



Rep. William Davis

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LRB100 04884 JWD 28992 a

1 AMENDMENT TO SENATE BILL 444

2 AMENDMENT NO. _____. Amend Senate Bill 444 by inserting
3 immediately above the enacting clause the following:

4 "WHEREAS, This Act may be referred to as the Evidence-Based
5 Funding for Student Success Act; therefore"; and

6 by replacing everything after the enacting clause with the
7 following:

8 "Section 1. Short title. This Act may be cited as the
9 Invest in Kids Act.

10 Section 5. Definitions. As used in this Act:

11 "Authorized contribution" means the contribution amount
12 that is listed on the contribution authorization certificate
13 issued to the taxpayer.

14 "Board" means the State Board of Education.

1 "Contribution" means a donation made by the taxpayer during
2 the taxable year for providing scholarships as provided in this
3 Act.

4 "Custodian" means, with respect to eligible students, an
5 Illinois resident who is a parent or legal guardian of the
6 eligible student or students.

7 "Department" means the Department of Revenue.

8 "Eligible student" means a child who:

9 (1) is a member of a household whose federal adjusted
10 gross income the year before he or she initially receives a
11 scholarship under this program, as determined by the
12 Department, does not exceed 300% of the federal poverty
13 level and, once the child receives a scholarship, does not
14 exceed 400% of the federal poverty level;

15 (2) is eligible to attend a public elementary school or
16 high school in Illinois in the semester immediately
17 preceding the semester for which he or she first receives a
18 scholarship or is starting school in Illinois for the first
19 time when he or she first receives a scholarship; and

20 (3) resides in Illinois while receiving a scholarship.

21 "Family member" means a parent, child, or sibling, whether
22 by whole blood, half blood, or adoption; spouse; or stepchild.

23 "Focus district" means a school district which has a school
24 that is either (i) a school that has one or more subgroups in
25 which the average student performance is at or below the State
26 average for the lowest 10% of student performance in that

1 subgroup or (ii) a school with an average graduation rate of
2 less than 60% and not identified for priority.

3 "Necessary costs and fees" includes the customary charge
4 for instruction and use of facilities in general and the
5 additional fixed fees charged for specified purposes that are
6 required generally of non-scholarship recipients for each
7 academic period for which the scholarship applicant actually
8 enrolls, including costs associated with student assessments,
9 but does not include fees payable only once and other
10 contingent deposits that are refundable in whole or in part.
11 The Board may prescribe, by rules consistent with this Act,
12 detailed provisions concerning the computation of necessary
13 costs and fees.

14 "Scholarship granting organization" means an entity that:

15 (1) is exempt from taxation under Section 501(c)(3) of
16 the Internal Revenue Code;

17 (2) uses at least 95% of the qualified contributions
18 received during a taxable year for scholarships;

19 (3) provides scholarships to students according to the
20 guidelines of this Act;

21 (4) deposits and holds qualified contributions and any
22 income derived from qualified contributions in an account
23 that is separate from the organization's operating fund or
24 other funds until such qualified contributions or income
25 are withdrawn for use; and

26 (5) is approved to issue certificates of receipt.

1 "Qualified contribution" means the authorized contribution
2 made by a taxpayer to a scholarship granting organization for
3 which the taxpayer has received a certificate of receipt from
4 such organization.

5 "Qualified school" means a non-public school located in
6 Illinois and recognized by the Board pursuant to Section
7 2-3.25o of the School Code.

8 "Scholarship" means an educational scholarship awarded to
9 an eligible student to attend a qualified school of their
10 custodians' choice in an amount not exceeding the necessary
11 costs and fees to attend that school.

12 "Taxpayer" means any individual, corporation, partnership,
13 trust, or other entity subject to the Illinois income tax. For
14 the purposes of this Act, 2 individuals filing a joint return
15 shall be considered one taxpayer.

16 Section 10. Credit awards.

17 (a) The Department shall award credits against the tax
18 imposed under subsections (a) and (b) of Section 201 of the
19 Illinois Income Tax Act to taxpayers who make qualified
20 contributions. For contributions made under this Act, the
21 credit shall be equal to 75% of the total amount of qualified
22 contributions made by the taxpayer during a taxable year, not
23 to exceed a credit of \$1,000,000 per taxpayer.

24 (b) The aggregate amount of all credits the Department may
25 award under this Act in any calendar year may not exceed

1 \$75,000,000.

2 (c) Contributions made by corporations (including
3 Subchapter S corporations), partnerships, and trusts under
4 this Act may not be directed to a particular subset of schools,
5 a particular school, a particular group of students, or a
6 particular student. Contributions made by individuals under
7 this Act may be directed to a particular subset of schools or a
8 particular school but may not be directed to a particular group
9 of students or a particular student.

10 (d) No credit shall be taken under this Act for any
11 qualified contribution for which the taxpayer claims a federal
12 income tax deduction.

13 (e) Credits shall be awarded in a manner, as determined by
14 the Department, that is geographically proportionate to
15 enrollment in recognized non-public schools in Illinois. If the
16 cap on the aggregate credits that may be awarded by the
17 Department is not reached by June 1 of a given year, the
18 Department shall award remaining credits on a first-come,
19 first-served basis, without regard to the limitation of this
20 subsection.

21 Section 15. Approval to issue certificates of receipt.

22 (a) A scholarship granting organization shall submit an
23 application for approval to issue certificates of receipt in
24 the form and manner prescribed by the Department, provided that
25 each application shall include:

1 (1) documentary evidence that the scholarship granting
2 organization has been granted an exemption from taxation
3 under Section 501(c)(3) of the Internal Revenue Code;

4 (2) certification that all qualified contributions and
5 any income derived from qualified contributions are
6 deposited and held in an account that is separate from the
7 scholarship granting organization's operating or other
8 funds until such qualified contributions or income are
9 withdrawn for use;

10 (3) certification that the scholarship granting
11 organization will use at least 95% of its annual revenue
12 from qualