a special education program.

20 As used in this Section, "alternative school" means a
21 public school which is created and operated by a Regional
22 Superintendent of Schools and approved by the State Board of
23 Education. Such alternative schools may offer courses of
24 instruction for which credit is given in regular school
25 programs, courses to prepare students for the high school
26 equivalency testing program or vocational and occupational

1 training. A regional superintendent of schools may contract
2 with a school district or a public community college district
3 to operate an alternative school. An alternative school serving
4 more than one educational service region may be established by
5 the regional superintendents of schools of the affected
6 educational service regions. An alternative school serving
7 more than one educational service region may be operated under
8 such terms as the regional superintendents of schools of those
9 educational service regions may agree.

10 Each laboratory and alternative school shall file, on forms
11 provided by the State Superintendent of Education, an annual
12 State aid claim which states the Average Daily Attendance of
13 the school's students by month. The best 3 months' Average
14 Daily Attendance shall be computed for each school. The general
15 State aid entitlement shall be computed by multiplying the
16 applicable Average Daily Attendance by the Foundation Level as
17 determined under this Section.

18 (L) Payments, Additional Grants in Aid and Other Requirements.

19 (1) For a school district operating under the financial
20 supervision of an Authority created under Article 34A, the
21 general State aid otherwise payable to that district under this
22 Section, but not the supplemental general State aid, shall be
23 reduced by an amount equal to the budget for the operations of
24 the Authority as certified by the Authority to the State Board
25 of Education, and an amount equal to such reduction shall be

1 paid to the Authority created for such district for its
2 operating expenses in the manner provided in Section 18-11. The
3 remainder of general State school aid for any such district
4 shall be paid in accordance with Article 34A when that Article
5 provides for a disposition other than that provided by this
6 Article.

7 (2) (Blank).

8 (3) Summer school. Summer school payments shall be made as
9 provided in Section 18-4.3.

10 (M) Education Funding Advisory Board.

11 The Education Funding Advisory Board, hereinafter in this
12 subsection (M) referred to as the "Board", is hereby created.
13 The Board shall consist of 5 members who are appointed by the
14 Governor, by and with the advice and consent of the Senate. The
15 members appointed shall include representatives of education,
16 business, and the general public. One of the members so
17 appointed shall be designated by the Governor at the time the
18 appointment is made as the chairperson of the Board. The
19 initial members of the Board may be appointed any time after
20 the effective date of this amendatory Act of 1997. The regular
21 term of each member of the Board shall be for 4 years from the
22 third Monday of January of the year in which the term of the
23 member's appointment is to commence, except that of the 5
24 initial members appointed to serve on the Board, the member who
25 is appointed as the chairperson shall serve for a term that

1 commences on the date of his or her appointment and expires on
2 the third Monday of January, 2002, and the remaining 4 members,
3 by lots drawn at the first meeting of the Board that is held
4 after all 5 members are appointed, shall determine 2 of their
5 number to serve for terms that commence on the date of their
6 respective appointments and expire on the third Monday of
7 January, 2001, and 2 of their number to serve for terms that
8 commence on the date of their respective appointments and
9 expire on the third Monday of January, 2000. All members
10 appointed to serve on the Board shall serve until their
11 respective successors are appointed and confirmed. Vacancies
12 shall be filled in the same manner as original appointments. If
13 a vacancy in membership occurs at a time when the Senate is not
14 in session, the Governor shall make a temporary appointment
15 until the next meeting of the Senate, when he or she shall
16 appoint, by and with the advice and consent of the Senate, a
17 person to fill that membership for the unexpired term. If the
18 Senate is not in session when the initial appointments are
19 made, those appointments shall be made as in the case of
20 vacancies.

21 The Education Funding Advisory Board shall be deemed
22 established, and the initial members appointed by the Governor
23 to serve as members of the Board shall take office, on the date
24 that the Governor makes his or her appointment of the fifth
25 initial member of the Board, whether those initial members are
26 then serving pursuant to appointment and confirmation or

1 pursuant to temporary appointments that are made by the
2 Governor as in the case of vacancies.

3 The State Board of Education shall provide such staff
4 assistance to the Education Funding Advisory Board as is
5 reasonably required for the proper performance by the Board of
6 its responsibilities.

7 For school years after the 2000-2001 school year through
8 the 2016-2017 school year, the Education Funding Advisory
9 Board, in consultation with the State Board of Education, shall
10 make recommendations as provided in this subsection (M) to the
11 General Assembly for the foundation level under subdivision
12 (B) (3) of this Section and for the supplemental general State
13 aid grant level under subsection (H) of this Section for
14 districts with high concentrations of children from poverty.
15 The recommended foundation level shall be determined based on a
16 methodology which incorporates the basic education
17 expenditures of low-spending schools exhibiting high academic
18 performance. The Education Funding Advisory Board shall make
19 such recommendations to the General Assembly on January 1 of
20 odd numbered years, beginning January 1, 2001.

21 (N) (Blank).

22 (O) References.

23 (1) References in other laws to the various subdivisions of
24 Section 18-8 as that Section existed before its repeal and

1 replacement by this Section 18-8.05 shall be deemed to refer to
2 the corresponding provisions of this Section 18-8.05, to the
3 extent that those references remain applicable.

4 (2) References in other laws to State Chapter 1 funds shall
5 be deemed to refer to the supplemental general State aid
6 provided under subsection (H) of this Section.

7 (P) Public Act 93-838 and Public Act 93-808 make inconsistent
8 changes to this Section. Under Section 6 of the Statute on
9 Statutes there is an irreconcilable conflict between Public Act
10 93-808 and Public Act 93-838. Public Act 93-838, being the last
11 acted upon, is controlling. The text of Public Act 93-838 is
12 the law regardless of the text of Public Act 93-808.

13 (Q) State Fiscal Year 2015 Payments.

14 For payments made for State fiscal year 2015, the State
15 Board of Education shall, for each school district, calculate
16 that district's pro-rata share of a minimum sum of \$13,600,000
17 or additional amounts as needed from the total net General
18 State Aid funding as calculated under this Section that shall
19 be deemed attributable to the provision of special educational
20 facilities and services, as defined in Section 14-1.08 of this
21 Code, in a manner that ensures compliance with maintenance of
22 State financial support requirements under the federal
23 Individuals with Disabilities Education Act. Each school
24 district must use such funds only for the provision of special

1 educational facilities and services, as defined in Section
2 14-1.08 of this Code, and must comply with any expenditure
3 verification procedures adopted by the State Board of
4 Education.

5 (R) State Fiscal Year 2016 Payments.

6 For payments made for State fiscal year 2016, the State
7 Board of Education shall, for each school district, calculate
8 that district's pro rata share of a minimum sum of \$1 or
9 additional amounts as needed from the total net General State
10 Aid funding as calculated under this Section that shall be
11 deemed attributable to the provision of special educational
12 facilities and services, as defined in Section 14-1.08 of this
13 Code, in a manner that ensures compliance with maintenance of
14 State financial support requirements under the federal
15 Individuals with Disabilities Education Act. Each school
16 district must use such funds only for the provision of special
17 educational facilities and services, as defined in Section
18 14-1.08 of this Code, and must comply with any expenditure
19 verification procedures adopted by the State Board of
20 Education.

21 (Source: P.A. 98-972, eff. 8-15-14; 99-2, eff. 3-26-15; 99-194,
22 eff. 7-30-15; 99-523, eff. 6-30-16.)

23 (105 ILCS 5/18-8.10)

24 Sec. 18-8.10. Fast growth grants.

1 (a) If there has been an increase in a school district's
2 student population over the most recent 2 school years of (i)
3 over 1.5% in a district with over 10,000 pupils in average
4 daily attendance (as defined in Section 18-8.05 or 18-8.15 of
5 this Code) or (ii) over 7.5% in any other district, then the
6 district is eligible for a grant under this Section, subject to
7 appropriation.

8 (b) The State Board of Education shall determine a per
9 pupil grant amount for each school district. The total grant
10 amount for a district for any given school year shall equal the
11 per pupil grant amount multiplied by the difference between the
12 number of pupils in average daily attendance for the 2 most
13 recent school years.

14 (c) Funds for grants under this Section must be
15 appropriated to the State Board of Education in a separate line
16 item for this purpose. If the amount appropriated in any fiscal
17 year is insufficient to pay all grants for a school year, then
18 the amount appropriated shall be prorated among eligible
19 districts. As soon as possible after funds have been
20 appropriated to the State Board of Education, the State Board
21 of Education shall distribute the grants to eligible districts.

22 (d) If a school district intentionally reports incorrect
23 average daily attendance numbers to receive a grant under this
24 Section, then the district shall be denied State aid in the
25 same manner as State aid is denied for intentional incorrect
26 reporting of average daily attendance numbers under Section

1 18-8.05 or 18-8.15 of this Code.

2 (Source: P.A. 93-1042, eff. 10-8-04.)

3 (105 ILCS 5/18-8.15 new)

4 Sec. 18-8.15. Evidence-based funding for student success
5 for the 2017-2018 and subsequent school years.

6 (a) General provisions.

7 (1) The purpose of this Section is to ensure that, by June
8 30, 2027 and beyond, this State has a kindergarten through
9 grade 12 public education system with the capacity to ensure
10 the educational development of all persons to the limits of
11 their capacities in accordance with Section 1 of Article X of
12 the Constitution of the State of Illinois. To accomplish that
13 objective, this Section creates a method of funding public
14 education that is evidence-based; is sufficient to ensure every
15 student receives a meaningful opportunity to learn
16 irrespective of race, ethnicity, sexual orientation, gender,
17 or community-income level; and is sustainable and predictable.
18 When fully funded under this Section, every school shall have
19 the resources, based on what the evidence indicates is needed,
20 to:

21 (A) provide all students with a high quality education
22 that offers the academic, enrichment, social and emotional
23 support, technical, and career-focused programs that will
24 allow them to become competitive workers, responsible
25 parents, productive citizens of this State, and active

1 members of our national democracy;

2 (B) ensure all students receive the education they need
3 to graduate from high school with the skills required to
4 pursue post-secondary education and training for a
5 rewarding career;

6 (C) reduce, with a goal of eliminating, the achievement
7 gap between at-risk and non-at-risk students by raising the
8 performance of at-risk students and not by reducing
9 standards; and

10 (D) ensure this State satisfies its obligation to
11 assume the primary responsibility to fund public education
12 and simultaneously relieve the disproportionate burden
13 placed on local property taxes to fund schools.

14 (2) The evidence-based funding formula under this Section
15 shall be applied to all Organizational Units in this State. As
16 further defined and described in this Section, there are 4
17 major components of the evidence-based funding model:

18 (A) First, the model calculates a unique adequacy
19 target for each Organizational Unit in this State that
20 considers the costs to implement research-based
21 activities, the unit's student demographics, and regional
22 wage difference.

23 (B) Second, the model calculates each Organizational
24 Unit's local capacity, or the amount each Organizational
25 Unit is assumed to contribute towards its adequacy target
26 from local resources.

1 (C) Third, the model calculates how much funding the
2 State currently contributes to the Organizational Unit,
3 and adds that to the unit's local capacity to determine the
4 unit's overall current adequacy of funding.

5 (D) Finally, the model's distribution method allocates
6 new State funding to those Organizational Units that are
7 least well-funded, considering both local capacity and
8 State funding, in relation to their adequacy target.

9 (3) An Organizational Unit receiving any funding under this
10 Section may apply those funds to any fund so received for which
11 that Organizational Unit is authorized to make expenditures by
12 law.

13 (4) As used in this Section, the following terms shall have
14 the meanings ascribed in this paragraph (4):

15 "Adequacy Target" is defined in paragraph (1) of subsection
16 (b) of this Section.

17 "Adjusted EAV" is defined in paragraph (4) of subsection
18 (d) of this Section.

19 "Adjusted Local Capacity Target" is defined in paragraph
20 (3) of subsection (c) of this Section.

21 "Allocation Rate" is defined in paragraph (3) of subsection
22 (g) of this Section.

23 "Alternative School" means a public school that is created
24 and operated by a regional superintendent of schools and
25 approved by the State Board.

26 "Applicable Tax Rate" is defined in paragraph (1) of

1 subsection (d) of this Section.

2 "Assessment" means any of those benchmark, progress
3 monitoring, formative, diagnostic, and other assessments, in
4 addition to the State accountability assessment, that assist
5 teachers' needs in understanding the skills and meeting the
6 needs of the students they serve.

7 "Assistant principal" means a school administrator duly
8 endorsed to be employed as an assistant principal in this
9 State.

10 "At-risk student" means a student who is at risk of not
11 meeting the Illinois Learning Standards or not graduating from
12 elementary or high school and who demonstrates a need for
13 vocational support or social services beyond that provided by
14 the regular school program. All students included in an
15 Organizational Unit's Low-Income Count, as well as all EL and
16 disabled students attending the Organizational Unit, shall be
17 considered at-risk students under this Section.

18 "Average Student Enrollment" or "ASE" means, for an
19 Organizational Unit in a given school year, the greater of the
20 average number of students (grades K through 12) reported to
21 the State Board as enrolled in the Organizational Unit on
22 October 1 and March 1, plus the special education
23 pre-kindergarten students with services of at least more than 2
24 hours a week as reported to the State Board on December 1, in
25 the immediately preceding school year or the average number of
26 students (grades K through 12) reported to the State Board as

1 enrolled in the Organizational Unit on October 1 and March 1,
2 plus the special education pre-kindergarten students with
3 services of at least more than 2 hours a week as reported to
4 the State Board on December 1, for each of the immediately
5 preceding 3 school years. For the purposes of this definition,
6 "enrolled in the Organizational Unit" means the number of
7 students reported to the State Board who are enrolled in
8 schools within the Organizational Unit that the student attends
9 or would attend if not placed or transferred to another school
10 or program to receive needed services. For the purposes of
11 calculating "ASE", all students, grades K through 12, including
12 those attending kindergarten for a half day, shall be counted
13 as 1.0. Special education pre-kindergarten students shall be
14 counted as 0.5 each. If the State Board does not collect or has
15 not collected both an October 1 and March 1 enrollment count by
16 grade or a December 1 collection of special education
17 pre-kindergarten students as of the effective date of this
18 amendatory Act of the 100th General Assembly, it shall
19 establish such collection for all future years. For any year
20 where a count by grade level was collected only once, that
21 count shall be used as the single count available for computing
22 a 3-year average ASE.

23 "Base Funding Guarantee" is defined in paragraph (7) of
24 subsection (g) of this Section.

25 "Base Funding Minimum" is defined in subsection (e) of this
26 Section.

1 "Central office" means individual administrators and
2 support service personnel charged with managing the
3 instructional programs, business and operations, and security
4 of the Organizational Unit.

5 "Comparable Wage Index" or "CWI" means a regional cost
6 differentiation metric that measures systemic, regional
7 variations in the salaries of college graduates who are not
8 educators. The CWI utilized for this Section shall, for the
9 first 3 years of Evidence-Based Funding implementation, be the
10 CWI initially developed by the National Center for Education
11 Statistics, as most recently updated by Texas A & M University.
12 In the fourth and subsequent years of Evidence-Based Funding
13 implementation, the State Superintendent shall re-determine
14 the CWI using a similar methodology to that identified in the
15 Texas A & M University study, with adjustments made no less
16 frequently than once every 5 years.

17 "Computer technology and equipment" means computers
18 servers, notebooks, network equipment, copiers, printers,
19 instructional software, security software, curriculum
20 management courseware, and other similar materials and
21 equipment.

22 "Core subject" means mathematics; science; reading,
23 English, writing, and language arts; history and social
24 studies; world languages; and subjects taught as Advanced
25 Placement in high schools.

26 "Core teacher" means a regular classroom teacher in

1 elementary schools and teachers of a core subject in middle and
2 high schools.

3 "Core Intervention teacher (tutor)" means a licensed
4 teacher providing one-on-one or small group tutoring to
5 students struggling to meet proficiency in core subjects.

6 "CPPRT" means corporate personal property replacement tax
7 funds paid to an Organizational Unit during the calendar year
8 one year before the calendar year in which a school year
9 begins, pursuant to "An Act in relation to the abolition of ad
10 valorem personal property tax and the replacement of revenues
11 lost thereby, and amending and repealing certain Acts and parts
12 of Acts in connection therewith", certified August 14, 1979, as
13 amended (Public Act 81-1st S.S.-1).

14 "EAV" means equalized assessed valuation as defined in
15 paragraph (2) of subsection (d) of this Section and calculated
16 in accordance with paragraph (3) of subsection (d) of this
17 Section.

18 "ECI" means the Bureau of Labor Statistics' national
19 employment cost index for civilian workers in educational
20 services in elementary and secondary schools on a cumulative
21 basis for the 12-month calendar year preceding the fiscal year
22 of the Evidence-Based Funding calculation.

23 "EIS Data" means the employment information system data
24 maintained by the State Board on educators within
25 Organizational Units.

26 "Employee benefits" means health, dental, and vision

1 insurance offered to employees of an Organizational Unit, the
2 costs associated with statutorily required payment of the
3 normal cost of the Organizational Unit's teacher pensions,
4 Social Security employer contributions, and Illinois Municipal
5 Retirement Fund employer contributions.

6 "English learner" or "EL" means a child included in the
7 definition of "English learners" under Section 14C-2 of this
8 Code participating in a program of transitional bilingual
9 education or a transitional program of instruction meeting the
10 requirements and program application procedures of Article 14C
11 of this Code. For the purposes of collecting the number of EL
12 students enrolled, the same collection and calculation
13 methodology as defined above for "ASE" shall apply to English
14 learners.

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 "Evidence-Based Funding" means State funding provided to
24 an Organizational Unit pursuant to this Section.

25 "Extended day" means academic and enrichment programs
26 provided to students outside the regular school day before and

1 after school or during non-instructional times during the
2 school day.

3 "Final Percent of Adequacy" is defined in paragraph (4) of
4 subsection (f) of this Section.

5 "Final Resources" is defined in paragraph (3) of subsection
6 (f) of this Section.

7 "Full-time equivalent" or "FTE" means the full-time
8 equivalency compensation for staffing the relevant position at
9 an Organizational Unit.

10 "Funding Gap" is defined in paragraph (1) of subsection
11 (g).

12 "Guidance counselor" means a licensed guidance counselor
13 who provides guidance and counseling support for students
14 within an Organizational Unit.

15 "Hybrid District" means a partial elementary unit district
16 created pursuant to Article 11E of this Code.

17 "Instructional assistant" means a core or special
18 education, non-licensed employee who assists a teacher in the
19 classroom and provides academic support to students.

20 "Instructional facilitator" means a qualified teacher or
21 licensed teacher leader who facilitates and coaches continuous
22 improvement in classroom instruction; provides instructional
23 support to teachers in the elements of research-based
24 instruction or demonstrates the alignment of instruction with
25 curriculum standards and assessment tools; develops or
26 coordinates instructional programs or strategies; develops and

1 implements training; chooses standards-based instructional
2 materials; provides teachers with an understanding of current
3 research; serves as a mentor, site coach, curriculum
4 specialist, or lead teacher; or otherwise works with fellow
5 teachers, in collaboration, to use data to improve
6 instructional practice or develop model lessons.

7 "Instructional materials" means relevant instructional
8 materials for student instruction, including, but not limited
9 to, textbooks, consumable workbooks, laboratory equipment,
10 library books, and other similar materials.

11 "Laboratory School" means a public school that is created
12 and operated by a public university and approved by the State
13 Board.

14 "Librarian" means a teacher with an endorsement as a
15 library information specialist or another individual whose
16 primary responsibility is overseeing library resources within
17 an Organizational Unit.

18 "Local Capacity" is defined in paragraph (1) of subsection
19 (c) of this Section.

20 "Local Capacity Percentage" is defined in subparagraph (A)
21 of paragraph (2) of subsection (c) of this Section.

22 "Local Capacity Ratio" is defined in subparagraph (B) of
23 paragraph (2) of subsection (c) of this Section.

24 "Local Capacity Target" is defined in paragraph (2) of
25 subsection (c) of this Section.

26 "Low-Income Count" means, for an Organizational Unit in a

1 fiscal year, the higher of the average number of students for
2 the prior school year or the immediately preceding 3 school
3 years who, as of July 1 of the immediately preceding fiscal
4 year (as determined by the Department of Human Services), are
5 eligible for at least one of the following low income programs:
6 Medicaid, the Children's Health Insurance Program, TANF, or
7 Food Stamps, excluding pupils who are eligible for services
8 provided by the Department of Children and Family Services.

9 "Maintenance and operations" means custodial services,
10 facility and ground maintenance, facility operations, facility
11 security, routine facility repairs, and other similar services
12 and functions.

13 "Minimum Funding Level" is defined in paragraph (6) of
14 subsection (g) of this Section.

15 "New State Funds" means, for a given school year, all State
16 funds appropriated for Evidence-Based Funding in excess of the
17 amount needed to fund the Base Funding Minimum for all
18 Organizational Units in that school year.

19 "Net State Contribution Target" means, for a given school
20 year, the amount of State funds that would be necessary to
21 fully meet the Adequacy Target of an Operational Unit minus the
22 Preliminary Resources available to each unit.

23 "Nurse" means an individual licensed as a certified school
24 nurse, in accordance with the rules established for nursing
25 services by the State Board, who is an employee of and is
26 available to provide health care-related services for students

1 of an Organizational Unit.

2 "Operating Tax Rate" means the rate utilized in the
3 previous year to extend property taxes for all purposes,
4 except, Bond and Interest, Summer School, Rent, Capital
5 Improvement, and Vocational Education Building purposes. For
6 Hybrid Districts, the Operating Tax Rate shall be the combined
7 elementary and high school rates utilized in the previous year
8 to extend property taxes for all purposes, except, Bond and
9 Interest, Summer School, Rent, Capital Improvement, and
10 Vocational Education Building purposes. For all Organizational
11 Units, the State Superintendent shall calculate and subtract
12 from the Operating Tax Rate a transportation rate based on
13 total expenses for transportation services under this Code, as
14 reported on the most recent Annual Financial Report in Pupil
15 Transportation Services, function 2550 in both the Education
16 and Transportation funds and functions 4110 and 4120 in the
17 Transportation fund, less any corresponding fiscal year State
18 of Illinois scheduled payments excluding net adjustments for
19 prior years for regular, vocational, or special education
20 transportation reimbursement pursuant to Section 29-5 or
21 subsection (b) of Section 14-13.01 of this Code divided by the
22 Adjusted EAV. If an Organizational Unit's corresponding fiscal
23 year State of Illinois scheduled payments excluding net
24 adjustments for prior years for regular, vocational, or special
25 education transportation reimbursement pursuant to Section
26 29-5 or subsection (b) of Section 14-13.01 of this Code exceed

1 the total transportation expenses, as defined in this
2 paragraph, no transportation rate shall be subtracted from the
3 Operating Tax Rate.

4 "Organizational Unit" means a Laboratory School, an
5 Alternative School, or any public school district that is
6 recognized as such by the State Board and that contains
7 elementary schools typically serving kindergarten through 5th
8 grades, middle schools typically serving 6th through 8th
9 grades, or high schools typically serving 9th through 12th
10 grades. The General Assembly acknowledges that the actual grade
11 levels served by a particular Organizational Unit may vary
12 slightly from what is typical.

13 "Organizational Unit CWI" is determined by calculating the
14 CWI in the region and original county in which an
15 Organizational Unit's primary administrative office is located
16 as set forth in this paragraph. Each county's current CWI value
17 shall be adjusted based on the CWI value of that county's
18 neighboring Illinois counties, to create a "weighted adjusted
19 index value". This shall be calculated by summing the CWI
20 values of all of a county's adjacent Illinois counties and
21 dividing by the number of adjacent Illinois counties, then
22 taking the weighted value of the original county's CWI value
23 and the adjacent Illinois county average. To calculate this
24 weighted value, if the number of adjacent Illinois counties is
25 greater than 2, the original county's CWI value will be
26 weighted at 0.25 and the adjacent Illinois county average will

1 be weighted at 0.75. If the number of adjacent Illinois
2 counties is 2, the original county's CWI value will be weighted
3 at 0.33 and the adjacent Illinois county average will be
4 weighted at 0.66. The greater of the county's current CWI value
5 and its weighted adjusted index value shall be used as the
6 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 (2) 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 "School site staff" means the primary school secretary and
11 any additional clerical personnel assigned to a school.

12 "Special education" means special educational facilities
13 and services, as defined in Section 14-1.08 of this Code.

14 "Specialist teacher" means a teacher who provides
15 instruction in subject areas not included in core subjects,
16 including, but not limited to, art, music, physical education,
17 health, driver education, career-technical education, and such
18 other subject areas as may be mandated by State law or provided
19 by an Organizational Unit.

20 "Specially Funded Unit" means an Alternative School, safe
21 school, Department of Juvenile Justice school, special
22 education cooperative or entity recognized by the State Board
23 as a special education cooperative, State-approved charter
24 school, or alternative learning opportunities program that
25 received direct funding from the State Board during the
26 2016-2017 school year through any of the funding sources

1 included within the calculation of the Base Funding Minimum.

2 "Supplemental Grant Funding" means supplemental general
3 State aid funding received by an Organization Unit during the
4 2016-2017 school year pursuant to subsection (H) of Section
5 18-8.05 of this Code.

6 "State Adequacy Level" is the sum of the Adequacy Targets
7 of all Organizational Units.

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

9 "State Superintendent" means the State Superintendent of
10 Education.

11 "Statewide Weighted CWI" means a figure determined by
12 multiplying each Organizational Unit CWI times the ASE for that
13 Organizational Unit creating a weighted value, summing all
14 Organizational Unit's weighted values, and dividing by the
15 total ASE of all Organizational Units, thereby creating an
16 average weighted index.

17 "Student activities" means non-credit producing
18 after-school programs, including, but not limited to, clubs,
19 bands, sports, and other activities authorized by the school
20 board of the Organizational Unit.

21 "Substitute teacher" means an individual teacher or
22 teaching assistant who is employed by an Organizational Unit
23 and is temporarily serving the Organizational Unit on a per
24 diem or per period-assignment basis replacing another staff
25 member.

26 "Summer school" means academic and enrichment programs

1 provided to students during the summer months outside of the
2 regular school year.

3 "Supervisory aide" means a non-licensed staff member who
4 helps in supervising students of an Organizational Unit, but
5 does so outside of the classroom, in situations such as, but
6 not limited to, monitoring hallways and playgrounds,
7 supervising lunchrooms, or supervising students when being
8 transported in buses serving the Organizational Unit.

9 "Target Ratio" is defined in paragraph (4) of subsection
10 (g).

11 "Tier 1", "Tier 2", "Tier 3", and "Tier 4" are defined in
12 paragraph (2) of subsection (g).

13 "Tier 1 Aggregate Funding", "Tier 2 Aggregate Funding",
14 "Tier 3 Aggregate Funding", and "Tier 4 Aggregate Funding" are
15 defined in paragraph (1) of subsection (g).

16 (b) Adequacy Target calculation.

17 (1) Each Organizational Unit's Adequacy Target is the sum
18 of the Organizational Unit's cost of providing Essential
19 Elements, as calculated in accordance with this subsection (b),
20 with the salary amounts in the Essential Elements multiplied by
21 a Regionalization Factor calculated pursuant to paragraph (3)
22 of this subsection (b).

23 (2) The Essential Elements are attributable on a pro-rata
24 basis related to defined subgroups of the ASE of each
25 Organizational Unit as specified in this paragraph (2), with
26 investments and FTE positions pro-rata funded based on ASE

1 counts in excess or less than the thresholds set forth in this
2 paragraph (2). The method for calculating attributable
3 pro-rata costs and the defined subgroups thereto are as
4 follows:

5 (A) Core class size investments. Each Organizational
6 Unit shall receive the funding required to support that
7 number of FTE core teacher positions as is needed to keep
8 the respective class sizes of the Organizational Unit to a
9 maximum of 15 students each for grades kindergarten through
10 3 and 25 students each for grades 4 through 12. The number
11 of FTE core teacher positions shall be determined by
12 dividing the ASE of the Organizational Unit for grades
13 kindergarten through 3 by 15 and grades 4 through 12 by 25.

14 (B) Specialist teacher investments. Each
15 Organizational Unit shall receive the funding needed to
16 cover that number of FTE specialist teacher positions that
17 correspond to the following percentages:

18 (i) if the Organizational Unit operates an
19 elementary or middle school, then 20.00% of the number
20 of the Organizational Unit's core teachers, as
21 determined under subparagraph (A) of this paragraph
22 (2); and

23 (ii) if such Organizational Unit operates a high
24 school, then 33.33% of the number of the Organizational
25 Unit's core teachers.

26 (C) Instructional facilitator investments. Each

1 Organizational Unit shall receive the funding needed to
2 cover one FTE instructional facilitator position for every
3 200 combined ASE of pre-kindergarten children with
4 disabilities and all kindergarten through grade 12
5 students of the Organizational Unit.

6 (D) Core intervention teacher (tutor) investments.
7 Each Organizational Unit shall receive the funding needed
8 to cover one FTE teacher position for each prototypical
9 elementary, middle, and high school.

10 (E) Substitute teacher investments. Each
11 Organizational Unit shall receive the funding needed to
12 cover substitute teacher costs that is equal to 5.70% of
13 the minimum pupil attendance days required under Section
14 10-19 of this code for all full-time equivalent core,
15 specialist, and intervention teachers, school nurses,
16 special education teachers and instructional assistants,
17 instructional facilitators, and summer school and
18 extended-day teacher positions, as determined under this
19 paragraph (2), at a salary rate of 33.33% of the average
20 salary for grade K through 12 teachers and 33.33% of the
21 average salary of each instructional assistant position.

22 (F) Core guidance counselor investments. Each
23 Organizational Unit shall receive the funding needed to
24 cover one FTE guidance counselor for each 450 combined ASE
25 of pre-kindergarten children with disabilities and all
26 kindergarten through grade 5 students, plus one FTE

1 guidance counselor for each 250 grades 6 through 8 ASE
2 middle school students, plus one FTE guidance counselor for
3 each 250 grades 9 through 12 ASE high school students.

4 (G) Nurse investments. Each Organizational Unit shall
5 receive the funding needed to cover one FTE nurse for each
6 750 combined ASE of pre-kindergarten children with
7 disabilities and all kindergarten through grade 12
8 students across all grade levels it serves.

9 (H) Supervisory aide investments. Each Organizational
10 Unit shall receive the funding needed to cover one FTE for
11 each 225 combined ASE of pre-kindergarten children with
12 disabilities and all kindergarten through grade 5
13 students, plus one FTE for each 225 ASE middle school
14 students, plus one FTE for each 200 ASE high school
15 students.

16 (I) Librarian investments. Each Organizational Unit
17 shall receive the funding needed to cover one FTE librarian
18 for each prototypical elementary school, middle school,
19 and high school and one FTE aide or media technician for
20 every 300 combined ASE of pre-kindergarten children with
21 disabilities and all kindergarten through grade 12
22 students.

23 (J) Principal investments. Each Organizational Unit
24 shall receive the funding needed to cover one FTE principal
25 position for each prototypical elementary school, plus one
26 FTE principal position for each prototypical middle

1 school, plus one FTE principal position for each
2 prototypical high school.

3 (K) Assistant principal investments. Each
4 Organizational Unit shall receive the funding needed to
5 cover one FTE assistant principal position for each
6 prototypical elementary school, plus one FTE assistant
7 principal position for each prototypical middle school,
8 plus one FTE assistant principal position for each
9 prototypical high school.

10 (L) School site staff investments. Each Organizational
11 Unit shall receive the funding needed for one FTE position
12 for each 225 ASE of pre-kindergarten children with
13 disabilities and all kindergarten through grade 5
14 students, plus one FTE position for each 225 ASE middle
15 school students, plus one FTE position for each 200 ASE
16 high school students.

17 (M) Gifted investments. Each Organizational Unit shall
18 receive \$40 per kindergarten through grade 12 ASE.

19 (N) Professional development investments. Each
20 Organizational Unit shall receive \$125 per student of the
21 combined ASE of pre-kindergarten children with
22 disabilities and all kindergarten through grade 12
23 students for trainers and other professional
24 development-related expenses for supplies and materials.

25 (O) Instructional material investments. Each
26 Organizational Unit shall receive \$190 per student of the

1 combined ASE of pre-kindergarten children with
2 disabilities and all kindergarten through grade 12
3 students to cover instructional material costs.

4 (P) Assessment investments. Each Organizational Unit
5 shall receive \$25 per student of the combined ASE of
6 pre-kindergarten children with disabilities and all
7 kindergarten through grade 12 students student to cover
8 assessment costs.

9 (Q) Computer technology and equipment investments.
10 Each Organizational Unit shall receive \$571 per student of
11 the combined ASE of pre-kindergarten children with
12 disabilities and all kindergarten through grade 12
13 students to cover computer technology and equipment costs.

14 (R) Student activities investments. Each
15 Organizational Unit shall receive the following funding
16 amounts to cover student activities: \$100 per kindergarten
17 through grade 5 ASE student in elementary school, plus \$200
18 per ASE student in middle school, plus \$675 per ASE student
19 in high school.

20 (S) Maintenance and operations investments. Each
21 Organizational Unit shall receive \$1,038 per student of the
22 combined ASE of pre-kindergarten children with
23 disabilities and all kindergarten through grade 12 for
24 day-to-day maintenance and operations expenditures,
25 including salary, supplies, and materials, as well as
26 purchased services, but excluding employee benefits. The

1 proportion of salary for the application of a
2 Regionalization Factor and the calculation of benefits is
3 equal to \$352.92.

4 (T) Central office investments. Each Organizational
5 Unit shall receive \$742 per student of the combined ASE of
6 pre-kindergarten children with disabilities and all
7 kindergarten through grade 12 students to cover central
8 office operations, including administrators and classified
9 personnel charged with managing the instructional
10 programs, business and operations of the school district,
11 and security personnel. The proportion of salary for the
12 application of a Regionalization Factor and the
13 calculation of benefits is equal to \$368.48.

14 (U) Employee benefit investments. Each Organizational
15 Unit shall receive 30% of the total of all
16 salary-calculated elements of the Adequacy Target,
17 excluding substitute teachers and student activities
18 investments, to cover benefit costs. For central office and
19 maintenance and operations investments, the benefit
20 calculation shall be based upon the salary proportion of
21 each investment. If at any time the responsibility for
22 funding the employer normal cost of teacher pensions is
23 assigned to school districts, then that amount certified by
24 the Teachers' Retirement System of the State of Illinois to
25 be paid by the Organizational Unit for the preceding school
26 year shall be added to the benefit investment. For any

1 fiscal year in which a school district organized under
2 Article 34 of this Code is responsible for paying the
3 employer normal cost of teacher pensions, then that amount
4 of its employer normal cost as certified by the Public
5 School Teachers' Pension and Retirement Fund of Chicago to
6 be paid by the school district for the preceding school
7 year that is statutorily required to cover employer normal
8 costs shall be added to the 30% specified in this
9 subparagraph (U). The Public School Teachers' Pension and
10 Retirement Fund of Chicago shall submit such information as
11 the State Superintendent may require for the calculations
12 set forth in this subparagraph (U).

13 (V) Additional investments in low-income students. In
14 addition to and not in lieu of all other funding under this
15 paragraph (2), each Organizational Unit shall receive
16 funding based on the average teacher salary for grades K
17 through 12 to cover the costs of: (i) one FTE intervention
18 teacher (tutor) position for every 125 Low-Income Count
19 students; (ii) one FTE pupil support staff position for
20 every 125 Low-Income Count students; (iii) one FTE extended
21 day teacher position for every 120 Low-Income Count
22 students; and (iv) one FTE summer school teacher position
23 for every 120 Low-Income Count students.

24 (W) Additional investments in EL students. In addition
25 to and not in lieu of all other funding under this
26 paragraph (2), each Organizational Unit shall receive

1 funding based on the average teacher salary for grades K
2 through 12 to cover the costs of:

3 (i) one FTE intervention teacher (tutor) position
4 for every 125 EL students;

5 (ii) one FTE pupil support staff position for every
6 125 EL students;

7 (iii) one FTE extended day teacher position for
8 every 120 EL students;

9 (iv) one FTE summer school teacher position for
10 every 120 EL students; and

11 (v) one FTE core teacher position for every 100 EL
12 students.

13 (X) Special education investments. Each Organizational
14 Unit shall receive funding based on the average teacher
15 salary for grades K through 12 to cover special education
16 as follows:

17 (i) one FTE teacher position for every 141 combined
18 ASE of pre-kindergarten children with disabilities and
19 all kindergarten through grade 12 students;

20 (ii) one FTE instructional assistant for every 141
21 combined ASE of pre-kindergarten children with
22 disabilities and all kindergarten through grade 12
23 students; and

24 (iii) one FTE psychologist position for every
25 1,000 combined ASE of pre-kindergarten children with
26 disabilities and all kindergarten through grade 12

1 students.

2 (3) For calculating the salaries included within the
3 Essential Elements, the State Superintendent shall annually
4 calculate average salaries to the nearest dollar using the
5 employment information system data maintained by the State
6 Board, limited to public schools only and excluding special
7 education and vocational cooperatives, schools operated by the
8 Department of Juvenile Justice, and charter schools, for the
9 following positions:

10 (A) Teacher for grades K through 8.

11 (B) Teacher for grades 9 through 12.

12 (C) Teacher for grades K through 12.

13 (D) Guidance counselor for grades K through 8.

14 (E) Guidance counselor for grades 9 through 12.

15 (F) Guidance counselor for grades K through 12.

16 (G) Social worker.

17 (H) Psychologist.

18 (I) Librarian.

19 (J) Nurse.

20 (K) Principal.

21 (L) Assistant principal.

22 For the purposes of this paragraph (3), "teacher" includes core
23 teachers, specialist and elective teachers, instructional
24 facilitators, tutors, special education teachers, pupil
25 support staff teachers, English learner teachers, extended-day
26 teachers, and summer school teachers. Where specific grade data

1 is not required for the Essential Elements, the average salary
2 for corresponding positions shall apply. For substitute
3 teachers, the average teacher salary for grades K through 12
4 shall apply.

5 For calculating the salaries included within the Essential
6 Elements for positions not included within EIS Data, the
7 following salaries shall be used in the first year of
8 implementation of Evidence-Based Funding:

9 (i) school site staff, \$30,000; and

10 (ii) on-instructional assistant, instructional
11 assistant, library aide, library media tech, or
12 supervisory aide: \$25,000.

13 In the second and subsequent years of implementation of
14 Evidence-Based Funding, the amounts in items (i) and (ii) of
15 this paragraph (3) shall annually increase by the ECI.

16 The salary amounts for the Essential Elements determined
17 pursuant to subparagraphs (A) through (L), (S) and (T), and (V)
18 through (X) of paragraph (2) of subsection (b) of this Section
19 shall be multiplied by a Regionalization Factor.

20 (c) Local capacity calculation.

21 (1) Each Organizational Unit's Local Capacity represents
22 an amount of funding it is assumed to contribute toward its
23 Adequacy Target for purposes of the Evidence-Based Funding
24 formula calculation. "Local Capacity" means either (i) the
25 Organizational Unit's Local Capacity Target as calculated in
26 accordance with paragraph (2) of this subsection (c) if its

1 Real Receipts are equal to or less than its Local Capacity
2 Target or (ii) the Organizational Unit's Adjusted Local
3 Capacity, as calculated in accordance with paragraph (3) of
4 this subsection (c) if Real Receipts are more than its Local
5 Capacity Target.

6 (2) "Local Capacity Target" means, for an Organizational
7 Unit, that dollar amount that is obtained by multiplying its
8 Adequacy Target by its Local Capacity Percentage.

9 (A) An Organizational Unit's Local Capacity Percentage
10 is the conversion of the Organizational Unit's Local
11 Capacity Ratio, as such ratio is determined in accordance
12 with subparagraph (B) of this paragraph (2), into a normal
13 curve equivalent score to determine each Organizational
14 Unit's relative position to all other Organizational Units
15 in this State. The calculation of Local Capacity Percentage
16 is described in subparagraph (C) of this paragraph (2).

17 (B) An Organizational Unit's Local Capacity Ratio in a
18 given year is the percentage obtained by dividing its
19 Adjusted EAV by its Adequacy Target, with the resulting
20 ratio further adjusted as follows:

21 (i) for Organizational Units serving grades
22 kindergarten through 12 and Hybrid Districts, no
23 further adjustments shall be made;

24 (ii) for Organizational Units serving grades
25 kindergarten through 8, the ratio shall be multiplied
26 by 9/13;

1 (iii) for Organizational Units serving grades 9
2 through 12, the Local Capacity Ratio shall be
3 multiplied by 4/13; and

4 (iv) for an Organizational Unit with a different
5 grade configuration than those specified in items (i)
6 through (iii) of this subparagraph (B), the State
7 Superintendent shall determine a comparable adjustment
8 based on the grades served.

9 (C) Local Capacity Percentage converts each
10 Organizational Unit's Local Capacity Ratio to a normal
11 curve equivalent score to determine each Organizational
12 Unit's relative position to all other Organizational Units
13 in this State. The Local Capacity Percentage normal curve
14 equivalent score for each Organizational Unit shall be
15 calculated using the standard normal distribution of the
16 score in relation to the weighted mean and weighted
17 standard deviation and Local Capacity Ratios of all
18 Organizational Units. If the value assigned to any
19 Organizational Unit is in excess of 90%, the value shall be
20 adjusted to 90%. For Laboratory Schools, the Local Capacity
21 Percentage shall be set at 10% in recognition of the
22 absence of EAV and resources from the public university
23 that are allocated to the Laboratory School. The weighted
24 mean for the Local Capacity Percentage shall be determined
25 by multiplying each Organizational Unit's Local Capacity
26 Ratio times the ASE for the unit creating a weighted value,

1 summing the weighted values of all Organizational Units,
2 and dividing by the total ASE of all Organizational Units.
3 The weighted standard deviation shall be determined by
4 taking the square root of the weighted variance of all
5 Organizational Units' Local Capacity Ratio, where the
6 variance is calculated by squaring the difference between
7 each unit's Local Capacity Ratio and the weighted mean,
8 then multiplying the variance for each unit times the ASE
9 for the unit to create a weighted variance for each unit,
10 then summing all units' weighted variance and dividing by
11 the total ASE of all units.

12 (3) If an Organizational Unit's Real Receipts are more than
13 its Local Capacity Target, then its Local Capacity shall equal
14 an Adjusted Local Capacity Target as calculated in accordance
15 with this paragraph (3). The Adjusted Local Capacity Target is
16 calculated as the sum of the Organizational Unit's Local
17 Capacity Target and its Real Receipts Adjustment. The Real
18 Receipts Adjustment equals the Organizational Unit's Real
19 Receipts less its Local Capacity Target, with the resulting
20 figure multiplied by its Preliminary Percent of Adequacy.

21 (d) Calculation of Real Receipts, EAV, and Adjusted EAV for
22 purposes of the Local Capacity calculation.

23 (1) An Organizational Unit's Real Receipts are the product
24 of its Applicable Tax Rate and its Adjusted EAV. An
25 Organizational Unit's Applicable Tax Rate is its Operating Tax
26 Rate for property within the Organizational Unit.

1 (2) The State Superintendent shall calculate the Equalized
2 Assessed Valuation, or EAV, of all taxable property of each
3 Organizational Unit as of September 30 of the previous year in
4 accordance with paragraph (3) of this subsection (d). The State
5 Superintendent shall then determine the Adjusted EAV of each
6 Organizational Unit in accordance with paragraph (4) of this
7 subsection (d), which Adjusted EAV figure shall be used for the
8 purposes of calculating Local Capacity.

9 (3) To calculate Real Receipts and EAV, the Department of
10 Revenue shall supply to the State Superintendent the value as
11 equalized or assessed by the Department of Revenue of all
12 taxable property of every Organizational Unit, together with
13 (i) the applicable tax rate used in extending taxes for the
14 funds of the Organizational Unit as of September 30 of the
15 previous year and (ii) the limiting rate for all Organizational
16 Units subject to property tax extension limitations as imposed
17 under PTELL.

18 (A) The Department of Revenue shall add to the
19 equalized assessed value of all taxable property of each
20 Organizational Unit situated entirely or partially within
21 a county that is or was subject to the provisions of
22 Section 15-176 or 15-177 of the Property Tax Code (i) an
23 amount equal to the total amount by which the homestead
24 exemption allowed under Section 15-176 or 15-177 of the
25 Property Tax Code for real property situated in that
26 Organizational Unit exceeds the total amount that would

1 have been allowed in that Organizational Unit if the
2 maximum reduction under Section 15-176 was (I) \$4,500 in
3 Cook County or \$3,500 in all other counties in tax year
4 2003 or (II) \$5,000 in all counties in tax year 2004 and
5 thereafter and (ii) an amount equal to the aggregate amount
6 for the taxable year of all additional exemptions under
7 Section 15-175 of the Property Tax Code for owners with a
8 household income of \$30,000 or less. The county clerk of
9 any county that is or was subject to the provisions of
10 Section 15-176 or 15-177 of the Property Tax Code shall
11 annually calculate and certify to the Department of Revenue
12 for each Organizational Unit all homestead exemption
13 amounts under Section 15-176 or 15-177 of the Property Tax
14 Code and all amounts of additional exemptions under Section
15 15-175 of the Property Tax Code for owners with a household
16 income of \$30,000 or less. It is the intent of this
17 subparagraph (A) that if the general homestead exemption
18 for a parcel of property is determined under Section 15-176
19 or 15-177 of the Property Tax Code rather than Section
20 15-175, then the calculation of EAV shall not be affected
21 by the difference, if any, between the amount of the
22 general homestead exemption allowed for that parcel of
23 property under Section 15-176 or 15-177 of the Property Tax
24 Code and the amount that would have been allowed had the
25 general homestead exemption for that parcel of property
26 been determined under Section 15-175 of the Property Tax

1 Code. It is further the intent of this subparagraph (A)
2 that if additional exemptions are allowed under Section
3 15-175 of the Property Tax Code for owners with a household
4 income of less than \$30,000, then the calculation of EAV
5 shall not be affected by the difference, if any, because of
6 those additional exemptions.

7 (B) With respect to any part of an Organizational Unit
8 within a redevelopment project area in respect to which a
9 municipality has adopted tax increment allocation
10 financing pursuant to the Tax Increment Allocation
11 Redevelopment Act, Division 74.4 of the Illinois Municipal
12 Code, or the Industrial Jobs Recovery Law, Division 74.6 of
13 the Illinois Municipal Code, no part of the current EAV of
14 real property located in any such project area which is
15 attributable to an increase above the total initial EAV of
16 such property shall be used as part of the EAV of the
17 Organizational Unit, until such time as all redevelopment
18 project costs have been paid, as provided in Section
19 11-74.4-8 of the Tax Increment Allocation Redevelopment
20 Act or in Section 11-74.6-35 of the Industrial Jobs
21 Recovery Law. For the purpose of the EAV of the
22 Organizational Unit, the total initial EAV or the current
23 EAV, whichever is lower, shall be used until such time as
24 all redevelopment project costs have been paid.

25 (C) For Organizational Units that are Hybrid
26 Districts, the State Superintendent shall use the lesser of

1 the equalized assessed valuation for property within the
2 partial elementary unit district for elementary purposes,
3 as defined in Article 11E of this Code, or the equalized
4 assessed valuation for property within the partial
5 elementary unit district for high school purposes, as
6 defined in Article 11E of this Code.

7 (4) An Organizational Unit's Adjusted EAV shall be the
8 average of its EAV over the immediately preceding 3 years or
9 its EAV in the immediately preceding year if the EAV in the
10 immediately preceding year has declined by 10% or more compared
11 to the 3-year average. In the event of Organizational Unit
12 reorganization, consolidation, or annexation, the
13 Organizational Unit's Adjusted EAV for the first 3 years after
14 such change shall be as follows: the most current EAV shall be
15 used in the first year, the average of a 2-year EAV or its EAV
16 in the immediately preceding year if the EAV declines by 10% or
17 more compared to the 2-year average for the second year, and a
18 3-year average EAV or its EAV in the immediately preceding year
19 if the adjusted EAV declines by 10% or more compared to the
20 3-year average for the third year.

21 (e) Base Funding Minimum calculation.

22 (1) For the 2017-2018 school year, the Base Funding Minimum
23 of an Organizational Unit, other than a Specially Funded Unit,
24 shall be the amount of State funds distributed to the
25 Organizational Unit during the 2016-2017 school year prior to
26 any adjustments divided by the Organizational Unit's ASE for

1 the 2016-2017 school year and multiplied by the Organizational
2 Unit's ASE for the 2017-2018 school year from the following
3 Sections, as calculated by the State Superintendent: Section
4 18-8.05 of this Code (general State aid); Section 5 of Article
5 224 of Public Act 99-524 (equity grants); Section 14-7.02b of
6 this Code (funding for children requiring special education
7 services); Section 14-13.01 of this Code (special education
8 facilities and staffing), except for reimbursement of the cost
9 of transportation pursuant to Section 14-13.01; Section 14C-12
10 of this Code (English Learners); and Section 18-4.3 of this
11 Code (summer school). For a school district organized under
12 Article 34 of this Code, the Base Funding Minimum also includes
13 the funds allotted to the school district pursuant to Section
14 1D-1 of this Code attributable to funding programs authorized
15 by the Sections of this Code listed in the preceding sentence.
16 For Specially Funded Units, the Base Funding Minimum shall be
17 the total amount of State funds allotted to the Specially
18 Funded Unit during the 2016-2017 school year without any
19 division by ASE.

20 (2) For the 2018-2019 and subsequent school years, the Base
21 Funding Minimum shall be the sum of (i) the amount of
22 Evidence-Based Funding for the prior school year and (ii) the
23 Base Funding Minimum for the prior school year divided by the
24 Unit's ASE utilized for the prior school year and multiplied by
25 the Organizational Unit's ASE for the current school year,
26 except that for Specially Funded Units no division by ASE shall

1 be applied.

2 (f) Percent of Adequacy and Final Resources calculation.

3 (1) The Evidence-Based Funding formula establishes a
4 Percent of Adequacy for each Organizational Unit in order to
5 place such units into tiers for the purposes of the funding
6 distribution system described in subsection (g) of this
7 Section. Initially, an Organizational Unit's Preliminary
8 Resources and Preliminary Percent of Adequacy are calculated
9 pursuant to paragraph (2) of this subsection (f). Then, an
10 Organizational Unit's Final Resources and Final Percent of
11 Adequacy are calculated to account for the Organizational
12 Unit's poverty concentration levels pursuant to paragraphs (3)
13 and (4) of this subsection (f).

14 (2) An Organizational Unit's Preliminary Resources are
15 equal to the sum of its Local Capacity Target, CPPRT, and Base
16 Funding Minimum. An Organizational Unit's Preliminary Percent
17 of Adequacy is the lesser of (i) its Preliminary Resources
18 divided by its Adequacy Target or (ii) 100%.

19 (3) Except for Specially Funded Units, an Organizational
20 Unit's Final Resources are equal the sum of its Local Capacity,
21 CPPRT, and Adjusted Base Funding Minimum. The Base Funding
22 Minimum of each Specially Funded Unit shall serve as its Final
23 Resources, except that the Base Funding Minimum for
24 State-approved charter schools shall not include any portion of
25 general State aid allocated in the prior year based on the per
26 capita tuition charge times the charter school enrollment.

1 (4) An Organizational Unit's Final Percent of Adequacy is
2 its Final Resources divided by its Adequacy Target. A
3 Organizational Unit's Adjusted Base Funding Minimum is equal to
4 its Base Funding Minimum less its Supplemental Grant Funding,
5 with the resulting figure added to the product of its
6 Supplemental Grant Funding and Preliminary Percent of
7 Adequacy.

8 (g) Evidence-Based Funding formula distribution system.

9 (1) In each school year under the Evidence-Based Funding
10 formula, each Organizational Unit receives funding equal to the
11 sum of its Base Funding Minimum and the unit's allocation of
12 New State Funds determined pursuant to this subsection (g). To
13 allocate New State Funds, the Evidence-Based Funding formula
14 distribution system first places all Organizational Units into
15 one of 4 tiers in accordance with paragraph (3) of this
16 subsection (g), based on the Organizational Unit's Final
17 Percent of Adequacy. New State Funds are allocated to each of
18 the 4 tiers as follows: Tier 1 Aggregate Funding equals 50% of
19 all New State Funds, Tier 2 Aggregate Funding equals 49% of all
20 New State Funds, Tier 3 Aggregate Funding equals 0.9% of all
21 New State Funds, and Tier 4 Aggregate Funding equals 0.1% of
22 all New State Funds. Each Organizational Unit within Tier 1 or
23 Tier 2 receives an allocation of New State Funds equal to its
24 Tier Funding Gap, as defined in the following sentence,
25 multiplied by the tier's Allocation Rate determined pursuant to
26 paragraph (4) of this subsection (g). For Tier 1 and Tier 2, an

1 Organizational Unit's Funding Gap equals the Tier's Target
2 Ratio, as specified in paragraph (5) of this subsection (g),
3 multiplied by the Organizational Unit's Adequacy Target, with
4 the resulting amount reduced by the Organizational Unit's Final
5 Resources and, for Tier 2 Organizational Units, its Tier 1
6 funding allocation. Each Organizational Unit within Tier 3 or
7 Tier 4 receives an allocation of New State Funds equal to the
8 product of its Adequacy Target and the Tier's Allocation Rate,
9 as specified in paragraph (4) of this subsection (g).

10 (2) To ensure equitable distribution of dollars for all
11 Tier 2 Organizational Units, no Tier 2 Organizational Unit
12 shall receive fewer dollars per ASE than any Tier 3
13 Organizational Unit. Each Tier 2 and Tier 3 Organizational Unit
14 shall have its funding allocation divided by its ASE. Any Tier
15 2 Organizational Unit with a funding allocation per ASE below
16 the greatest Tier 3 allocation per ASE shall get a funding
17 allocation equal to the greatest Tier 3 funding allocation per
18 ASE multiplied by the Organizational Unit's ASE. The sum of the
19 difference between each Tier 2 Organizational Unit's new
20 funding allocation and original funding allocation shall be
21 divided by the sum of the Tier 3 Organizational Unit's ASE.
22 Each Tier 3 Organizational Unit's funding allocation shall be
23 reduced by this quotient multiplied by the Organizational
24 Unit's ASE.

25 (3) Organizational Units are placed into one of 4 tiers as
26 follows:

1 (A) Tier 1 consists of all Organizational Units, except
2 for Specially Funded Units, with a Percent of Adequacy less
3 than the Tier 1 Target Ratio. The Tier 1 Target Ratio is
4 the ratio level that allows for Tier 1 Aggregate Funding to
5 be distributed, with the Tier 1 Allocation Rate determined
6 pursuant to paragraph (4) of this subsection (g).

7 (B) Tier 2 consists of all Tier 1 Units and all other
8 Organizational Units, except for Specially Funded Units,
9 with a Percent of Adequacy of less than 0.90.

10 (C) Tier 3 consists of all Organizational Units, except
11 for Specially Funded Units, with a Percent of Adequacy of
12 at least 0.90 and less than 1.0.

13 (D) Tier 4 consists of all Organizational Units with a
14 Percent of Adequacy of at least 1.0 and Specially Funded
15 Units.

16 (4) The Allocation Rates for Tiers 1 through 4 is
17 determined as follows:

18 (A) The Tier 1 Allocation Rate is 50%, unless such rate
19 is adjusted pursuant to paragraph (9) of this subsection
20 (g).

21 (B) The Tier 2 Allocation Rate is the result of the
22 following equation: Tier 2 Aggregate Funding, divided by
23 the sum of the Funding Gaps for all Tier 2 Organizational
24 Units, unless the result of such equation is higher than
25 1.0. If the result of such equation is higher than 1.0,
26 then the Tier 2 Allocation Rate is 1.0.

1 (C) The Tier 3 Allocation Rate is the result of the
2 following equation: Tier 3 Aggregate Funding, divided by
3 the sum of the Adequacy Targets of all Tier 3
4 Organizational Units.

5 (D) The Tier 4 Allocation Rate is the result of the
6 following equation: Tier 4 Aggregate Funding, divided by
7 the sum of the Adequacy Targets of all Tier 4
8 Organizational Units.

9 (5) A tier's Target Ratio is determined as follows:

10 (A) The Tier 1 Target Ratio is the ratio level that
11 allows for Tier 1 Aggregate Funding to be distributed with
12 the Tier 1 Allocation Rate.

13 (B) The Tier 2 Target Ratio is 0.90.

14 (C) The Tier 3 Target Ratio is 1.0.

15 (6) If, at any point, the Tier 1 Target Ratio is greater
16 than 90%, than all Tier 1 funding shall be allocated to Tier 2
17 and no Tier 1 Organizational Unit's funding may be identified.

18 (7) In the event that all Tier 2 Organizational Units
19 receive funding at the Tier 2 Target Ratio level, any remaining
20 New State Funds shall be allocated to Tier 3 and Tier 4
21 Organizational Units.

22 (8) If any Specially Funded Units recognized by the State
23 Board do not qualify for direct funding following the
24 implementation of this amendatory Act of the 100th General
25 Assembly from any of the funding sources included within the
26 definition of Base Funding Minimum, the unqualified portion of

1 the Base Funding Minimum shall be transferred to one or more
2 appropriate Organizational Units as determined by the State
3 Superintendent based on the prior year ASE of the
4 Organizational Units.

5 (9) Notwithstanding the distribution formulae set forth in
6 this subsection (g), funding for each tier shall be adjusted as
7 set forth in this paragraph (9) if New State Funds are less
8 than the Minimum Funding Level. The Minimum Funding Level is
9 equal to: (i) the sum of 1% of the State Adequacy Level, plus
10 the ECI multiplied by the State Adequacy Level, less (ii) the
11 total increase in Real Receipts from the prior school year to
12 the current school year. The Minimum Funding Level may never be
13 greater than the sum of the Preliminary Resources subtracted
14 from the Adequacy Target for each Tier 1, Tier 2, and Tier 3
15 Organizational Unit. If New State Funds are less than the
16 Minimum Funding Level, than funding for tiers shall be reduced
17 in the following manner:

18 (A) First, Tier 4 funding shall be reduced by an amount
19 equal to the difference between the Minimum Funding Level
20 and New State Funds until such time as Tier 4 funding is
21 exhausted.

22 (B) Next, Tier 3 funding shall be reduced by an amount
23 equal to the difference between the Minimum Funding Level
24 and New State Funds and the reduction in Tier 4 funding
25 until such time as Tier 3 funding is exhausted.

26 (C) Then, Tier 2 funding shall be reduced by an amount

1 equal to the difference between the Minimum Funding Level
2 and New State Funds and the reduction in Tier 4 and Tier 3
3 funding.

4 (D) Finally, Tier 1 funding shall be reduced by an
5 amount equal to the difference between the Minimum Funding
6 Level and New State Funds and the reduction in Tier 2, 3,
7 and 4 funding. In addition, the Allocation Rate for Tier 1
8 funding shall be reduced to a percentage equal to 50%,
9 multiplied by the result of New State Funds divided by the
10 Minimum Funding Level.

11 (10) In the event of a decrease in the amount of the
12 appropriation for this Section in any fiscal year after
13 implementation of this Section, the Organizational Units
14 receiving Tier 1 and Tier 2 funding, as determined under
15 paragraph (3) of this subsection (g), shall be held harmless by
16 establishing a Base Funding Guarantee equal to the per pupil
17 kindergarten through grade 12 funding received in accordance
18 with this Section in the prior fiscal year. Reductions shall be
19 made to the Base Funding Minimum of Organizational Units in
20 Tier 3 and Tier 4 on a per pupil basis equivalent to the total
21 number of the ASE in Tier 3-funded and Tier 4-funded
22 Organizational Units divided by the total reduction in State
23 funding. The Base Funding Minimum as reduced shall continue to
24 be applied to Tier 3 and Tier 4 Organizational Units and
25 adjusted by the relative formula when increases in
26 appropriations for this Section resume. In no event may State

1 funding reductions to Organizational Units in Tier 3 or Tier 4
2 exceed an amount that would be less than the Base Funding
3 Minimum established in the first year of implementation of this
4 Section. If additional reductions are required, all school
5 districts shall receive a reduction by a per pupil amount equal
6 to the aggregate additional appropriation reduction divided by
7 the total ASE of all Organizational Units.

8 (11) The State Superintendent shall make minor adjustments
9 to the distribution formulae set forth in this subsection (g)
10 to account for the rounding of percentages to the nearest tenth
11 of a percentage and dollar amounts to the nearest whole dollar.

12 (h) State Superintendent administration of funding and
13 district submission requirements.

14 (1) The State Superintendent shall, in accordance with
15 appropriations made by the General Assembly, meet the funding
16 obligations created under this Section.

17 (2) The State Superintendent shall calculate the Adequacy
18 Target for each Organizational Unit and Net State Contribution
19 Target for each Organizational Unit under this Section. The
20 State Superintendent shall also certify the actual amounts of
21 the New State Funds payable for each eligible Organizational
22 Unit based on the equitable distribution calculation to the
23 unit's treasurer, as soon as possible after such amounts are
24 calculated, including any applicable adjusted charge-off
25 increase. No Evidence-Based Funding shall be distributed
26 within an Organizational Unit without the approval of the

1 unit's school board.

2 (3) Annually, the State Superintendent shall calculate and
3 report to each Organizational Unit the unit's aggregate
4 financial adequacy amount, which shall be the sum of the
5 Adequacy Target for each Organizational Unit. The State
6 Superintendent shall calculate and report separately for each
7 Organizational Unit the unit's total State funds allocated for
8 its students with disabilities. The State Superintendent shall
9 calculate and report separately for each Organizational Unit
10 the amount of funding and applicable FTE calculated for each
11 Essential Element of the unit's Adequacy Target.

12 (4) Moneys distributed under this Section shall be
13 calculated on a school year basis, but paid on a fiscal year
14 basis, with payments beginning in August and extending through
15 June. Unless otherwise provided, the moneys appropriated for
16 each fiscal year shall be distributed in 22 equal payments at
17 least 2 times monthly to each Organizational Unit. The State
18 Board shall publish a yearly distribution schedule at its
19 meeting in June. If moneys appropriated for any fiscal year are
20 distributed other than monthly, the distribution shall be on
21 the same basis for each Organizational Unit.

22 (5) Any school district that fails, for any given school
23 year, to maintain school as required by law or to maintain a
24 recognized school is not eligible to receive Evidence-Based
25 Funding. In case of non-recognition of one or more attendance
26 centers in a school district otherwise operating recognized

1 schools, the claim of the district shall be reduced in the
2 proportion that the enrollment in the attendance center or
3 centers bears to the enrollment of the school district.

4 "Recognized school" means any public school that meets the
5 standards for recognition by the State Board. A school district
6 or attendance center not having recognition status at the end
7 of a school term is entitled to receive State aid payments due
8 upon a legal claim that was filed while it was recognized.

9 (6) School district claims filed under this Section are
10 subject to Sections 18-9 and 18-12 of this Code, except as
11 otherwise provided in this Section.

12 (7) Each fiscal year, the State Superintendent shall
13 calculate for each Organizational Unit an amount of its Base
14 Funding Minimum and Evidence-Based Funding that shall be deemed
15 attributable to the provision of special educational
16 facilities and services, as defined in Section 14-1.08 of this
17 Code, in a manner that ensures compliance with maintenance of
18 State financial support requirements under the federal
19 Individuals with Disabilities Education Act. An Organizational
20 Unit must use such funds only for the provision of special
21 educational facilities and services, as defined in Section
22 14-1.08 of this Code, and must comply with any expenditure
23 verification procedures adopted by the State Board.

24 (8) All Organizational Units in this State must submit
25 annual spending plans by the end of September of each year to
26 the State Board as part of the annual budget process, which

1 shall describe how each Organizational Unit will utilize the
2 Base Minimum Funding and Evidence-Based funding it receives
3 from this State under this Section with specific identification
4 of the intended utilization of Low-Income, EL, and special
5 education resources. The State Superintendent may, from time to
6 time, identify additional requisites for Organizational Units
7 to satisfy when compiling the annual spending plans required
8 under this subsection (h). The format and scope of annual
9 spending plans shall be developed by the State Superintendent
10 in conjunction with the Professional Judgement Panel.

11 (9) No later than January 1, 2018, the State Superintendent
12 shall develop a 5-year strategic plan for all Organizational
13 Units to help in planning for adequacy funding under this
14 Section. The State Superintendent shall submit the plan to the
15 Governor and the General Assembly, as provided in Section 3.1
16 of the General Assembly Organization Act. The plan shall
17 include recommendations for:

18 (A) a framework for collaborative, professional,
19 innovative, and 21st century learning environments using
20 the Evidence-Based Funding model;

21 (B) ways to prepare and support this State's educators
22 for successful instructional careers;

23 (C) application and enhancement of the current
24 financial accountability measures and the Illinois
25 Balanced Accountability Measures in relation to elements
26 of the Evidence-Based Funding model; and

1 (D) implementation of an effective school adequacy
2 funding system based on projected and recommended funding
3 levels from the General Assembly.

4 (i) Professional Judgment Panel.

5 (1) A Professional Judgment Panel is created to study and
6 review the implementation and effect of the Evidence-Based
7 Funding model under this Section and to recommend continual
8 recalibration and future study topics. The Panel shall be
9 appointed by the State Superintendent, except as otherwise
10 provided in paragraph (2) of this subsection (i) and include
11 the following members:

12 (A) Two appointees that represent district
13 superintendents, recommended by a statewide organization
14 that represents district superintendents.

15 (B) Two appointees that represent school boards,
16 recommended by a statewide organization that represents
17 school boards.

18 (C) Two appointees from districts that represent
19 school business officials, recommended by a statewide
20 organization that represents school business officials.

21 (D) Two appointees that represent school principals,
22 recommended by a statewide organization that represents
23 school principals.

24 (E) Two appointees that represent teachers,
25 recommended by a statewide organization that represents
26 teachers.

1 (F) Two appointees that represent teachers,
2 recommended by another statewide organization that
3 represents teachers.

4 (G) Two appointees that represent regional
5 superintendents of schools, recommended by organizations
6 that represent regional superintendents.

7 (H) Two independent experts selected solely by the
8 State Superintendent.

9 (I) Two independent experts recommended by public
10 universities in this State.

11 (J) One member recommended by a statewide organization
12 that represents parents.

13 (K) Two representatives recommended by collective
14 impact organizations that represent major metropolitan
15 areas or geographic areas in Illinois.

16 (L) One member from a statewide organization 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.

20 (M) One representative from a school district
21 organized under Article 34 of this Code.

22 The State Superintendent shall ensure that the membership of
23 the Panel includes representatives from school districts and
24 communities reflecting the geographic and socio-economic
25 diversity of this State. Staff from the State Board shall staff
26 the Panel.

1 (2) In addition to those Panel members appointed by the
2 State Superintendent, 4 members of the General Assembly shall
3 be appointed as follows: one member of the House of
4 Representatives appointed by the Speaker of the House of
5 Representatives, one member of the Senate appointed by the
6 President of the Senate, one member of the House of
7 Representatives appointed by the Minority Leader of the House
8 of Representatives, and one member of the Senate appointed by
9 the Minority Leader of the Senate.

10 (3) On an annual basis, the State Superintendent shall
11 recalibrate the following per pupil elements of the Adequacy
12 Target and applied to the formulas, based on the Panel's study
13 of average expenses as reported in the most recent annual
14 financial report:

15 (A) gifted under subparagraph (M) of paragraph (2) of
16 subsection (b) of this Section;

17 (B) instructional materials under subparagraph (O) of
18 paragraph (2) of subsection (b) of this Section;

19 (C) assessment under subparagraph (P) of paragraph (2)
20 of subsection (b) of this Section;

21 (D) student activities under subparagraph (R) of
22 paragraph (2) of subsection (b) of this Section;

23 (E) maintenance and operations under subparagraph (S)
24 of paragraph (2) of subsection (b) of this Section; and

25 (F) central office under subparagraph (T) of paragraph
26 (2) of subsection (b) of this Section.

1 (4) On a periodic basis, the Panel shall study all the
2 following elements and make recommendations to the State Board,
3 the General Assembly, and the Governor for modification of this
4 Section:

5 (A) The format and scope of annual spending plans
6 referenced in subsection (h) paragraph (8) of this Section.

7 (B) The Comparable Wage Index under this Section, to be
8 studied by the Panel and reestablished by the State
9 Superintendent every 5 years.

10 (C) Maintenance and operations. Within 5 years after
11 the implementation of this Section, the Panel shall make
12 recommendations for the further study of maintenance and
13 operations costs, including capital maintenance costs, and
14 recommend any additional reporting data required from
15 Organizational Units.

16 (D) "At-risk student" definition. Within 5 years after
17 the implementation of this Section, the Panel shall make
18 recommendations for the further study and determination of
19 an "at-risk student" definition.

20 (E) Benefits. Within 5 years after the implementation
21 of this Section, the Panel shall make recommendations for
22 further study of benefit costs.

23 (F) Technology. The per pupil target for technology
24 shall be reviewed every 3 years to determine whether
25 current allocations are sufficient to develop 21st century
26 learning in all classrooms in this State and supporting a

1 one-to-one technological device program in each school.
2 Recommendations shall be made no later than 3 years after
3 the implementation of this Section.

4 (G) Local Capacity Target. Within 3 years after the
5 implementation of this Section, the Panel shall make
6 recommendations for any additional data desired to analyze
7 possible modifications to the Local Capacity Target, to be
8 based on measures in addition to solely EAV and to be
9 completed within 5 years after implementation of this
10 Section.

11 (H) Funding for Alternative Schools, Laboratory
12 Schools, safe schools, and alternative learning
13 opportunities programs. By the beginning of the 2021-2022
14 school year, the Panel shall study and make recommendations
15 regarding the funding levels for Alternative Schools,
16 Laboratory Schools, safe schools, and alternative learning
17 opportunities programs in this State.

18 (I) Funding for college and career acceleration
19 strategies. By the beginning of the 2021-2022 school year,
20 the Panel shall study and make recommendations regarding
21 funding levels to support college and career acceleration
22 strategies in high school that have been demonstrated to
23 result in improved secondary and postsecondary outcomes,
24 including Advanced Placement, dual-credit opportunities,
25 and college and career pathway systems.

26 (J) Special education investments. By the beginning of

1 the 2021-2022 school year, the Panel shall study and make
2 recommendations on whether and how to account for
3 disability types within the special education funding
4 category.

5 (K) Early childhood investments. In collaboration with
6 the Illinois Early Learning Council, the Panel shall
7 include an analysis of what level of Preschool for All
8 Children funding would be necessary to serve all children
9 ages 0 through 5 years in the highest-priority service
10 tier, as specified in paragraph (4.5) of subsection (a) of
11 Section 2-3.71 of this Code, and an analysis of the
12 potential cost savings that that level of Preschool for All
13 Children investment would have on the kindergarten through
14 grade 12 system.

15 (j) References. Beginning July 1, 2017, references in other
16 laws to general State aid funds or calculations under Section
17 18-8.05 of this Code shall be deemed to be references to
18 evidence-based model formula funds or calculations under this
19 Section.

20 (105 ILCS 5/18-9) (from Ch. 122, par. 18-9)

21 Sec. 18-9. Requirement for special equalization and
22 supplementary State aid. If property comprising an aggregate
23 assessed valuation equal to 6% or more of the total assessed
24 valuation of all taxable property in a school district is owned
25 by a person or corporation that is the subject of bankruptcy

1 proceedings or that has been adjudged bankrupt and, as a result
2 thereof, has not paid taxes on the property, then the district
3 may amend its general State aid or evidence-based funding claim
4 (i) back to the inception of the bankruptcy, not to exceed 6
5 years, in which time those taxes were not paid and (ii) for
6 each succeeding year that those taxes remain unpaid, by adding
7 to the claim an amount determined by multiplying the assessed
8 valuation of the property on which taxes have not been paid due
9 to the bankruptcy by the lesser of the total tax rate for the
10 district for the tax year for which the taxes are unpaid or the
11 applicable rate used in calculating the district's general
12 State aid under paragraph (3) of subsection (D) of Section
13 18-8.05 of this Code or evidence-based funding under Section
14 18-8.15 of this Code, as applicable. If at any time a district
15 that receives additional State aid under this Section receives
16 tax revenue from the property for the years that taxes were not
17 paid, the district's next claim for State aid shall be reduced
18 in an amount equal to the taxes paid on the property, not to
19 exceed the additional State aid received under this Section.
20 Claims under this Section shall be filed on forms prescribed by
21 the State Superintendent of Education, and the State
22 Superintendent of Education, upon receipt of a claim, shall
23 adjust the claim in accordance with the provisions of this
24 Section. Supplementary State aid for each succeeding year under
25 this Section shall be paid beginning with the first general
26 State aid or evidence-based funding claim paid after the

1 district has filed a completed claim in accordance with this
2 Section.

3 (Source: P.A. 95-496, eff. 8-28-07.)

4 (105 ILCS 5/18-12) (from Ch. 122, par. 18-12)

5 Sec. 18-12. Dates for filing State aid claims. The school
6 board of each school district, a regional office of education,
7 a laboratory school, or a State-authorized charter school shall
8 require teachers, principals, or superintendents to furnish
9 from records kept by them such data as it needs in preparing
10 and certifying to the State Superintendent of Education its
11 report of claims provided in Section 18-8.05 of this Code. The
12 claim shall be based on the latest available equalized assessed
13 valuation and tax rates, as provided in Section 18-8.05 or
14 18-8.15, shall use the average daily attendance as determined
15 by the method outlined in Section 18-8.05 or 18-8.15, and shall
16 be certified and filed with the State Superintendent of
17 Education by June 21 for districts and State-authorized charter
18 schools with an official school calendar end date before June
19 15 or within 2 weeks following the official school calendar end
20 date for districts, regional offices of education, laboratory
21 schools, or State-authorized charter schools with a school year
22 end date of June 15 or later. Failure to so file by these
23 deadlines constitutes a forfeiture of the right to receive
24 payment by the State until such claim is filed. The State
25 Superintendent of Education shall voucher for payment those

1 claims to the State Comptroller as provided in Section 18-11.

2 Except as otherwise provided in this Section, if any school
3 district fails to provide the minimum school term specified in
4 Section 10-19, the State aid claim for that year shall be
5 reduced by the State Superintendent of Education in an amount
6 equivalent to 1/176 or .56818% for each day less than the
7 number of days required by this Code.

8 If the State Superintendent of Education determines that
9 the failure to provide the minimum school term was occasioned
10 by an act or acts of God, or was occasioned by conditions
11 beyond the control of the school district which posed a
12 hazardous threat to the health and safety of pupils, the State
13 aid claim need not be reduced.

14 If a school district is precluded from providing the
15 minimum hours of instruction required for a full day of
16 attendance due to an adverse weather condition or a condition
17 beyond the control of the school district that poses a
18 hazardous threat to the health and safety of students, then the
19 partial day of attendance may be counted if (i) the school
20 district has provided at least one hour of instruction prior to
21 the closure of the school district, (ii) a school building has
22 provided at least one hour of instruction prior to the closure
23 of the school building, or (iii) the normal start time of the
24 school district is delayed.

25 If, prior to providing any instruction, a school district
26 must close one or more but not all school buildings after

1 consultation with a local emergency response agency or due to a
2 condition beyond the control of the school district, then the
3 school district may claim attendance for up to 2 school days
4 based on the average attendance of the 3 school days
5 immediately preceding the closure of the affected school
6 building or, if approved by the State Board of Education,
7 utilize the provisions of an e-learning program for the
8 affected school building as prescribed in Section 10-20.56 of
9 this Code. The partial or no day of attendance described in
10 this Section and the reasons therefore shall be certified
11 within a month of the closing or delayed start by the school
12 district superintendent to the regional superintendent of
13 schools for forwarding to the State Superintendent of Education
14 for approval.

15 Other than the utilization of any e-learning days as
16 prescribed in Section 10-20.56 of this Code, no exception to
17 the requirement of providing a minimum school term may be
18 approved by the State Superintendent of Education pursuant to
19 this Section unless a school district has first used all
20 emergency days provided for in its regular calendar.

21 If the State Superintendent of Education declares that an
22 energy shortage exists during any part of the school year for
23 the State or a designated portion of the State, a district may
24 operate the school attendance centers within the district 4
25 days of the week during the time of the shortage by extending
26 each existing school day by one clock hour of school work, and

1 the State aid claim shall not be reduced, nor shall the
2 employees of that district suffer any reduction in salary or
3 benefits as a result thereof. A district may operate all
4 attendance centers on this revised schedule, or may apply the
5 schedule to selected attendance centers, taking into
6 consideration such factors as pupil transportation schedules
7 and patterns and sources of energy for individual attendance
8 centers.

9 Electronically submitted State aid claims shall be
10 submitted by duly authorized district individuals over a secure
11 network that is password protected. The electronic submission
12 of a State aid claim must be accompanied with an affirmation
13 that all of the provisions of Sections 18-8.05, 10-22.5, and
14 24-4 of this Code are met in all respects.

15 (Source: P.A. 99-194, eff. 7-30-15; 99-657, eff. 7-28-16.)

16 (105 ILCS 5/26-16)

17 Sec. 26-16. Graduation incentives program.

18 (a) The General Assembly finds that it is critical to
19 provide options for children to succeed in school. The purpose
20 of this Section is to provide incentives for and encourage all
21 Illinois students who have experienced or are experiencing
22 difficulty in the traditional education system to enroll in
23 alternative programs.

24 (b) Any student who is below the age of 20 years is
25 eligible to enroll in a graduation incentives program if he or

1 she:

2 (1) is considered a dropout pursuant to Section 26-2a
3 of this Code;

4 (2) has been suspended or expelled pursuant to Section
5 10-22.6 or 34-19 of this Code;

6 (3) is pregnant or is a parent;

7 (4) has been assessed as chemically dependent; or

8 (5) is enrolled in a bilingual education or LEP
9 program.

10 (c) The following programs qualify as graduation
11 incentives programs for students meeting the criteria
12 established in this Section:

13 (1) Any public elementary or secondary education
14 graduation incentives program established by a school
15 district or by a regional office of education.

16 (2) Any alternative learning opportunities program
17 established pursuant to Article 13B of this Code.

18 (3) Vocational or job training courses approved by the
19 State Superintendent of Education that are available
20 through the Illinois public community college system.
21 Students may apply for reimbursement of 50% of tuition
22 costs for one course per semester or a maximum of 3 courses
23 per school year. Subject to available funds, students may
24 apply for reimbursement of up to 100% of tuition costs upon
25 a showing of employment within 6 months after completion of
26 a vocational or job training program. The qualifications

1 for reimbursement shall be established by the State
2 Superintendent of Education by rule.

3 (4) Job and career programs approved by the State
4 Superintendent of Education that are available through
5 Illinois-accredited private business and vocational
6 schools. Subject to available funds, pupils may apply for
7 reimbursement of up to 100% of tuition costs upon a showing
8 of employment within 6 months after completion of a job or
9 career program. The State Superintendent of Education
10 shall establish, by rule, the qualifications for
11 reimbursement, criteria for determining reimbursement
12 amounts, and limits on reimbursement.

13 (5) Adult education courses that offer preparation for
14 high school equivalency testing.

15 (d) Graduation incentives programs established by school
16 districts are entitled to claim general State aid and
17 evidence-based funding, subject to Sections 13B-50, 13B-50.5,
18 and 13B-50.10 of this Code. Graduation incentives programs
19 operated by regional offices of education are entitled to
20 receive general State aid and evidence-based funding at the
21 foundation level of support per pupil enrolled. A school
22 district must ensure that its graduation incentives program
23 receives supplemental general State aid, transportation
24 reimbursements, and special education resources, if
25 appropriate, for students enrolled in the program.

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

1 (105 ILCS 5/27-8.1) (from Ch. 122, par. 27-8.1)

2 (Text of Section before amendment by P.A. 99-927)

3 Sec. 27-8.1. Health examinations and immunizations.

4 (1) In compliance with rules and regulations which the
5 Department of Public Health shall promulgate, and except as
6 hereinafter provided, all children in Illinois shall have a
7 health examination as follows: within one year prior to
8 entering kindergarten or the first grade of any public,
9 private, or parochial elementary school; upon entering the
10 sixth and ninth grades of any public, private, or parochial
11 school; prior to entrance into any public, private, or
12 parochial nursery school; and, irrespective of grade,
13 immediately prior to or upon entrance into any public, private,
14 or parochial school or nursery school, each child shall present
15 proof of having been examined in accordance with this Section
16 and the rules and regulations promulgated hereunder. Any child
17 who received a health examination within one year prior to
18 entering the fifth grade for the 2007-2008 school year is not
19 required to receive an additional health examination in order
20 to comply with the provisions of Public Act 95-422 when he or
21 she attends school for the 2008-2009 school year, unless the
22 child is attending school for the first time as provided in
23 this paragraph.

24 A tuberculosis skin test screening shall be included as a
25 required part of each health examination included under this

1 Section if the child resides in an area designated by the
2 Department of Public Health as having a high incidence of
3 tuberculosis. Additional health examinations of pupils,
4 including eye examinations, may be required when deemed
5 necessary by school authorities. Parents are encouraged to have
6 their children undergo eye examinations at the same points in
7 time required for health examinations.

8 (1.5) In compliance with rules adopted by the Department of
9 Public Health and except as otherwise provided in this Section,
10 all children in kindergarten and the second and sixth grades of
11 any public, private, or parochial school shall have a dental
12 examination. Each of these children shall present proof of
13 having been examined by a dentist in accordance with this
14 Section and rules adopted under this Section before May 15th of
15 the school year. If a child in the second or sixth grade fails
16 to present proof by May 15th, the school may hold the child's
17 report card until one of the following occurs: (i) the child
18 presents proof of a completed dental examination or (ii) the
19 child presents proof that a dental examination will take place
20 within 60 days after May 15th. The Department of Public Health
21 shall establish, by rule, a waiver for children who show an
22 undue burden or a lack of access to a dentist. Each public,
23 private, and parochial school must give notice of this dental
24 examination requirement to the parents and guardians of
25 students at least 60 days before May 15th of each school year.

26 (1.10) Except as otherwise provided in this Section, all

1 children enrolling in kindergarten in a public, private, or
2 parochial school on or after the effective date of this
3 amendatory Act of the 95th General Assembly and any student
4 enrolling for the first time in a public, private, or parochial
5 school on or after the effective date of this amendatory Act of
6 the 95th General Assembly shall have an eye examination. Each
7 of these children shall present proof of having been examined
8 by a physician licensed to practice medicine in all of its
9 branches or a licensed optometrist within the previous year, in
10 accordance with this Section and rules adopted under this
11 Section, before October 15th of the school year. If the child
12 fails to present proof by October 15th, the school may hold the
13 child's report card until one of the following occurs: (i) the
14 child presents proof of a completed eye examination or (ii) the
15 child presents proof that an eye examination will take place
16 within 60 days after October 15th. The Department of Public
17 Health shall establish, by rule, a waiver for children who show
18 an undue burden or a lack of access to a physician licensed to
19 practice medicine in all of its branches who provides eye
20 examinations or to a licensed optometrist. Each public,
21 private, and parochial school must give notice of this eye
22 examination requirement to the parents and guardians of
23 students in compliance with rules of the Department of Public
24 Health. Nothing in this Section shall be construed to allow a
25 school to exclude a child from attending because of a parent's
26 or guardian's failure to obtain an eye examination for the

1 child.

2 (2) The Department of Public Health shall promulgate rules
3 and regulations specifying the examinations and procedures
4 that constitute a health examination, which shall include the
5 collection of data relating to obesity (including at a minimum,
6 date of birth, gender, height, weight, blood pressure, and date
7 of exam), and a dental examination and may recommend by rule
8 that certain additional examinations be performed. The rules
9 and regulations of the Department of Public Health shall
10 specify that a tuberculosis skin test screening shall be
11 included as a required part of each health examination included
12 under this Section if the child resides in an area designated
13 by the Department of Public Health as having a high incidence
14 of tuberculosis. The Department of Public Health shall specify
15 that a diabetes screening as defined by rule shall be included
16 as a required part of each health examination. Diabetes testing
17 is not required.

18 Physicians licensed to practice medicine in all of its
19 branches, licensed advanced practice nurses, or licensed
20 physician assistants shall be responsible for the performance
21 of the health examinations, other than dental examinations, eye
22 examinations, and vision and hearing screening, and shall sign
23 all report forms required by subsection (4) of this Section
24 that pertain to those portions of the health examination for
25 which the physician, advanced practice nurse, or physician
26 assistant is responsible. If a registered nurse performs any

1 part of a health examination, then a physician licensed to
2 practice medicine in all of its branches must review and sign
3 all required report forms. Licensed dentists shall perform all
4 dental examinations and shall sign all report forms required by
5 subsection (4) of this Section that pertain to the dental
6 examinations. Physicians licensed to practice medicine in all
7 its branches or licensed optometrists shall perform all eye
8 examinations required by this Section and shall sign all report
9 forms required by subsection (4) of this Section that pertain
10 to the eye examination. For purposes of this Section, an eye
11 examination shall at a minimum include history, visual acuity,
12 subjective refraction to best visual acuity near and far,
13 internal and external examination, and a glaucoma evaluation,
14 as well as any other tests or observations that in the
15 professional judgment of the doctor are necessary. Vision and
16 hearing screening tests, which shall not be considered
17 examinations as that term is used in this Section, shall be
18 conducted in accordance with rules and regulations of the
19 Department of Public Health, and by individuals whom the
20 Department of Public Health has certified. In these rules and
21 regulations, the Department of Public Health shall require that
22 individuals conducting vision screening tests give a child's
23 parent or guardian written notification, before the vision
24 screening is conducted, that states, "Vision screening is not a
25 substitute for a complete eye and vision evaluation by an eye
26 doctor. Your child is not required to undergo this vision

1 screening if an optometrist or ophthalmologist has completed
2 and signed a report form indicating that an examination has
3 been administered within the previous 12 months."

4 (3) Every child shall, at or about the same time as he or
5 she receives a health examination required by subsection (1) of
6 this Section, present to the local school proof of having
7 received such immunizations against preventable communicable
8 diseases as the Department of Public Health shall require by
9 rules and regulations promulgated pursuant to this Section and
10 the Communicable Disease Prevention Act.

11 (4) The individuals conducting the health examination,
12 dental examination, or eye examination shall record the fact of
13 having conducted the examination, and such additional
14 information as required, including for a health examination
15 data relating to obesity (including at a minimum, date of
16 birth, gender, height, weight, blood pressure, and date of
17 exam), on uniform forms which the Department of Public Health
18 and the State Board of Education shall prescribe for statewide
19 use. The examiner shall summarize on the report form any
20 condition that he or she suspects indicates a need for special
21 services, including for a health examination factors relating
22 to obesity. The individuals confirming the administration of
23 required immunizations shall record as indicated on the form
24 that the immunizations were administered.

25 (5) If a child does not submit proof of having had either
26 the health examination or the immunization as required, then

1 the child shall be examined or receive the immunization, as the
2 case may be, and present proof by October 15 of the current
3 school year, or by an earlier date of the current school year
4 established by a school district. To establish a date before
5 October 15 of the current school year for the health
6 examination or immunization as required, a school district must
7 give notice of the requirements of this Section 60 days prior
8 to the earlier established date. If for medical reasons one or
9 more of the required immunizations must be given after October
10 15 of the current school year, or after an earlier established
11 date of the current school year, then the child shall present,
12 by October 15, or by the earlier established date, a schedule
13 for the administration of the immunizations and a statement of
14 the medical reasons causing the delay, both the schedule and
15 the statement being issued by the physician, advanced practice
16 nurse, physician assistant, registered nurse, or local health
17 department that will be responsible for administration of the
18 remaining required immunizations. If a child does not comply by
19 October 15, or by the earlier established date of the current
20 school year, with the requirements of this subsection, then the
21 local school authority shall exclude that child from school
22 until such time as the child presents proof of having had the
23 health examination as required and presents proof of having
24 received those required immunizations which are medically
25 possible to receive immediately. During a child's exclusion
26 from school for noncompliance with this subsection, the child's

1 parents or legal guardian shall be considered in violation of
2 Section 26-1 and subject to any penalty imposed by Section
3 26-10. This subsection (5) does not apply to dental
4 examinations and eye examinations. If the student is an
5 out-of-state transfer student and does not have the proof
6 required under this subsection (5) before October 15 of the
7 current year or whatever date is set by the school district,
8 then he or she may only attend classes (i) if he or she has
9 proof that an appointment for the required vaccinations has
10 been scheduled with a party authorized to submit proof of the
11 required vaccinations. If the proof of vaccination required
12 under this subsection (5) is not submitted within 30 days after
13 the student is permitted to attend classes, then the student is
14 not 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.)

13 (Text of Section after amendment by P.A. 99-927)

14 Sec. 27-8.1. Health examinations and immunizations.

15 (1) In compliance with rules and regulations which the
16 Department of Public Health shall promulgate, and except as
17 hereinafter provided, all children in Illinois shall have a
18 health examination as follows: within one year prior to
19 entering kindergarten or the first grade of any public,
20 private, or parochial elementary school; upon entering the
21 sixth and ninth grades of any public, private, or parochial
22 school; prior to entrance into any public, private, or
23 parochial nursery school; and, irrespective of grade,
24 immediately prior to or upon entrance into any public, private,
25 or parochial school or nursery school, each child shall present

1 proof of having been examined in accordance with this Section
2 and the rules and regulations promulgated hereunder. Any child
3 who received a health examination within one year prior to
4 entering the fifth grade for the 2007-2008 school year is not
5 required to receive an additional health examination in order
6 to comply with the provisions of Public Act 95-422 when he or
7 she attends school for the 2008-2009 school year, unless the
8 child is attending school for the first time as provided in
9 this paragraph.

10 A tuberculosis skin test screening shall be included as a
11 required part of each health examination included under this
12 Section if the child resides in an area designated by the
13 Department of Public Health as having a high incidence of
14 tuberculosis. Additional health examinations of pupils,
15 including eye examinations, may be required when deemed
16 necessary by school authorities. Parents are encouraged to have
17 their children undergo eye examinations at the same points in
18 time required for health examinations.

19 (1.5) In compliance with rules adopted by the Department of
20 Public Health and except as otherwise provided in this Section,
21 all children in kindergarten and the second and sixth grades of
22 any public, private, or parochial school shall have a dental
23 examination. Each of these children shall present proof of
24 having been examined by a dentist in accordance with this
25 Section and rules adopted under this Section before May 15th of
26 the school year. If a child in the second or sixth grade fails

1 to present proof by May 15th, the school may hold the child's
2 report card until one of the following occurs: (i) the child
3 presents proof of a completed dental examination or (ii) the
4 child presents proof that a dental examination will take place
5 within 60 days after May 15th. The Department of Public Health
6 shall establish, by rule, a waiver for children who show an
7 undue burden or a lack of access to a dentist. Each public,
8 private, and parochial school must give notice of this dental
9 examination requirement to the parents and guardians of
10 students at least 60 days before May 15th of each school year.

11 (1.10) Except as otherwise provided in this Section, all
12 children enrolling in kindergarten in a public, private, or
13 parochial school on or after the effective date of this
14 amendatory Act of the 95th General Assembly and any student
15 enrolling for the first time in a public, private, or parochial
16 school on or after the effective date of this amendatory Act of
17 the 95th General Assembly shall have an eye examination. Each
18 of these children shall present proof of having been examined
19 by a physician licensed to practice medicine in all of its
20 branches or a licensed optometrist within the previous year, in
21 accordance with this Section and rules adopted under this
22 Section, before October 15th of the school year. If the child
23 fails to present proof by October 15th, the school may hold the
24 child's report card until one of the following occurs: (i) the
25 child presents proof of a completed eye examination or (ii) the
26 child presents proof that an eye examination will take place

1 within 60 days after October 15th. The Department of Public
2 Health shall establish, by rule, a waiver for children who show
3 an undue burden or a lack of access to a physician licensed to
4 practice medicine in all of its branches who provides eye
5 examinations or to a licensed optometrist. Each public,
6 private, and parochial school must give notice of this eye
7 examination requirement to the parents and guardians of
8 students in compliance with rules of the Department of Public
9 Health. Nothing in this Section shall be construed to allow a
10 school to exclude a child from attending because of a parent's
11 or guardian's failure to obtain an eye examination for the
12 child.

13 (2) The Department of Public Health shall promulgate rules
14 and regulations specifying the examinations and procedures
15 that constitute a health examination, which shall include an
16 age-appropriate developmental screening, an age-appropriate
17 social and emotional screening, and the collection of data
18 relating to obesity (including at a minimum, date of birth,
19 gender, height, weight, blood pressure, and date of exam), and
20 a dental examination and may recommend by rule that certain
21 additional examinations be performed. The rules and
22 regulations of the Department of Public Health shall specify
23 that a tuberculosis skin test screening shall be included as a
24 required part of each health examination included under this
25 Section if the child resides in an area designated by the
26 Department of Public Health as having a high incidence of

1 tuberculosis. With respect to the developmental screening and
2 the social and emotional screening, the Department of Public
3 Health must develop rules and appropriate revisions to the
4 Child Health Examination form in conjunction with a statewide
5 organization representing school boards; a statewide
6 organization representing pediatricians; statewide
7 organizations representing individuals holding Illinois
8 educator licenses with school support personnel endorsements,
9 including school social workers, school psychologists, and
10 school nurses; a statewide organization representing
11 children's mental health experts; a statewide organization
12 representing school principals; the Director of Healthcare and
13 Family Services or his or her designee, the State
14 Superintendent of Education or his or her designee; and
15 representatives of other appropriate State agencies and, at a
16 minimum, must recommend the use of validated screening tools
17 appropriate to the child's age or grade, and, with regard to
18 the social and emotional screening, require recording only
19 whether or not the screening was completed. The rules shall
20 take into consideration the screening recommendations of the
21 American Academy of Pediatrics and must be consistent with the
22 State Board of Education's social and emotional learning
23 standards. The Department of Public Health shall specify that a
24 diabetes screening as defined by rule shall be included as a
25 required part of each health examination. Diabetes testing is
26 not required.

1 Physicians licensed to practice medicine in all of its
2 branches, licensed advanced practice nurses, or licensed
3 physician assistants shall be responsible for the performance
4 of the health examinations, other than dental examinations, eye
5 examinations, and vision and hearing screening, and shall sign
6 all report forms required by subsection (4) of this Section
7 that pertain to those portions of the health examination for
8 which the physician, advanced practice nurse, or physician
9 assistant is responsible. If a registered nurse performs any
10 part of a health examination, then a physician licensed to
11 practice medicine in all of its branches must review and sign
12 all required report forms. Licensed dentists shall perform all
13 dental examinations and shall sign all report forms required by
14 subsection (4) of this Section that pertain to the dental
15 examinations. Physicians licensed to practice medicine in all
16 its branches or licensed optometrists shall perform all eye
17 examinations required by this Section and shall sign all report
18 forms required by subsection (4) of this Section that pertain
19 to the eye examination. For purposes of this Section, an eye
20 examination shall at a minimum include history, visual acuity,
21 subjective refraction to best visual acuity near and far,
22 internal and external examination, and a glaucoma evaluation,
23 as well as any other tests or observations that in the
24 professional judgment of the doctor are necessary. Vision and
25 hearing screening tests, which shall not be considered
26 examinations as that term is used in this Section, shall be

1 conducted in accordance with rules and regulations of the
2 Department of Public Health, and by individuals whom the
3 Department of Public Health has certified. In these rules and
4 regulations, the Department of Public Health shall require that
5 individuals conducting vision screening tests give a child's
6 parent or guardian written notification, before the vision
7 screening is conducted, that states, "Vision screening is not a
8 substitute for a complete eye and vision evaluation by an eye
9 doctor. Your child is not required to undergo this vision
10 screening if an optometrist or ophthalmologist has completed
11 and signed a report form indicating that an examination has
12 been administered within the previous 12 months."

13 (2.5) With respect to the developmental screening and the
14 social and emotional screening portion of the health
15 examination, each child may present proof of having been
16 screened in accordance with this Section and the rules adopted
17 under this Section before October 15th of the school year. With
18 regard to the social and emotional screening only, the
19 examining health care provider shall only record whether or not
20 the screening was completed. If the child fails to present
21 proof of the developmental screening or the social and
22 emotional screening portions of the health examination by
23 October 15th of the school year, qualified school support
24 personnel may, with a parent's or guardian's consent, offer the
25 developmental screening or the social and emotional screening
26 to the child. Each public, private, and parochial school must

1 give notice of the developmental screening and social and
2 emotional screening requirements to the parents and guardians
3 of students in compliance with the rules of the Department of
4 Public Health. Nothing in this Section shall be construed to
5 allow a school to exclude a child from attending because of a
6 parent's or guardian's failure to obtain a developmental
7 screening or a social and emotional screening for the child.
8 Once a developmental screening or a social and emotional
9 screening is completed and proof has been presented to the
10 school, the school may, with a parent's or guardian's consent,
11 make available appropriate school personnel to work with the
12 parent or guardian, the child, and the provider who signed the
13 screening form to obtain any appropriate evaluations and
14 services as indicated on the form and in other information and
15 documentation provided by the parents, guardians, or provider.

16 (3) Every child shall, at or about the same time as he or
17 she receives a health examination required by subsection (1) of
18 this Section, present to the local school proof of having
19 received such immunizations against preventable communicable
20 diseases as the Department of Public Health shall require by
21 rules and regulations promulgated pursuant to this Section and
22 the Communicable Disease Prevention Act.

23 (4) The individuals conducting the health examination,
24 dental examination, or eye examination shall record the fact of
25 having conducted the examination, and such additional
26 information as required, including for a health examination

1 data relating to obesity (including at a minimum, date of
2 birth, gender, height, weight, blood pressure, and date of
3 exam), on uniform forms which the Department of Public Health
4 and the State Board of Education shall prescribe for statewide
5 use. The examiner shall summarize on the report form any
6 condition that he or she suspects indicates a need for special
7 services, including for a health examination factors relating
8 to obesity. The duty to summarize on the report form does not
9 apply to social and emotional screenings. The confidentiality
10 of the information and records relating to the developmental
11 screening and the social and emotional screening shall be
12 determined by the statutes, rules, and professional ethics
13 governing the type of provider conducting the screening. The
14 individuals confirming the administration of required
15 immunizations shall record as indicated on the form that the
16 immunizations were administered.

17 (5) If a child does not submit proof of having had either
18 the health examination or the immunization as required, then
19 the child shall be examined or receive the immunization, as the
20 case may be, and present proof by October 15 of the current
21 school year, or by an earlier date of the current school year
22 established by a school district. To establish a date before
23 October 15 of the current school year for the health
24 examination or immunization as required, a school district must
25 give notice of the requirements of this Section 60 days prior
26 to the earlier established date. If for medical reasons one or

1 more of the required immunizations must be given after October
2 15 of the current school year, or after an earlier established
3 date of the current school year, then the child shall present,
4 by October 15, or by the earlier established date, a schedule
5 for the administration of the immunizations and a statement of
6 the medical reasons causing the delay, both the schedule and
7 the statement being issued by the physician, advanced practice
8 nurse, physician assistant, registered nurse, or local health
9 department that will be responsible for administration of the
10 remaining required immunizations. If a child does not comply by
11 October 15, or by the earlier established date of the current
12 school year, with the requirements of this subsection, then the
13 local school authority shall exclude that child from school
14 until such time as the child presents proof of having had the
15 health examination as required and presents proof of having
16 received those required immunizations which are medically
17 possible to receive immediately. During a child's exclusion
18 from school for noncompliance with this subsection, the child's
19 parents or legal guardian shall be considered in violation of
20 Section 26-1 and subject to any penalty imposed by Section
21 26-10. This subsection (5) does not apply to dental
22 examinations, eye examinations, and the developmental
23 screening and the social and emotional screening portions of
24 the health examination. If the student is an out-of-state
25 transfer student and does not have the proof required under
26 this subsection (5) before October 15 of the current year or

1 whatever date is set by the school district, then he or she may
2 only attend classes (i) if he or she has proof that an
3 appointment for the required vaccinations has been scheduled
4 with a party authorized to submit proof of the required
5 vaccinations. If the proof of vaccination required under this
6 subsection (5) is not submitted within 30 days after the
7 student is permitted to attend classes, then the student is not
8 to be permitted to attend classes until proof of the
9 vaccinations has been properly submitted. No school district or
10 employee of a school district shall be held liable for any
11 injury or illness to another person that results from admitting
12 an out-of-state transfer student to class that has an
13 appointment scheduled pursuant to this subsection (5).

14 (6) Every school shall report to the State Board of
15 Education by November 15, in the manner which that agency shall
16 require, the number of children who have received the necessary
17 immunizations and the health examination (other than a dental
18 examination or eye examination) as required, indicating, of
19 those who have not received the immunizations and examination
20 as required, the number of children who are exempt from health
21 examination and immunization requirements on religious or
22 medical grounds as provided in subsection (8). On or before
23 December 1 of each year, every public school district and
24 registered nonpublic school shall make publicly available the
25 immunization data they are required to submit to the State
26 Board of Education by November 15. The immunization data made

1 publicly available must be identical to the data the school
2 district or school has reported to the State Board of
3 Education.

4 Every school shall report to the State Board of Education
5 by June 30, in the manner that the State Board requires, the
6 number of children who have received the required dental
7 examination, indicating, of those who have not received the
8 required dental examination, the number of children who are
9 exempt from the dental examination on religious grounds as
10 provided in subsection (8) of this Section and the number of
11 children who have received a waiver under subsection (1.5) of
12 this Section.

13 Every school shall report to the State Board of Education
14 by June 30, in the manner that the State Board requires, the
15 number of children who have received the required eye
16 examination, indicating, of those who have not received the
17 required eye examination, the number of children who are exempt
18 from the eye examination as provided in subsection (8) of this
19 Section, the number of children who have received a waiver
20 under subsection (1.10) of this Section, and the total number
21 of children in noncompliance with the eye examination
22 requirement.

23 The reported information under this subsection (6) shall be
24 provided to the Department of Public Health by the State Board
25 of Education.

26 (7) Upon determining that the number of pupils who are

1 required to be in compliance with subsection (5) of this
2 Section is below 90% of the number of pupils enrolled in the
3 school district, 10% of each State aid payment made pursuant to
4 Section 18-8.05 or 18-8.15 to the school district for such year
5 may be withheld by the State Board of Education until the
6 number of students in compliance with subsection (5) is the
7 applicable specified percentage or higher.

8 (8) Children of parents or legal guardians who object to
9 health, dental, or eye examinations or any part thereof, to
10 immunizations, or to vision and hearing screening tests on
11 religious grounds shall not be required to undergo the
12 examinations, tests, or immunizations to which they so object
13 if such parents or legal guardians present to the appropriate
14 local school authority a signed Certificate of Religious
15 Exemption detailing the grounds for objection and the specific
16 immunizations, tests, or examinations to which they object. The
17 grounds for objection must set forth the specific religious
18 belief that conflicts with the examination, test,
19 immunization, or other medical intervention. The signed
20 certificate shall also reflect the parent's or legal guardian's
21 understanding of the school's exclusion policies in the case of
22 a vaccine-preventable disease outbreak or exposure. The
23 certificate must also be signed by the authorized examining
24 health care provider responsible for the performance of the
25 child's health examination confirming that the provider
26 provided education to the parent or legal guardian on the

1 benefits of immunization and the health risks to the student
2 and to the community of the communicable diseases for which
3 immunization is required in this State. However, the health
4 care provider's signature on the certificate reflects only that
5 education was provided and does not allow a health care
6 provider grounds to determine a religious exemption. Those
7 receiving immunizations required under this Code shall be
8 provided with the relevant vaccine information statements that
9 are required to be disseminated by the federal National
10 Childhood Vaccine Injury Act of 1986, which may contain
11 information on circumstances when a vaccine should not be
12 administered, prior to administering a vaccine. A healthcare
13 provider may consider including without limitation the
14 nationally accepted recommendations from federal agencies such
15 as the Advisory Committee on Immunization Practices, the
16 information outlined in the relevant vaccine information
17 statement, and vaccine package inserts, along with the
18 healthcare provider's clinical judgment, to determine whether
19 any child may be more susceptible to experiencing an adverse
20 vaccine reaction than the general population, and, if so, the
21 healthcare provider may exempt the child from an immunization
22 or adopt an individualized immunization schedule. The
23 Certificate of Religious Exemption shall be created by the
24 Department of Public Health and shall be made available and
25 used by parents and legal guardians by the beginning of the
26 2015-2016 school year. Parents or legal guardians must submit

1 the Certificate of Religious Exemption to their local school
2 authority prior to entering kindergarten, sixth grade, and
3 ninth grade for each child for which they are requesting an
4 exemption. The religious objection stated need not be directed
5 by the tenets of an established religious organization.
6 However, general philosophical or moral reluctance to allow
7 physical examinations, eye examinations, immunizations, vision
8 and hearing screenings, or dental examinations does not provide
9 a sufficient basis for an exception to statutory requirements.
10 The local school authority is responsible for determining if
11 the content of the Certificate of Religious Exemption
12 constitutes a valid religious objection. The local school
13 authority shall inform the parent or legal guardian of
14 exclusion procedures, in accordance with the Department's
15 rules under Part 690 of Title 77 of the Illinois Administrative
16 Code, at the time the objection is presented.

17 If the physical condition of the child is such that any one
18 or more of the immunizing agents should not be administered,
19 the examining physician, advanced practice nurse, or physician
20 assistant responsible for the performance of the health
21 examination shall endorse that fact upon the health examination
22 form.

23 Exempting a child from the health, dental, or eye
24 examination does not exempt the child from participation in the
25 program of physical education training provided in Sections
26 27-5 through 27-7 of this Code.

1 (9) For the purposes of this Section, "nursery schools"
2 means those nursery schools operated by elementary school
3 systems or secondary level school units or institutions of
4 higher learning.

5 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;
6 99-249, eff. 8-3-15; 99-642, eff. 7-28-16; 99-927, eff.
7 6-1-17.)

8 (105 ILCS 5/27A-9)

9 Sec. 27A-9. Term of charter; renewal.

10 (a) For charters granted before January 1, 2017 (the
11 effective date of Public Act 99-840) ~~this amendatory Act of the~~
12 ~~99th General Assembly~~, a charter may be granted for a period
13 not less than 5 and not more than 10 school years. For charters
14 granted on or after January 1, 2017 (the effective date of
15 Public Act 99-840) ~~this amendatory Act of the 99th General~~
16 ~~Assembly~~, a charter shall be granted for a period of 5 school
17 years. For charters renewed before January 1, 2017 (the
18 effective date of Public Act 99-840) ~~this amendatory Act of the~~
19 ~~99th General Assembly~~, a charter may be renewed in incremental
20 periods not to exceed 5 school years. For charters renewed on
21 or after January 1, 2017 (the effective date of Public Act
22 99-840) ~~this amendatory Act of the 99th General Assembly~~, a
23 charter may be renewed in incremental periods not to exceed 10
24 school years; however, the Commission may renew a charter only
25 in incremental periods not to exceed 5 years. Authorizers shall

1 ensure that every charter granted on or after January 1, 2017
2 (the effective date of Public Act 99-840) ~~this amendatory Act~~
3 ~~of the 99th General Assembly~~ includes standards and goals for
4 academic, organizational, and financial performance. A charter
5 must meet all standards and goals for academic, organizational,
6 and financial performance set forth by the authorizer in order
7 to be renewed for a term in excess of 5 years but not more than
8 10 years. If an authorizer fails to establish standards and
9 goals, a charter shall not be renewed for a term in excess of 5
10 years. Nothing contained in this Section shall require an
11 authorizer to grant a full 10-year renewal term to any
12 particular charter school, but an authorizer may award a full
13 10-year renewal term to charter schools that have a
14 demonstrated track record of improving student performance.

15 (b) A charter school renewal proposal submitted to the
16 local school board or the Commission, as the chartering entity,
17 shall contain:

18 (1) A report on the progress of the charter school in
19 achieving the goals, objectives, pupil performance
20 standards, content standards, and other terms of the
21 initial approved charter proposal; and

22 (2) A financial statement that discloses the costs of
23 administration, instruction, and other spending categories
24 for the charter school that is understandable to the
25 general public and that will allow comparison of those
26 costs to other schools or other comparable organizations,

1 in a format required by the State Board.

2 (c) A charter may be revoked or not renewed if the local
3 school board or the Commission, as the chartering entity,
4 clearly demonstrates that the charter school did any of the
5 following, or otherwise failed to comply with the requirements
6 of this law:

7 (1) Committed a material violation of any of the
8 conditions, standards, or procedures set forth in the
9 charter.

10 (2) Failed to meet or make reasonable progress toward
11 achievement of the content standards or pupil performance
12 standards identified in the charter.

13 (3) Failed to meet generally accepted standards of
14 fiscal management.

15 (4) Violated any provision of law from which the
16 charter school was not exempted.

17 In the case of revocation, the local school board or the
18 Commission, as the chartering entity, shall notify the charter
19 school in writing of the reason why the charter is subject to
20 revocation. The charter school shall submit a written plan to
21 the local school board or the Commission, whichever is
22 applicable, to rectify the problem. The plan shall include a
23 timeline for implementation, which shall not exceed 2 years or
24 the date of the charter's expiration, whichever is earlier. If
25 the local school board or the Commission, as the chartering
26 entity, finds that the charter school has failed to implement

1 the plan of remediation and adhere to the timeline, then the
2 chartering entity shall revoke the charter. Except in
3 situations of an emergency where the health, safety, or
4 education of the charter school's students is at risk, the
5 revocation shall take place at the end of a school year.
6 Nothing in Public Act 96-105 ~~this amendatory Act of the 96th~~
7 ~~General Assembly~~ shall be construed to prohibit an
8 implementation timetable that is less than 2 years in duration.

9 (d) (Blank).

10 (e) Notice of a local school board's decision to deny,
11 revoke, or not ~~to~~ renew a charter shall be provided to the
12 Commission and the State Board. The Commission may reverse a
13 local board's decision if the Commission finds that the charter
14 school or charter school proposal (i) is in compliance with
15 this Article, and (ii) is in the best interests of the students
16 it is designed to serve. The Commission may condition the
17 granting of an appeal on the acceptance by the charter school
18 of funding in an amount less than that requested in the
19 proposal submitted to the local school board. Final decisions
20 of the Commission shall be subject to judicial review under the
21 Administrative Review Law.

22 (f) Notwithstanding other provisions of this Article, if
23 the Commission on appeal reverses a local board's decision or
24 if a charter school is approved by referendum, the Commission
25 shall act as the authorized chartering entity for the charter
26 school. The Commission shall approve the charter and shall

1 perform all functions under this Article otherwise performed by
2 the local school board. The State Board shall determine whether
3 the charter proposal approved by the Commission is consistent
4 with the provisions of this Article and, if the approved
5 proposal complies, certify the proposal pursuant to this
6 Article. The State Board shall report the aggregate number of
7 charter school pupils resident in a school district to that
8 district and shall notify the district of the amount of funding
9 to be paid by the State Board to the charter school enrolling
10 such students. The Commission shall require the charter school
11 to maintain accurate records of daily attendance that shall be
12 deemed sufficient to file claims under Section 18-8.05 or
13 18-8.15 notwithstanding any other requirements of that Section
14 regarding hours of instruction and teacher certification. The
15 State Board shall withhold from funds otherwise due the
16 district the funds authorized by this Article to be paid to the
17 charter school and shall pay such amounts to the charter
18 school.

19 (g) For charter schools authorized by the Commission, the
20 Commission shall quarterly certify to the State Board the
21 student enrollment for each of its charter schools.

22 (h) For charter schools authorized by the Commission, the
23 State Board shall pay directly to a charter school any federal
24 or State aid attributable to a student with a disability
25 attending the school.

26 (Source: P.A. 98-739, eff. 7-16-14; 99-840, eff. 1-1-17;

1 revised 10-27-16.)

2 (105 ILCS 5/27A-11)

3 Sec. 27A-11. Local financing.

4 (a) For purposes of the School Code, pupils enrolled in a
5 charter school shall be included in the pupil enrollment of the
6 school district within which the pupil resides. Each charter
7 school (i) shall determine the school district in which each
8 pupil who is enrolled in the charter school resides, (ii) shall
9 report the aggregate number of pupils resident of a school
10 district who are enrolled in the charter school to the school
11 district in which those pupils reside, and (iii) shall maintain
12 accurate records of daily attendance that shall be deemed
13 sufficient to file claims under Section 18-8 or 18-8.15
14 notwithstanding any other requirements of that Section
15 regarding hours of instruction and teacher certification.

16 (b) Except for a charter school established by referendum
17 under Section 27A-6.5, as part of a charter school contract,
18 the charter school and the local school board shall agree on
19 funding and any services to be provided by the school district
20 to the charter school. Agreed funding that a charter school is
21 to receive from the local school board for a school year shall
22 be paid in equal quarterly installments with the payment of the
23 installment for the first quarter being made not later than
24 July 1, unless the charter establishes a different payment
25 schedule. However, if a charter school dismisses a pupil from

1 the charter school after receiving a quarterly payment, the
2 charter school shall return to the school district, on a
3 quarterly basis, the prorated portion of public funding
4 provided for the education of that pupil for the time the
5 student is not enrolled at the charter school. Likewise, if a
6 pupil transfers to a charter school between quarterly payments,
7 the school district shall provide, on a quarterly basis, a
8 prorated portion of the public funding to the charter school to
9 provide for the education of that pupil.

10 All services centrally or otherwise provided by the school
11 district including, but not limited to, rent, food services,
12 custodial services, maintenance, curriculum, media services,
13 libraries, transportation, and warehousing shall be subject to
14 negotiation between a charter school and the local school board
15 and paid for out of the revenues negotiated pursuant to this
16 subsection (b); provided that the local school board shall not
17 attempt, by negotiation or otherwise, to obligate a charter
18 school to provide pupil transportation for pupils for whom a
19 district is not required to provide transportation under the
20 criteria set forth in subsection (a) (13) of Section 27A-7.

21 In no event shall the funding be less than 75% or more than
22 125% of the school district's per capita student tuition
23 multiplied by the number of students residing in the district
24 who are enrolled in the charter school.

25 It is the intent of the General Assembly that funding and
26 service agreements under this subsection (b) shall be neither a

1 financial incentive nor a financial disincentive to the
2 establishment of a charter school.

3 The charter school may set and collect reasonable fees.
4 Fees collected from students enrolled at a charter school shall
5 be retained by the charter school.

6 (c) Notwithstanding subsection (b) of this Section, the
7 proportionate share of State and federal resources generated by
8 students with disabilities or staff serving them shall be
9 directed to charter schools enrolling those students by their
10 school districts or administrative units. The proportionate
11 share of moneys generated under other federal or State
12 categorical aid programs shall be directed to charter schools
13 serving students eligible for that aid.

14 (d) The governing body of a charter school is authorized to
15 accept gifts, donations, or grants of any kind made to the
16 charter school and to expend or use gifts, donations, or grants
17 in accordance with the conditions prescribed by the donor;
18 however, a gift, donation, or grant may not be accepted by the
19 governing body if it is subject to any condition contrary to
20 applicable law or contrary to the terms of the contract between
21 the charter school and the local school board. Charter schools
22 shall be encouraged to solicit and utilize community volunteer
23 speakers and other instructional resources when providing
24 instruction on the Holocaust and other historical events.

25 (e) (Blank).

26 (f) The Commission shall provide technical assistance to

1 persons and groups preparing or revising charter applications.

2 (g) At the non-renewal or revocation of its charter, each
3 charter school shall refund to the local board of education all
4 unspent funds.

5 (h) A charter school is authorized to incur temporary,
6 short term debt to pay operating expenses in anticipation of
7 receipt of funds from the local school board.

8 (Source: P.A. 98-640, eff. 6-9-14; 98-739, eff. 7-16-14; 99-78,
9 eff. 7-20-15.)

10 (105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

11 Sec. 29-5. Reimbursement by State for transportation. Any
12 school district, maintaining a school, transporting resident
13 pupils to another school district's vocational program,
14 offered through a joint agreement approved by the State Board
15 of Education, as provided in Section 10-22.22 or transporting
16 its resident pupils to a school which meets the standards for
17 recognition as established by the State Board of Education
18 which provides transportation meeting the standards of safety,
19 comfort, convenience, efficiency and operation prescribed by
20 the State Board of Education for resident pupils in
21 kindergarten or any of grades 1 through 12 who: (a) reside at
22 least 1 1/2 miles as measured by the customary route of travel,
23 from the school attended; or (b) reside in areas where
24 conditions are such that walking constitutes a hazard to the
25 safety of the child when determined under Section 29-3; and (c)

1 are transported to the school attended from pick-up points at
2 the beginning of the school day and back again at the close of
3 the school day or transported to and from their assigned
4 attendance centers during the school day, shall be reimbursed
5 by the State as hereinafter provided in this Section.

6 The State will pay the cost of transporting eligible pupils
7 less the assessed valuation in a dual school district
8 maintaining secondary grades 9 to 12 inclusive times a
9 qualifying rate of .05%; in elementary school districts
10 maintaining grades K to 8 times a qualifying rate of .06%; and
11 in unit districts maintaining grades K to 12, including
12 optional elementary unit districts and combined high school -
13 unit districts, times a qualifying rate of .07%; provided that
14 for optional elementary unit districts and combined high school
15 - unit districts, assessed valuation for high school purposes,
16 as defined in Article 11E of this Code, must be used. To be
17 eligible to receive reimbursement in excess of 4/5 of the cost
18 to transport eligible pupils, a school district shall have a
19 Transportation Fund tax rate of at least .12%. If a school
20 district does not have a .12% Transportation Fund tax rate, the
21 amount of its claim in excess of 4/5 of the cost of
22 transporting pupils shall be reduced by the sum arrived at by
23 subtracting the Transportation Fund tax rate from .12% and
24 multiplying that amount by the districts equalized or assessed
25 valuation, provided, that in no case shall said reduction
26 result in reimbursement of less than 4/5 of the cost to

1 transport eligible pupils.

2 The minimum amount to be received by a district is \$16
3 times the number of eligible pupils transported.

4 When calculating the reimbursement for transportation
5 costs, the State Board of Education may not deduct the number
6 of pupils enrolled in early education programs from the number
7 of pupils eligible for reimbursement if the pupils enrolled in
8 the early education programs are transported at the same time
9 as other eligible pupils.

10 Any such district transporting resident pupils during the
11 school day to an area vocational school or another school
12 district's vocational program more than 1 1/2 miles from the
13 school attended, as provided in Sections 10-22.20a and
14 10-22.22, shall be reimbursed by the State for 4/5 of the cost
15 of transporting eligible pupils.

16 School day means that period of time which the pupil is
17 required to be in attendance for instructional purposes.

18 If a pupil is at a location within the school district
19 other than his residence for child care purposes at the time
20 for transportation to school, that location may be considered
21 for purposes of determining the 1 1/2 miles from the school
22 attended.

23 Claims for reimbursement that include children who attend
24 any school other than a public school shall show the number of
25 such children transported.

26 Claims for reimbursement under this Section shall not be

1 paid for the transportation of pupils for whom transportation
2 costs are claimed for payment under other Sections of this Act.

3 The allowable direct cost of transporting pupils for
4 regular, vocational, and special education pupil
5 transportation shall be limited to the sum of the cost of
6 physical examinations required for employment as a school bus
7 driver; the salaries of full or part-time drivers and school
8 bus maintenance personnel; employee benefits excluding
9 Illinois municipal retirement payments, social security
10 payments, unemployment insurance payments and workers'
11 compensation insurance premiums; expenditures to independent
12 carriers who operate school buses; payments to other school
13 districts for pupil transportation services; pre-approved
14 contractual expenditures for computerized bus scheduling; the
15 cost of gasoline, oil, tires, and other supplies necessary for
16 the operation of school buses; the cost of converting buses'
17 gasoline engines to more fuel efficient engines or to engines
18 which use alternative energy sources; the cost of travel to
19 meetings and workshops conducted by the regional
20 superintendent or the State Superintendent of Education
21 pursuant to the standards established by the Secretary of State
22 under Section 6-106 of the Illinois Vehicle Code to improve the
23 driving skills of school bus drivers; the cost of maintenance
24 of school buses including parts and materials used;
25 expenditures for leasing transportation vehicles, except
26 interest and service charges; the cost of insurance and

1 licenses for transportation vehicles; expenditures for the
2 rental of transportation equipment; plus a depreciation
3 allowance of 20% for 5 years for school buses and vehicles
4 approved for transporting pupils to and from school and a
5 depreciation allowance of 10% for 10 years for other
6 transportation equipment so used. Each school year, if a school
7 district has made expenditures to the Regional Transportation
8 Authority or any of its service boards, a mass transit
9 district, or an urban transportation district under an
10 intergovernmental agreement with the district to provide for
11 the transportation of pupils and if the public transit carrier
12 received direct payment for services or passes from a school
13 district within its service area during the 2000-2001 school
14 year, then the allowable direct cost of transporting pupils for
15 regular, vocational, and special education pupil
16 transportation shall also include the expenditures that the
17 district has made to the public transit carrier. In addition to
18 the above allowable costs school districts shall also claim all
19 transportation supervisory salary costs, including Illinois
20 municipal retirement payments, and all transportation related
21 building and building maintenance costs without limitation.

22 Special education allowable costs shall also include
23 expenditures for the salaries of attendants or aides for that
24 portion of the time they assist special education pupils while
25 in transit and expenditures for parents and public carriers for
26 transporting special education pupils when pre-approved by the

1 State Superintendent of Education.

2 Indirect costs shall be included in the reimbursement claim
3 for districts which own and operate their own school buses.
4 Such indirect costs shall include administrative costs, or any
5 costs attributable to transporting pupils from their
6 attendance centers to another school building for
7 instructional purposes. No school district which owns and
8 operates its own school buses may claim reimbursement for
9 indirect costs which exceed 5% of the total allowable direct
10 costs for pupil transportation.

11 The State Board of Education shall prescribe uniform
12 regulations for determining the above standards and shall
13 prescribe forms of cost accounting and standards of determining
14 reasonable depreciation. Such depreciation shall include the
15 cost of equipping school buses with the safety features
16 required by law or by the rules, regulations and standards
17 promulgated by the State Board of Education, and the Department
18 of Transportation for the safety and construction of school
19 buses provided, however, any equipment cost reimbursed by the
20 Department of Transportation for equipping school buses with
21 such safety equipment shall be deducted from the allowable cost
22 in the computation of reimbursement under this Section in the
23 same percentage as the cost of the equipment is depreciated.

24 On or before August 15, annually, the chief school
25 administrator for the district shall certify to the State
26 Superintendent of Education the district's claim for

1 reimbursement for the school year ending on June 30 next
2 preceding. The State Superintendent of Education shall check
3 and approve the claims and prepare the vouchers showing the
4 amounts due for district reimbursement claims. Each fiscal
5 year, the State Superintendent of Education shall prepare and
6 transmit the first 3 vouchers to the Comptroller on the 30th
7 day of September, December and March, respectively, and the
8 final voucher, no later than June 20.

9 If the amount appropriated for transportation
10 reimbursement is insufficient to fund total claims for any
11 fiscal year, the State Board of Education shall reduce each
12 school district's allowable costs and flat grant amount
13 proportionately to make total adjusted claims equal the total
14 amount appropriated.

15 For purposes of calculating claims for reimbursement under
16 this Section for any school year beginning July 1, 1998, or
17 thereafter, the equalized assessed valuation for a school
18 district used to compute reimbursement shall be computed in the
19 same manner as it is computed under paragraph (2) of subsection
20 (G) of Section 18-8.05.

21 All reimbursements received from the State shall be
22 deposited into the district's transportation fund or into the
23 fund from which the allowable expenditures were made.

24 Notwithstanding any other provision of law, any school
25 district receiving a payment under this Section or under
26 Section 14-7.02, 14-7.02b, or 14-13.01 of this Code may

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

1 to that funding program, including any accounting of funds by
2 source, reporting expenditures by original source and purpose,
3 reporting requirements, or requirements of providing services.

4 Any school district with a population of not more than
5 500,000 must deposit all funds received under this Article into
6 the transportation fund and use those funds for the provision
7 of transportation services.

8 Notwithstanding anything to the contrary contained in this
9 Section, the State Board of Education shall award to a school
10 district having a population exceeding 500,000 inhabitants
11 3.9% of the funds appropriated by the General Assembly for any
12 fiscal year for purposes of payments to school districts under
13 this Section.

14 (Source: P.A. 95-903, eff. 8-25-08; 96-1264, eff. 1-1-11.)

15 (105 ILCS 5/34-2.3) (from Ch. 122, par. 34-2.3)

16 Sec. 34-2.3. Local school councils - Powers and duties.
17 Each local school council shall have and exercise, consistent
18 with the provisions of this Article and the powers and duties
19 of the board of education, the following powers and duties:

20 1. (A) To annually evaluate the performance of the
21 principal of the attendance center using a Board approved
22 principal evaluation form, which shall include the evaluation
23 of (i) student academic improvement, as defined by the school
24 improvement plan, (ii) student absenteeism rates at the school,
25 (iii) instructional leadership, (iv) the effective

1 implementation of programs, policies, or strategies to improve
2 student academic achievement, (v) school management, and (vi)
3 any other factors deemed relevant by the local school council,
4 including, without limitation, the principal's communication
5 skills and ability to create and maintain a student-centered
6 learning environment, to develop opportunities for
7 professional development, and to encourage parental
8 involvement and community partnerships to achieve school
9 improvement;

10 (B) to determine in the manner provided by subsection (c)
11 of Section 34-2.2 and subdivision 1.5 of this Section whether
12 the performance contract of the principal shall be renewed; and

13 (C) to directly select, in the manner provided by
14 subsection (c) of Section 34-2.2, a new principal (including a
15 new principal to fill a vacancy) -- without submitting any list
16 of candidates for that position to the general superintendent
17 as provided in paragraph 2 of this Section -- to serve under a
18 4 year performance contract; provided that (i) the
19 determination of whether the principal's performance contract
20 is to be renewed, based upon the evaluation required by
21 subdivision 1.5 of this Section, shall be made no later than
22 150 days prior to the expiration of the current
23 performance-based contract of the principal, (ii) in cases
24 where such performance contract is not renewed -- a direct
25 selection of a new principal -- to serve under a 4 year
26 performance contract shall be made by the local school council

1 no later than 45 days prior to the expiration of the current
2 performance contract of the principal, and (iii) a selection by
3 the local school council of a new principal to fill a vacancy
4 under a 4 year performance contract shall be made within 90
5 days after the date such vacancy occurs. A Council shall be
6 required, if requested by the principal, to provide in writing
7 the reasons for the council's not renewing the principal's
8 contract.

9 1.5. The local school council's determination of whether to
10 renew the principal's contract shall be based on an evaluation
11 to assess the educational and administrative progress made at
12 the school during the principal's current performance-based
13 contract. The local school council shall base its evaluation on
14 (i) student academic improvement, as defined by the school
15 improvement plan, (ii) student absenteeism rates at the school,
16 (iii) instructional leadership, (iv) the effective
17 implementation of programs, policies, or strategies to improve
18 student academic achievement, (v) school management, and (vi)
19 any other factors deemed relevant by the local school council,
20 including, without limitation, the principal's communication
21 skills and ability to create and maintain a student-centered
22 learning environment, to develop opportunities for
23 professional development, and to encourage parental
24 involvement and community partnerships to achieve school
25 improvement. If a local school council fails to renew the
26 performance contract of a principal rated by the general

1 superintendent, or his or her designee, in the previous years'
2 evaluations as meeting or exceeding expectations, the
3 principal, within 15 days after the local school council's
4 decision not to renew the contract, may request a review of the
5 local school council's principal non-retention decision by a
6 hearing officer appointed by the American Arbitration
7 Association. A local school council member or members or the
8 general superintendent may support the principal's request for
9 review. During the period of the hearing officer's review of
10 the local school council's decision on whether or not to retain
11 the principal, the local school council shall maintain all
12 authority to search for and contract with a person to serve as
13 interim or acting principal, or as the principal of the
14 attendance center under a 4-year performance contract,
15 provided that any performance contract entered into by the
16 local school council shall be voidable or modified in
17 accordance with the decision of the hearing officer. The
18 principal may request review only once while at that attendance
19 center. If a local school council renews the contract of a
20 principal who failed to obtain a rating of "meets" or "exceeds
21 expectations" in the general superintendent's evaluation for
22 the previous year, the general superintendent, within 15 days
23 after the local school council's decision to renew the
24 contract, may request a review of the local school council's
25 principal retention decision by a hearing officer appointed by
26 the American Arbitration Association. The general

1 superintendent may request a review only once for that
2 principal at that attendance center. All requests to review the
3 retention or non-retention of a principal shall be submitted to
4 the general superintendent, who shall, in turn, forward such
5 requests, within 14 days of receipt, to the American
6 Arbitration Association. The general superintendent shall send
7 a contemporaneous copy of the request that was forwarded to the
8 American Arbitration Association to the principal and to each
9 local school council member and shall inform the local school
10 council of its rights and responsibilities under the
11 arbitration process, including the local school council's
12 right to representation and the manner and process by which the
13 Board shall pay the costs of the council's representation. If
14 the local school council retains the principal and the general
15 superintendent requests a review of the retention decision, the
16 local school council and the general superintendent shall be
17 considered parties to the arbitration, a hearing officer shall
18 be chosen between those 2 parties pursuant to procedures
19 promulgated by the State Board of Education, and the principal
20 may retain counsel and participate in the arbitration. If the
21 local school council does not retain the principal and the
22 principal requests a review of the retention decision, the
23 local school council and the principal shall be considered
24 parties to the arbitration and a hearing officer shall be
25 chosen between those 2 parties pursuant to procedures
26 promulgated by the State Board of Education. The hearing shall

1 begin (i) within 45 days after the initial request for review
2 is submitted by the principal to the general superintendent or
3 (ii) if the initial request for review is made by the general
4 superintendent, within 45 days after that request is mailed to
5 the American Arbitration Association. The hearing officer
6 shall render a decision within 45 days after the hearing begins
7 and within 90 days after the initial request for review. The
8 Board shall contract with the American Arbitration Association
9 for all of the hearing officer's reasonable and necessary
10 costs. In addition, the Board shall pay any reasonable costs
11 incurred by a local school council for representation before a
12 hearing officer.

13 1.10. The hearing officer shall conduct a hearing, which
14 shall include (i) a review of the principal's performance,
15 evaluations, and other evidence of the principal's service at
16 the school, (ii) reasons provided by the local school council
17 for its decision, and (iii) documentation evidencing views of
18 interested persons, including, without limitation, students,
19 parents, local school council members, school faculty and
20 staff, the principal, the general superintendent or his or her
21 designee, and members of the community. The burden of proof in
22 establishing that the local school council's decision was
23 arbitrary and capricious shall be on the party requesting the
24 arbitration, and this party shall sustain the burden by a
25 preponderance of the evidence. The hearing officer shall set
26 the local school council decision aside if that decision, in

1 light of the record developed at the hearing, is arbitrary and
2 capricious. The decision of the hearing officer may not be
3 appealed to the Board or the State Board of Education. If the
4 hearing officer decides that the principal shall be retained,
5 the retention period shall not exceed 2 years.

6 2. In the event (i) the local school council does not renew
7 the performance contract of the principal, or the principal
8 fails to receive a satisfactory rating as provided in
9 subsection (h) of Section 34-8.3, or the principal is removed
10 for cause during the term of his or her performance contract in
11 the manner provided by Section 34-85, or a vacancy in the
12 position of principal otherwise occurs prior to the expiration
13 of the term of a principal's performance contract, and (ii) the
14 local school council fails to directly select a new principal
15 to serve under a 4 year performance contract, the local school
16 council in such event shall submit to the general
17 superintendent a list of 3 candidates -- listed in the local
18 school council's order of preference -- for the position of
19 principal, one of which shall be selected by the general
20 superintendent to serve as principal of the attendance center.
21 If the general superintendent fails or refuses to select one of
22 the candidates on the list to serve as principal within 30 days
23 after being furnished with the candidate list, the general
24 superintendent shall select and place a principal on an interim
25 basis (i) for a period not to exceed one year or (ii) until the
26 local school council selects a new principal with 7 affirmative

1 votes as provided in subsection (c) of Section 34-2.2,
2 whichever occurs first. If the local school council fails or
3 refuses to select and appoint a new principal, as specified by
4 subsection (c) of Section 34-2.2, the general superintendent
5 may select and appoint a new principal on an interim basis for
6 an additional year or until a new contract principal is
7 selected by the local school council. There shall be no
8 discrimination on the basis of race, sex, creed, color or
9 disability unrelated to ability to perform in connection with
10 the submission of candidates for, and the selection of a
11 candidate to serve as principal of an attendance center. No
12 person shall be directly selected, listed as a candidate for,
13 or selected to serve as principal of an attendance center (i)
14 if such person has been removed for cause from employment by
15 the Board or (ii) if such person does not hold a valid
16 administrative certificate issued or exchanged under Article
17 21 and endorsed as required by that Article for the position of
18 principal. A principal whose performance contract is not
19 renewed as provided under subsection (c) of Section 34-2.2 may
20 nevertheless, if otherwise qualified and certified as herein
21 provided and if he or she has received a satisfactory rating as
22 provided in subsection (h) of Section 34-8.3, be included by a
23 local school council as one of the 3 candidates listed in order
24 of preference on any candidate list from which one person is to
25 be selected to serve as principal of the attendance center
26 under a new performance contract. The initial candidate list

1 required to be submitted by a local school council to the
2 general superintendent in cases where the local school council
3 does not renew the performance contract of its principal and
4 does not directly select a new principal to serve under a 4
5 year performance contract shall be submitted not later than 30
6 days prior to the expiration of the current performance
7 contract. In cases where the local school council fails or
8 refuses to submit the candidate list to the general
9 superintendent no later than 30 days prior to the expiration of
10 the incumbent principal's contract, the general superintendent
11 may appoint a principal on an interim basis for a period not to
12 exceed one year, during which time the local school council
13 shall be able to select a new principal with 7 affirmative
14 votes as provided in subsection (c) of Section 34-2.2. In cases
15 where a principal is removed for cause or a vacancy otherwise
16 occurs in the position of principal and the vacancy is not
17 filled by direct selection by the local school council, the
18 candidate list shall be submitted by the local school council
19 to the general superintendent within 90 days after the date
20 such removal or vacancy occurs. In cases where the local school
21 council fails or refuses to submit the candidate list to the
22 general superintendent within 90 days after the date of the
23 vacancy, the general superintendent may appoint a principal on
24 an interim basis for a period of one year, during which time
25 the local school council shall be able to select a new
26 principal with 7 affirmative votes as provided in subsection

1 (c) of Section 34-2.2.

2 2.5. Whenever a vacancy in the office of a principal occurs
3 for any reason, the vacancy shall be filled in the manner
4 provided by this Section by the selection of a new principal to
5 serve under a 4 year performance contract.

6 3. To establish additional criteria to be included as part
7 of the performance contract of its principal, provided that
8 such additional criteria shall not discriminate on the basis of
9 race, sex, creed, color or disability unrelated to ability to
10 perform, and shall not be inconsistent with the uniform 4 year
11 performance contract for principals developed by the board as
12 provided in Section 34-8.1 of the School Code or with other
13 provisions of this Article governing the authority and
14 responsibility of principals.

15 4. To approve the expenditure plan prepared by the
16 principal with respect to all funds allocated and distributed
17 to the attendance center by the Board. The expenditure plan
18 shall be administered by the principal. Notwithstanding any
19 other provision of this Act or any other law, any expenditure
20 plan approved and administered under this Section 34-2.3 shall
21 be consistent with and subject to the terms of any contract for
22 services with a third party entered into by the Chicago School
23 Reform Board of Trustees or the board under this Act.

24 Via a supermajority vote of 7 members of the local school
25 council or 8 members of a high school local school council, the
26 Council may transfer allocations pursuant to Section 34-2.3

1 within funds; provided that such a transfer is consistent with
2 applicable law and collective bargaining agreements.

3 Beginning in fiscal year 1991 and in each fiscal year
4 thereafter, the Board may reserve up to 1% of its total fiscal
5 year budget for distribution on a prioritized basis to schools
6 throughout the school system in order to assure adequate
7 programs to meet the needs of special student populations as
8 determined by the Board. This distribution shall take into
9 account the needs catalogued in the Systemwide Plan and the
10 various local school improvement plans of the local school
11 councils. Information about these centrally funded programs
12 shall be distributed to the local school councils so that their
13 subsequent planning and programming will account for these
14 provisions.

15 Beginning in fiscal year 1991 and in each fiscal year
16 thereafter, from other amounts available in the applicable
17 fiscal year budget, the board shall allocate a lump sum amount
18 to each local school based upon such formula as the board shall
19 determine taking into account the special needs of the student
20 body. The local school principal shall develop an expenditure
21 plan in consultation with the local school council, the
22 professional personnel leadership committee and with all other
23 school personnel, which reflects the priorities and activities
24 as described in the school's local school improvement plan and
25 is consistent with applicable law and collective bargaining
26 agreements and with board policies and standards; however, the

1 local school council shall have the right to request waivers of
2 board policy from the board of education and waivers of
3 employee collective bargaining agreements pursuant to Section
4 34-8.1a.

5 The expenditure plan developed by the principal with
6 respect to amounts available from the fund for prioritized
7 special needs programs and the allocated lump sum amount must
8 be approved by the local school council.

9 The lump sum allocation shall take into account the
10 following principles:

11 a. Teachers: Each school shall be allocated funds equal
12 to the amount appropriated in the previous school year for
13 compensation for teachers (regular grades kindergarten
14 through 12th grade) plus whatever increases in
15 compensation have been negotiated contractually or through
16 longevity as provided in the negotiated agreement.
17 Adjustments shall be made due to layoff or reduction in
18 force, lack of funds or work, change in subject
19 requirements, enrollment changes, or contracts with third
20 parties for the performance of services or to rectify any
21 inconsistencies with system-wide allocation formulas or
22 for other legitimate reasons.

23 b. Other personnel: Funds for other teacher
24 certificated and uncertificated personnel paid through
25 non-categorical funds shall be provided according to
26 system-wide formulas based on student enrollment and the

1 special needs of the school as determined by the Board.

2 c. Non-compensation items: Appropriations for all
3 non-compensation items shall be based on system-wide
4 formulas based on student enrollment and on the special
5 needs of the school or factors related to the physical
6 plant, including but not limited to textbooks, electronic
7 textbooks and the technological equipment necessary to
8 gain access to and use electronic textbooks, supplies,
9 electricity, equipment, and routine maintenance.

10 d. Funds for categorical programs: Schools shall
11 receive personnel and funds based on, and shall use such
12 personnel and funds in accordance with State and Federal
13 requirements applicable to each categorical program
14 provided to meet the special needs of the student body
15 (including but not limited to, Federal Chapter I,
16 Bilingual, and Special Education).

17 d.1. Funds for State Title I: Each school shall receive
18 funds based on State and Board requirements applicable to
19 each State Title I pupil provided to meet the special needs
20 of the student body. Each school shall receive the
21 proportion of funds as provided in Section 18-8 or 18-8.15
22 to which they are entitled. These funds shall be spent only
23 with the budgetary approval of the Local School Council as
24 provided in Section 34-2.3.

25 e. The Local School Council shall have the right to
26 request the principal to close positions and open new ones

1 consistent with the provisions of the local school
2 improvement plan provided that these decisions are
3 consistent with applicable law and collective bargaining
4 agreements. If a position is closed, pursuant to this
5 paragraph, the local school shall have for its use the
6 system-wide average compensation for the closed position.

7 f. Operating within existing laws and collective
8 bargaining agreements, the local school council shall have
9 the right to direct the principal to shift expenditures
10 within funds.

11 g. (Blank).

12 Any funds unexpended at the end of the fiscal year shall be
13 available to the board of education for use as part of its
14 budget for the following fiscal year.

15 5. To make recommendations to the principal concerning
16 textbook selection and concerning curriculum developed
17 pursuant to the school improvement plan which is consistent
18 with systemwide curriculum objectives in accordance with
19 Sections 34-8 and 34-18 of the School Code and in conformity
20 with the collective bargaining agreement.

21 6. To advise the principal concerning the attendance and
22 disciplinary policies for the attendance center, subject to the
23 provisions of this Article and Article 26, and consistent with
24 the uniform system of discipline established by the board
25 pursuant to Section 34-19.

26 7. To approve a school improvement plan developed as

1 provided in Section 34-2.4. The process and schedule for plan
2 development shall be publicized to the entire school community,
3 and the community shall be afforded the opportunity to make
4 recommendations concerning the plan. At least twice a year the
5 principal and local school council shall report publicly on
6 progress and problems with respect to plan implementation.

7 8. To evaluate the allocation of teaching resources and
8 other certificated and uncertificated staff to the attendance
9 center to determine whether such allocation is consistent with
10 and in furtherance of instructional objectives and school
11 programs reflective of the school improvement plan adopted for
12 the attendance center; and to make recommendations to the
13 board, the general superintendent and the principal concerning
14 any reallocation of teaching resources or other staff whenever
15 the council determines that any such reallocation is
16 appropriate because the qualifications of any existing staff at
17 the attendance center do not adequately match or support
18 instructional objectives or school programs which reflect the
19 school improvement plan.

20 9. To make recommendations to the principal and the general
21 superintendent concerning their respective appointments, after
22 August 31, 1989, and in the manner provided by Section 34-8 and
23 Section 34-8.1, of persons to fill any vacant, additional or
24 newly created positions for teachers at the attendance center
25 or at attendance centers which include the attendance center
26 served by the local school council.

1 10. To request of the Board the manner in which training
2 and assistance shall be provided to the local school council.
3 Pursuant to Board guidelines a local school council is
4 authorized to direct the Board of Education to contract with
5 personnel or not-for-profit organizations not associated with
6 the school district to train or assist council members. If
7 training or assistance is provided by contract with personnel
8 or organizations not associated with the school district, the
9 period of training or assistance shall not exceed 30 hours
10 during a given school year; person shall not be employed on a
11 continuous basis longer than said period and shall not have
12 been employed by the Chicago Board of Education within the
13 preceding six months. Council members shall receive training in
14 at least the following areas:

15 1. school budgets;

16 2. educational theory pertinent to the attendance
17 center's particular needs, including the development of
18 the school improvement plan and the principal's
19 performance contract; and

20 3. personnel selection.

21 Council members shall, to the greatest extent possible,
22 complete such training within 90 days of election.

23 11. In accordance with systemwide guidelines contained in
24 the System-Wide Educational Reform Goals and Objectives Plan,
25 criteria for evaluation of performance shall be established for
26 local school councils and local school council members. If a

1 local school council persists in noncompliance with systemwide
2 requirements, the Board may impose sanctions and take necessary
3 corrective action, consistent with Section 34-8.3.

4 12. Each local school council shall comply with the Open
5 Meetings Act and the Freedom of Information Act. Each local
6 school council shall issue and transmit to its school community
7 a detailed annual report accounting for its activities
8 programmatically and financially. Each local school council
9 shall convene at least 2 well-publicized meetings annually with
10 its entire school community. These meetings shall include
11 presentation of the proposed local school improvement plan, of
12 the proposed school expenditure plan, and the annual report,
13 and shall provide an opportunity for public comment.

14 13. Each local school council is encouraged to involve
15 additional non-voting members of the school community in
16 facilitating the council's exercise of its responsibilities.

17 14. The local school council may adopt a school uniform or
18 dress code policy that governs the attendance center and that
19 is necessary to maintain the orderly process of a school
20 function or prevent endangerment of student health or safety,
21 consistent with the policies and rules of the Board of
22 Education. A school uniform or dress code policy adopted by a
23 local school council: (i) shall not be applied in such manner
24 as to discipline or deny attendance to a transfer student or
25 any other student for noncompliance with that policy during
26 such period of time as is reasonably necessary to enable the

1 student to acquire a school uniform or otherwise comply with
2 the dress code policy that is in effect at the attendance
3 center into which the student's enrollment is transferred; and
4 (ii) shall include criteria and procedures under which the
5 local school council will accommodate the needs of or otherwise
6 provide appropriate resources to assist a student from an
7 indigent family in complying with an applicable school uniform
8 or dress code policy. A student whose parents or legal
9 guardians object on religious grounds to the student's
10 compliance with an applicable school uniform or dress code
11 policy shall not be required to comply with that policy if the
12 student's parents or legal guardians present to the local
13 school council a signed statement of objection detailing the
14 grounds for the objection.

15 15. All decisions made and actions taken by the local
16 school council in the exercise of its powers and duties shall
17 comply with State and federal laws, all applicable collective
18 bargaining agreements, court orders and rules properly
19 promulgated by the Board.

20 15a. To grant, in accordance with board rules and policies,
21 the use of assembly halls and classrooms when not otherwise
22 needed, including lighting, heat, and attendants, for public
23 lectures, concerts, and other educational and social
24 activities.

25 15b. To approve, in accordance with board rules and
26 policies, receipts and expenditures for all internal accounts

1 of the attendance center, and to approve all fund-raising
2 activities by nonschool organizations that use the school
3 building.

4 16. (Blank).

5 17. Names and addresses of local school council members
6 shall be a matter of public record.

7 (Source: P.A. 96-1403, eff. 7-29-10.)

8 (105 ILCS 5/34-18) (from Ch. 122, par. 34-18)

9 Sec. 34-18. Powers of the board. The board shall exercise
10 general supervision and jurisdiction over the public education
11 and the public school system of the city, and, except as
12 otherwise provided by this Article, shall have power:

13 1. To make suitable provision for the establishment and
14 maintenance throughout the year or for such portion thereof
15 as it may direct, not less than 9 months, of schools of all
16 grades and kinds, including normal schools, high schools,
17 night schools, schools for defectives and delinquents,
18 parental and truant schools, schools for the blind, the
19 deaf and persons with physical disabilities, schools or
20 classes in manual training, constructural and vocational
21 teaching, domestic arts and physical culture, vocation and
22 extension schools and lecture courses, and all other
23 educational courses and facilities, including
24 establishing, equipping, maintaining and operating
25 playgrounds and recreational programs, when such programs

1 are conducted in, adjacent to, or connected with any public
2 school under the general supervision and jurisdiction of
3 the board; provided that the calendar for the school term
4 and any changes must be submitted to and approved by the
5 State Board of Education before the calendar or changes may
6 take effect, and provided that in allocating funds from
7 year to year for the operation of all attendance centers
8 within the district, the board shall ensure that
9 supplemental general State aid or supplemental grant funds
10 are allocated and applied in accordance with Section 18-8,
11 ~~or~~ 18-8.05, or 18-8.15. To admit to such schools without
12 charge foreign exchange students who are participants in an
13 organized exchange student program which is authorized by
14 the board. The board shall permit all students to enroll in
15 apprenticeship programs in trade schools operated by the
16 board, whether those programs are union-sponsored or not.
17 No student shall be refused admission into or be excluded
18 from any course of instruction offered in the common
19 schools by reason of that student's sex. No student shall
20 be denied equal access to physical education and
21 interscholastic athletic programs supported from school
22 district funds or denied participation in comparable
23 physical education and athletic programs solely by reason
24 of the student's sex. Equal access to programs supported
25 from school district funds and comparable programs will be
26 defined in rules promulgated by the State Board of

1 Education in consultation with the Illinois High School
2 Association. Notwithstanding any other provision of this
3 Article, neither the board of education nor any local
4 school council or other school official shall recommend
5 that children with disabilities be placed into regular
6 education classrooms unless those children with
7 disabilities are provided with supplementary services to
8 assist them so that they benefit from the regular classroom
9 instruction and are included on the teacher's regular
10 education class register;

11 2. To furnish lunches to pupils, to make a reasonable
12 charge therefor, and to use school funds for the payment of
13 such expenses as the board may determine are necessary in
14 conducting the school lunch program;

15 3. To co-operate with the circuit court;

16 4. To make arrangements with the public or quasi-public
17 libraries and museums for the use of their facilities by
18 teachers and pupils of the public schools;

19 5. To employ dentists and prescribe their duties for
20 the purpose of treating the pupils in the schools, but
21 accepting such treatment shall be optional with parents or
22 guardians;

23 6. To grant the use of assembly halls and classrooms
24 when not otherwise needed, including light, heat, and
25 attendants, for free public lectures, concerts, and other
26 educational and social interests, free of charge, under

1 such provisions and control as the principal of the
2 affected attendance center may prescribe;

3 7. To apportion the pupils to the several schools;
4 provided that no pupil shall be excluded from or segregated
5 in any such school on account of his color, race, sex, or
6 nationality. The board shall take into consideration the
7 prevention of segregation and the elimination of
8 separation of children in public schools because of color,
9 race, sex, or nationality. Except that children may be
10 committed to or attend parental and social adjustment
11 schools established and maintained either for boys or girls
12 only. All records pertaining to the creation, alteration or
13 revision of attendance areas shall be open to the public.
14 Nothing herein shall limit the board's authority to
15 establish multi-area attendance centers or other student
16 assignment systems for desegregation purposes or
17 otherwise, and to apportion the pupils to the several
18 schools. Furthermore, beginning in school year 1994-95,
19 pursuant to a board plan adopted by October 1, 1993, the
20 board shall offer, commencing on a phased-in basis, the
21 opportunity for families within the school district to
22 apply for enrollment of their children in any attendance
23 center within the school district which does not have
24 selective admission requirements approved by the board.
25 The appropriate geographical area in which such open
26 enrollment may be exercised shall be determined by the

1 board of education. Such children may be admitted to any
2 such attendance center on a space available basis after all
3 children residing within such attendance center's area
4 have been accommodated. If the number of applicants from
5 outside the attendance area exceed the space available,
6 then successful applicants shall be selected by lottery.
7 The board of education's open enrollment plan must include
8 provisions that allow low income students to have access to
9 transportation needed to exercise school choice. Open
10 enrollment shall be in compliance with the provisions of
11 the Consent Decree and Desegregation Plan cited in Section
12 34-1.01;

13 8. To approve programs and policies for providing
14 transportation services to students. Nothing herein shall
15 be construed to permit or empower the State Board of
16 Education to order, mandate, or require busing or other
17 transportation of pupils for the purpose of achieving
18 racial balance in any school;

19 9. Subject to the limitations in this Article, to
20 establish and approve system-wide curriculum objectives
21 and standards, including graduation standards, which
22 reflect the multi-cultural diversity in the city and are
23 consistent with State law, provided that for all purposes
24 of this Article courses or proficiency in American Sign
25 Language shall be deemed to constitute courses or
26 proficiency in a foreign language; and to employ principals

1 and teachers, appointed as provided in this Article, and
2 fix their compensation. The board shall prepare such
3 reports related to minimal competency testing as may be
4 requested by the State Board of Education, and in addition
5 shall monitor and approve special education and bilingual
6 education programs and policies within the district to
7 assure that appropriate services are provided in
8 accordance with applicable State and federal laws to
9 children requiring services and education in those areas;

10 10. To employ non-teaching personnel or utilize
11 volunteer personnel for: (i) non-teaching duties not
12 requiring instructional judgment or evaluation of pupils,
13 including library duties; and (ii) supervising study
14 halls, long distance teaching reception areas used
15 incident to instructional programs transmitted by
16 electronic media such as computers, video, and audio,
17 detention and discipline areas, and school-sponsored
18 extracurricular activities. The board may further utilize
19 volunteer non-certificated personnel or employ
20 non-certificated personnel to assist in the instruction of
21 pupils under the immediate supervision of a teacher holding
22 a valid certificate, directly engaged in teaching subject
23 matter or conducting activities; provided that the teacher
24 shall be continuously aware of the non-certificated
25 persons' activities and shall be able to control or modify
26 them. The general superintendent shall determine

1 qualifications of such personnel and shall prescribe rules
2 for determining the duties and activities to be assigned to
3 such personnel;

4 10.5. To utilize volunteer personnel from a regional
5 School Crisis Assistance Team (S.C.A.T.), created as part
6 of the Safe to Learn Program established pursuant to
7 Section 25 of the Illinois Violence Prevention Act of 1995,
8 to provide assistance to schools in times of violence or
9 other traumatic incidents within a school community by
10 providing crisis intervention services to lessen the
11 effects of emotional trauma on individuals and the
12 community; the School Crisis Assistance Team Steering
13 Committee shall determine the qualifications for
14 volunteers;

15 11. To provide television studio facilities in not to
16 exceed one school building and to provide programs for
17 educational purposes, provided, however, that the board
18 shall not construct, acquire, operate, or maintain a
19 television transmitter; to grant the use of its studio
20 facilities to a licensed television station located in the
21 school district; and to maintain and operate not to exceed
22 one school radio transmitting station and provide programs
23 for educational purposes;

24 12. To offer, if deemed appropriate, outdoor education
25 courses, including field trips within the State of
26 Illinois, or adjacent states, and to use school educational

1 funds for the expense of the said outdoor educational
2 programs, whether within the school district or not;

3 13. During that period of the calendar year not
4 embraced within the regular school term, to provide and
5 conduct courses in subject matters normally embraced in the
6 program of the schools during the regular school term and
7 to give regular school credit for satisfactory completion
8 by the student of such courses as may be approved for
9 credit by the State Board of Education;

10 14. To insure against any loss or liability of the
11 board, the former School Board Nominating Commission,
12 Local School Councils, the Chicago Schools Academic
13 Accountability Council, or the former Subdistrict Councils
14 or of any member, officer, agent or employee thereof,
15 resulting from alleged violations of civil rights arising
16 from incidents occurring on or after September 5, 1967 or
17 from the wrongful or negligent act or omission of any such
18 person whether occurring within or without the school
19 premises, provided the officer, agent or employee was, at
20 the time of the alleged violation of civil rights or
21 wrongful act or omission, acting within the scope of his
22 employment or under direction of the board, the former
23 School Board Nominating Commission, the Chicago Schools
24 Academic Accountability Council, Local School Councils, or
25 the former Subdistrict Councils; and to provide for or
26 participate in insurance plans for its officers and

1 employees, including but not limited to retirement
2 annuities, medical, surgical and hospitalization benefits
3 in such types and amounts as may be determined by the
4 board; provided, however, that the board shall contract for
5 such insurance only with an insurance company authorized to
6 do business in this State. Such insurance may include
7 provision for employees who rely on treatment by prayer or
8 spiritual means alone for healing, in accordance with the
9 tenets and practice of a recognized religious
10 denomination;

11 15. To contract with the corporate authorities of any
12 municipality or the county board of any county, as the case
13 may be, to provide for the regulation of traffic in parking
14 areas of property used for school purposes, in such manner
15 as is provided by Section 11-209 of The Illinois Vehicle
16 Code, approved September 29, 1969, as amended;

17 16. (a) To provide, on an equal basis, access to a high
18 school campus and student directory information to the
19 official recruiting representatives of the armed forces of
20 Illinois and the United States for the purposes of
21 informing students of the educational and career
22 opportunities available in the military if the board has
23 provided such access to persons or groups whose purpose is
24 to acquaint students with educational or occupational
25 opportunities available to them. The board is not required
26 to give greater notice regarding the right of access to

1 recruiting representatives than is given to other persons
2 and groups. In this paragraph 16, "directory information"
3 means a high school student's name, address, and telephone
4 number.

5 (b) If a student or his or her parent or guardian
6 submits a signed, written request to the high school before
7 the end of the student's sophomore year (or if the student
8 is a transfer student, by another time set by the high
9 school) that indicates that the student or his or her
10 parent or guardian does not want the student's directory
11 information to be provided to official recruiting
12 representatives under subsection (a) of this Section, the
13 high school may not provide access to the student's
14 directory information to these recruiting representatives.
15 The high school shall notify its students and their parents
16 or guardians of the provisions of this subsection (b).

17 (c) A high school may require official recruiting
18 representatives of the armed forces of Illinois and the
19 United States to pay a fee for copying and mailing a
20 student's directory information in an amount that is not
21 more than the actual costs incurred by the high school.

22 (d) Information received by an official recruiting
23 representative under this Section may be used only to
24 provide information to students concerning educational and
25 career opportunities available in the military and may not
26 be released to a person who is not involved in recruiting

1 students for the armed forces of Illinois or the United
2 States;

3 17. (a) To sell or market any computer program
4 developed by an employee of the school district, provided
5 that such employee developed the computer program as a
6 direct result of his or her duties with the school district
7 or through the utilization of the school district resources
8 or facilities. The employee who developed the computer
9 program shall be entitled to share in the proceeds of such
10 sale or marketing of the computer program. The distribution
11 of such proceeds between the employee and the school
12 district shall be as agreed upon by the employee and the
13 school district, except that neither the employee nor the
14 school district may receive more than 90% of such proceeds.
15 The negotiation for an employee who is represented by an
16 exclusive bargaining representative may be conducted by
17 such bargaining representative at the employee's request.

18 (b) For the purpose of this paragraph 17:

19 (1) "Computer" means an internally programmed,
20 general purpose digital device capable of
21 automatically accepting data, processing data and
22 supplying the results of the operation.

23 (2) "Computer program" means a series of coded
24 instructions or statements in a form acceptable to a
25 computer, which causes the computer to process data in
26 order to achieve a certain result.

1 (3) "Proceeds" means profits derived from
2 marketing or sale of a product after deducting the
3 expenses of developing and marketing such product;

4 18. To delegate to the general superintendent of
5 schools, by resolution, the authority to approve contracts
6 and expenditures in amounts of \$10,000 or less;

7 19. Upon the written request of an employee, to
8 withhold from the compensation of that employee any dues,
9 payments or contributions payable by such employee to any
10 labor organization as defined in the Illinois Educational
11 Labor Relations Act. Under such arrangement, an amount
12 shall be withheld from each regular payroll period which is
13 equal to the pro rata share of the annual dues plus any
14 payments or contributions, and the board shall transmit
15 such withholdings to the specified labor organization
16 within 10 working days from the time of the withholding;

17 19a. Upon receipt of notice from the comptroller of a
18 municipality with a population of 500,000 or more, a county
19 with a population of 3,000,000 or more, the Cook County
20 Forest Preserve District, the Chicago Park District, the
21 Metropolitan Water Reclamation District, the Chicago
22 Transit Authority, or a housing authority of a municipality
23 with a population of 500,000 or more that a debt is due and
24 owing the municipality, the county, the Cook County Forest
25 Preserve District, the Chicago Park District, the
26 Metropolitan Water Reclamation District, the Chicago

1 Transit Authority, or the housing authority by an employee
2 of the Chicago Board of Education, to withhold, from the
3 compensation of that employee, the amount of the debt that
4 is due and owing and pay the amount withheld to the
5 municipality, the county, the Cook County Forest Preserve
6 District, the Chicago Park District, the Metropolitan
7 Water Reclamation District, the Chicago Transit Authority,
8 or the housing authority; provided, however, that the
9 amount deducted from any one salary or wage payment shall
10 not exceed 25% of the net amount of the payment. Before the
11 Board deducts any amount from any salary or wage of an
12 employee under this paragraph, the municipality, the
13 county, the Cook County Forest Preserve District, the
14 Chicago Park District, the Metropolitan Water Reclamation
15 District, the Chicago Transit Authority, or the housing
16 authority shall certify that (i) the employee has been
17 afforded an opportunity for a hearing to dispute the debt
18 that is due and owing the municipality, the county, the
19 Cook County Forest Preserve District, the Chicago Park
20 District, the Metropolitan Water Reclamation District, the
21 Chicago Transit Authority, or the housing authority and
22 (ii) the employee has received notice of a wage deduction
23 order and has been afforded an opportunity for a hearing to
24 object to the order. For purposes of this paragraph, "net
25 amount" means that part of the salary or wage payment
26 remaining after the deduction of any amounts required by

1 law to be deducted and "debt due and owing" means (i) a
2 specified sum of money owed to the municipality, the
3 county, the Cook County Forest Preserve District, the
4 Chicago Park District, the Metropolitan Water Reclamation
5 District, the Chicago Transit Authority, or the housing
6 authority for services, work, or goods, after the period
7 granted for payment has expired, or (ii) a specified sum of
8 money owed to the municipality, the county, the Cook County
9 Forest Preserve District, the Chicago Park District, the
10 Metropolitan Water Reclamation District, the Chicago
11 Transit Authority, or the housing authority pursuant to a
12 court order or order of an administrative hearing officer
13 after the exhaustion of, or the failure to exhaust,
14 judicial review;

15 20. The board is encouraged to employ a sufficient
16 number of certified school counselors to maintain a
17 student/counselor ratio of 250 to 1 by July 1, 1990. Each
18 counselor shall spend at least 75% of his work time in
19 direct contact with students and shall maintain a record of
20 such time;

21 21. To make available to students vocational and career
22 counseling and to establish 5 special career counseling
23 days for students and parents. On these days
24 representatives of local businesses and industries shall
25 be invited to the school campus and shall inform students
26 of career opportunities available to them in the various

1 businesses and industries. Special consideration shall be
2 given to counseling minority students as to career
3 opportunities available to them in various fields. For the
4 purposes of this paragraph, minority student means a person
5 who is any of the following:

6 (a) American Indian or Alaska Native (a person having
7 origins in any of the original peoples of North and South
8 America, including Central America, and who maintains
9 tribal affiliation or community attachment).

10 (b) Asian (a person having origins in any of the
11 original peoples of the Far East, Southeast Asia, or the
12 Indian subcontinent, including, but not limited to,
13 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,
14 the Philippine Islands, Thailand, and Vietnam).

15 (c) Black or African American (a person having origins
16 in any of the black racial groups of Africa). Terms such as
17 "Haitian" or "Negro" can be used in addition to "Black or
18 African American".

19 (d) Hispanic or Latino (a person of Cuban, Mexican,
20 Puerto Rican, South or Central American, or other Spanish
21 culture or origin, regardless of race).

22 (e) Native Hawaiian or Other Pacific Islander (a person
23 having origins in any of the original peoples of Hawaii,
24 Guam, Samoa, or other Pacific Islands).

25 Counseling days shall not be in lieu of regular school
26 days;

1 22. To report to the State Board of Education the
2 annual student dropout rate and number of students who
3 graduate from, transfer from or otherwise leave bilingual
4 programs;

5 23. Except as otherwise provided in the Abused and
6 Neglected Child Reporting Act or other applicable State or
7 federal law, to permit school officials to withhold, from
8 any person, information on the whereabouts of any child
9 removed from school premises when the child has been taken
10 into protective custody as a victim of suspected child
11 abuse. School officials shall direct such person to the
12 Department of Children and Family Services, or to the local
13 law enforcement agency if appropriate;

14 24. To develop a policy, based on the current state of
15 existing school facilities, projected enrollment and
16 efficient utilization of available resources, for capital
17 improvement of schools and school buildings within the
18 district, addressing in that policy both the relative
19 priority for major repairs, renovations and additions to
20 school facilities, and the advisability or necessity of
21 building new school facilities or closing existing schools
22 to meet current or projected demographic patterns within
23 the district;

24 25. To make available to the students in every high
25 school attendance center the ability to take all courses
26 necessary to comply with the Board of Higher Education's

1 college entrance criteria effective in 1993;

2 26. To encourage mid-career changes into the teaching
3 profession, whereby qualified professionals become
4 certified teachers, by allowing credit for professional
5 employment in related fields when determining point of
6 entry on teacher pay scale;

7 27. To provide or contract out training programs for
8 administrative personnel and principals with revised or
9 expanded duties pursuant to this Act in order to assure
10 they have the knowledge and skills to perform their duties;

11 28. To establish a fund for the prioritized special
12 needs programs, and to allocate such funds and other lump
13 sum amounts to each attendance center in a manner
14 consistent with the provisions of part 4 of Section 34-2.3.
15 Nothing in this paragraph shall be construed to require any
16 additional appropriations of State funds for this purpose;

17 29. (Blank);

18 30. Notwithstanding any other provision of this Act or
19 any other law to the contrary, to contract with third
20 parties for services otherwise performed by employees,
21 including those in a bargaining unit, and to layoff those
22 employees upon 14 days written notice to the affected
23 employees. Those contracts may be for a period not to
24 exceed 5 years and may be awarded on a system-wide basis.
25 The board may not operate more than 30 contract schools,
26 provided that the board may operate an additional 5

1 contract turnaround schools pursuant to item (5.5) of
2 subsection (d) of Section 34-8.3 of this Code;

3 31. To promulgate rules establishing procedures
4 governing the layoff or reduction in force of employees and
5 the recall of such employees, including, but not limited
6 to, criteria for such layoffs, reductions in force or
7 recall rights of such employees and the weight to be given
8 to any particular criterion. Such criteria shall take into
9 account factors including, but not be limited to,
10 qualifications, certifications, experience, performance
11 ratings or evaluations, and any other factors relating to
12 an employee's job performance;

13 32. To develop a policy to prevent nepotism in the
14 hiring of personnel or the selection of contractors;

15 33. To enter into a partnership agreement, as required
16 by Section 34-3.5 of this Code, and, notwithstanding any
17 other provision of law to the contrary, to promulgate
18 policies, enter into contracts, and take any other action
19 necessary to accomplish the objectives and implement the
20 requirements of that agreement; and

21 34. To establish a Labor Management Council to the
22 board comprised of representatives of the board, the chief
23 executive officer, and those labor organizations that are
24 the exclusive representatives of employees of the board and
25 to promulgate policies and procedures for the operation of
26 the Council.

1 The specifications of the powers herein granted are not to
2 be construed as exclusive but the board shall also exercise all
3 other powers that they may be requisite or proper for the
4 maintenance and the development of a public school system, not
5 inconsistent with the other provisions of this Article or
6 provisions of this Code which apply to all school districts.

7 In addition to the powers herein granted and authorized to
8 be exercised by the board, it shall be the duty of the board to
9 review or to direct independent reviews of special education
10 expenditures and services. The board shall file a report of
11 such review with the General Assembly on or before May 1, 1990.

12 (Source: P.A. 99-143, eff. 7-27-15.)

13 (105 ILCS 5/34-18.30)

14 Sec. 34-18.30. Dependents of military personnel; no
15 tuition charge. If, at the time of enrollment, a dependent of
16 United States military personnel is housed in temporary housing
17 located outside of the school district, but will be living
18 within the district within 60 days after the time of initial
19 enrollment, the dependent must be allowed to enroll, subject to
20 the requirements of this Section, and must not be charged
21 tuition. Any United States military personnel attempting to
22 enroll a dependent under this Section shall provide proof that
23 the dependent will be living within the district within 60 days
24 after the time of initial enrollment. Proof of residency may
25 include, but is not limited to, postmarked mail addressed to

1 the military personnel and sent to an address located within
2 the district, a lease agreement for occupancy of a residence
3 located within the district, or proof of ownership of a
4 residence located within the district. Non-resident dependents
5 of United States military personnel attending school on a
6 tuition-free basis may be counted for the purposes of
7 determining the apportionment of State aid provided under
8 Section 18-8.05 or 18-8.15 of this Code.

9 (Source: P.A. 95-331, eff. 8-21-07.)

10 (105 ILCS 5/34-43.1) (from Ch. 122, par. 34-43.1)

11 Sec. 34-43.1. (A) Limitation of noninstructional costs. It
12 is the purpose of this Section to establish for the Board of
13 Education and the general superintendent of schools
14 requirements and standards which maximize the proportion of
15 school district resources in direct support of educational,
16 program, and building maintenance and safety services for the
17 pupils of the district, and which correspondingly minimize the
18 amount and proportion of such resources associated with
19 centralized administration, administrative support services,
20 and other noninstructional services.

21 For the 1989-90 school year and for all subsequent school
22 years, the Board of Education shall undertake budgetary and
23 expenditure control actions which limit the administrative
24 expenditures of the Board of Education to levels, as provided
25 for in this Section, which represent an average of the

1 administrative expenses of all school districts in this State
2 not subject to Article 34.

3 (B) Certification of expenses by the State Superintendent
4 of Education. The State Superintendent of Education shall
5 annually certify, on or before May 1, to the Board of Education
6 and the School Finance Authority, for the applicable school
7 year, the following information:

8 (1) the annual expenditures of all school districts of
9 the State not subject to Article 34 properly attributable
10 to expenditure functions defined by the rules and
11 regulations of the State Board of Education as: 2210
12 (Improvement of Instructional Services); 2300 (Support
13 Services - General Administration) excluding, however,
14 2320 (Executive Administrative Services); 2490 (Other
15 Support Services - School Administration); 2500 (Support
16 Services - Business); 2600 (Support Services - Central);

17 (2) the total annual expenditures of all school
18 districts not subject to Article 34 attributable to the
19 Education Fund, the Operations, Building and Maintenance
20 Fund, the Transportation Fund and the Illinois Municipal
21 Retirement Fund of the several districts, as defined by the
22 rules and regulations of the State Board of Education; and

23 (3) a ratio, to be called the statewide average of
24 administrative expenditures, derived by dividing the
25 expenditures certified pursuant to paragraph (B) (1) by the
26 expenditures certified pursuant to paragraph (B) (2).

1 For purposes of the annual certification of expenditures
2 and ratios required by this Section, the "applicable year" of
3 certification shall initially be the 1986-87 school year and,
4 in sequent years, each succeeding school year.

5 The State Superintendent of Education shall consult with
6 the Board of Education to ascertain whether particular
7 expenditure items allocable to the administrative functions
8 enumerated in paragraph (B)(1) are appropriately or
9 necessarily higher in the applicable school district than in
10 the rest of the State due to noncomparable factors. The State
11 Superintendent shall also review the relevant cost proportions
12 in other large urban school districts. The State Superintendent
13 shall also review the expenditure categories in paragraph
14 (B)(1) to ascertain whether they contain school-level
15 expenses. If he or she finds that adjustments to the formula
16 are appropriate or necessary to establish a more fair and
17 comparable standard for administrative cost for the Board of
18 Education or to exclude school-level expenses, the State
19 Superintendent shall recommend to the School Finance Authority
20 rules and regulations adjusting particular subcategories in
21 this subsection (B) or adjusting certain costs in determining
22 the budget and expenditure items properly attributable to the
23 functions or otherwise adjust the formula.

24 (C) Administrative expenditure limitations. The annual
25 budget of the Board of Education, as adopted and implemented,
26 and the related annual expenditures for the school year, shall

1 reflect a limitation on administrative outlays as required by
2 the following provisions, taking into account any adjustments
3 established by the State Superintendent of Education: (1) the
4 budget and expenditures of the Board of Education for the
5 1989-90 school year shall reflect a ratio of administrative
6 expenditures to total expenditures equal to or less than the
7 statewide average of administrative expenditures for the
8 1986-87 school year as certified by the State Superintendent of
9 Education pursuant to paragraph (B)(3); (2) for the 1990-91
10 school year and for all subsequent school years, the budget and
11 expenditures of the Board of Education shall reflect a ratio of
12 administrative expenditures to total expenditures equal to or
13 less than the statewide average of administrative expenditures
14 certified by the State Superintendent of Education for the
15 applicable year pursuant to paragraph (B)(3); (3) if for any
16 school year the budget of the Board of Education reflects a
17 ratio of administrative expenditures to total expenditures
18 which exceeds the applicable statewide average, the Board of
19 Education shall reduce expenditure items allocable to the
20 administrative functions enumerated in paragraph (B)(1) such
21 that the Board of Education's ratio of administrative
22 expenditures to total expenditures is equal to or less than the
23 applicable statewide average ratio.

24 For purposes of this Section, the ratio of administrative
25 expenditures to the total expenditures of the Board of
26 Education, as applied to the budget of the Board of Education,

1 shall mean: the budgeted expenditure items of the Board of
2 Education properly attributable to the expenditure functions
3 identified in paragraph (B)(1) divided by the total budgeted
4 expenditures of the Board of Education properly attributable to
5 the Board of Education funds corresponding to those funds
6 identified in paragraph (B)(2), exclusive of any monies
7 budgeted for payment to the Public School Teachers' Pension and
8 Retirement System, attributable to payments due from the
9 General Funds of the State of Illinois.

10 The annual expenditure of the Board of Education for 2320
11 (Executive Administrative Services) for the 1989-90 school
12 year shall be no greater than the 2320 expenditure for the
13 1988-89 school year. The annual expenditure of the Board of
14 Education for 2320 for the 1990-91 school year and each
15 subsequent school year shall be no greater than the 2320
16 expenditure for the immediately preceding school year or the
17 1988-89 school year, whichever is less. This annual expenditure
18 limitation may be adjusted in each year in an amount not to
19 exceed any change effective during the applicable school year
20 in salary to be paid under the collective bargaining agreement
21 with instructional personnel to which the Board is a party and
22 in benefit costs either required by law or such collective
23 bargaining agreement.

24 (D) Cost control measures. In undertaking actions to
25 control or reduce expenditure items necessitated by the
26 administrative expenditure limitations of this Section, the

1 Board of Education shall give priority consideration to
2 reductions or cost controls with the least effect upon direct
3 services to students or instructional services for pupils, and
4 upon the safety and well-being of pupils, and, as applicable,
5 with the particular costs or functions to which the Board of
6 Education is higher than the statewide average.

7 For purposes of assuring that the cost control priorities
8 of this subsection (D) are met, the State Superintendent of
9 Education shall, with the assistance of the Board of Education,
10 review the cost allocation practices of the Board of Education,
11 and the State Superintendent of Education shall thereafter
12 recommend to the School Finance Authority rules and regulations
13 which define administrative areas which most impact upon the
14 direct and instructional needs of students and upon the safety
15 and well-being of the pupils of the district. No position
16 closed shall be reopened using State or federal categorical
17 funds.

18 (E) Report of Audited Information. For the 1988-89 school
19 year and for all subsequent school years, the Board of
20 Education shall file with the State Board of Education the
21 Annual Financial Report and its audit, as required by the rules
22 of the State Board of Education. Such reports shall be filed no
23 later than February 15 following the end of the school year of
24 the Board of Education, beginning with the report to be filed
25 no later than February 15, 1990 for the 1988-89 school year.

26 As part of the required Annual Financial Report, the Board

1 of Education shall provide a detailed accounting of the central
2 level, district, bureau and department costs and personnel
3 included within expenditure functions included in paragraph
4 (B)(1). The nature and detail of the reporting required for
5 these functions shall be prescribed by the State Board of
6 Education in rules and regulations. A copy of this detailed
7 accounting shall also be provided annually to the School
8 Finance Authority and the public. This report shall contain a
9 reconciliation to the board of education's adopted budget for
10 that fiscal year, specifically delineating administrative
11 functions.

12 If the information required under this Section is not
13 provided by the Board of Education in a timely manner, or is
14 initially or subsequently determined by the State
15 Superintendent of Education to be incomplete or inaccurate, the
16 State Superintendent shall, in writing, notify the Board of
17 Education of reporting deficiencies. The Board of Education
18 shall, within 60 days of such notice, address the reporting
19 deficiencies identified. If the State Superintendent of
20 Education does not receive satisfactory response to these
21 reporting deficiencies within 60 days, the next payment of
22 general State aid or evidence-based funding due the Board of
23 Education under Section 18-8 or Section 18-8.15, as applicable,
24 and all subsequent payments, shall be withheld by the State
25 Superintendent of Education until the enumerated deficiencies
26 have been addressed.

1 Utilizing the Annual Financial Report, the State
2 Superintendent of Education shall certify on or before May 1 to
3 the School Finance Authority the Board of Education's ratio of
4 administrative expenditures to total expenditures for the
5 1988-89 school year and for each succeeding school year. Such
6 certification shall indicate the extent to which the
7 administrative expenditure ratio of the Board of Education
8 conformed to the limitations required in subsection (C) of this
9 Section, taking into account any adjustments of the limitations
10 which may have been recommended by the State Superintendent of
11 Education to the School Finance Authority. In deriving the
12 administrative expenditure ratio of the Chicago Board of
13 Education, the State Superintendent of Education shall utilize
14 the definition of this ratio prescribed in subsection (C) of
15 this Section, except that the actual expenditures of the Board
16 of Education shall be substituted for budgeted expenditure
17 items.

18 (F) Approval and adjustments to administrative expenditure
19 limitations. The School Finance Authority organized under
20 Article 34A shall monitor the Board of Education's adherence to
21 the requirements of this Section. As part of its responsibility
22 the School Finance Authority shall determine whether the Board
23 of Education's budget for the next school year, and the
24 expenditures for a prior school year, comply with the
25 limitation of administrative expenditures required by this
26 Section. The Board of Education and the State Board of

1 Education shall provide such information as is required by the
2 School Finance Authority in order for the Authority to
3 determine compliance with the provisions of this Section. If
4 the Authority determines that the budget proposed by the Board
5 of Education does not meet the cost control requirements of
6 this Section, the Board of Education shall undertake budgetary
7 reductions, consistent with the requirements of this Section,
8 to bring the proposed budget into compliance with such cost
9 control limitations.

10 If, in formulating cost control and cost reduction
11 alternatives, the Board of Education believes that meeting the
12 cost control requirements of this Section related to the budget
13 for the ensuing year would impair the education, safety, or
14 well-being of the pupils of the school district, the Board of
15 Education may request that the School Finance Authority make
16 adjustments to the limitations required by this Section. The
17 Board of Education shall specify the amount, nature, and
18 reasons for the relief required and shall also identify cost
19 reductions which can be made in expenditure functions not
20 enumerated in paragraph (B) (1), which would serve the purposes
21 of this Section.

22 The School Finance Authority shall consult with the State
23 Superintendent of Education concerning the reasonableness from
24 an educational administration perspective of the adjustments
25 sought by the Board of Education. The School Finance Authority
26 shall provide an opportunity for the public to comment upon the

1 reasonableness of the Board's request. If, after such
2 consultation, the School Finance Authority determines that all
3 or a portion of the adjustments sought by the Board of
4 Education are reasonably appropriate or necessary, the
5 Authority may grant such relief from the provisions of this
6 Section which the Authority deems appropriate. Adjustments so
7 granted apply only to the specific school year for which the
8 request was made.

9 In the event that the School Finance Authority determines
10 that the Board of Education has failed to achieve the required
11 administrative expenditure limitations for a prior school
12 year, or if the Authority determines that the Board of
13 Education has not met the requirements of subsection (F), the
14 Authority shall make recommendations to the Board of Education
15 concerning appropriate corrective actions. If the Board of
16 Education fails to provide adequate assurance to the Authority
17 that appropriate corrective actions have been or will be taken,
18 the Authority may, within 60 days thereafter, require the board
19 to adjust its current budget to correct for the prior year's
20 shortage or may recommend to the members of the General
21 Assembly and the Governor such sanctions or remedial actions as
22 will serve to deter any further such failures on the part of
23 the Board of Education.

24 To assist the Authority in its monitoring
25 responsibilities, the Board of Education shall provide such
26 reports and information as are from time to time required by

1 the Authority.

2 (G) Independent reviews of administrative expenditures.
3 The School Finance Authority may direct independent reviews of
4 the administrative and administrative support expenditures and
5 services and other non-instructional expenditure functions of
6 the Board of Education. The Board of Education shall afford
7 full cooperation to the School Finance Authority in such review
8 activity. The purpose of such reviews shall be to verify
9 specific targets for improved operating efficiencies of the
10 Board of Education, to identify other areas of potential
11 efficiencies, and to assure full and proper compliance by the
12 Board of Education with all requirements of this Section.

13 In the conduct of reviews under this subsection, the
14 Authority may request the assistance and consultation of the
15 State Superintendent of Education with regard to questions of
16 efficiency and effectiveness in educational administration.

17 (H) Reports to Governor and General Assembly. On or before
18 May 1, 1991 and no less frequently than yearly thereafter, the
19 School Finance Authority shall provide to the Governor, the
20 State Board of Education, and the members of the General
21 Assembly an annual report, as outlined in Section 34A-606,
22 which includes the following information: (1) documenting the
23 compliance or non-compliance of the Board of Education with the
24 requirements of this Section; (2) summarizing the costs,
25 findings, and recommendations of any reviews directed by the
26 School Finance Authority, and the response to such

1 recommendations made by the Board of Education; and (3)
2 recommending sanctions or legislation necessary to fulfill the
3 intent of this Section.

4 (Source: P.A. 86-124; 86-1477.)

5 Section 50. The Educational Opportunity for Military
6 Children Act is amended by changing Section 25 as follows:

7 (105 ILCS 70/25)

8 Sec. 25. Tuition for children of active duty military
9 personnel who are transfer students. If a student who is a
10 child of active duty military personnel is (i) placed with a
11 non-custodial parent and (ii) as a result of placement, must
12 attend a non-resident school district, then the student must
13 not be charged the tuition of the school that the student
14 attends as a result of placement with the non-custodial parent
15 and the student must be counted in the calculation of average
16 daily attendance under Section 18-8.05 or 18-8.15 of the School
17 Code.

18 (Source: P.A. 98-673, eff. 6-30-14.)

19 Section 95. No acceleration or delay. Where this Act makes
20 changes in a statute that is represented in this Act by text
21 that is not yet or no longer in effect (for example, a Section
22 represented by multiple versions), the use of that text does
23 not accelerate or delay the taking effect of (i) the changes

1 made by this Act or (ii) provisions derived from any other
2 Public Act.

3 Section 97. Savings clause. Any repeal or amendment made by
4 this Act shall not affect or impair any of the following: suits
5 pending or rights existing at the time this Act takes effect;
6 any grant or conveyance made or right acquired or cause of
7 action now existing under any Section, Article, or Act repealed
8 or amended by this Act; the validity of any bonds or other
9 obligations issued or sold and constituting valid obligations
10 of the issuing authority at the time this Act takes effect; the
11 validity of any contract; the validity of any tax levied under
12 any law in effect prior to the effective date of this Act; or
13 any offense committed, act done, penalty, punishment, or
14 forfeiture incurred or any claim, right, power, or remedy
15 accrued under any law in effect prior to the effective date of
16 this Act.

17 Section 99. Effective date. This Act takes effect upon
18 becoming law, but this Act does not take effect at all unless
19 Senate Bills 3, 4, 5, 6, 7, 8, 9, 10, 12, 13, and 16 of the
20 100th General Assembly become law.".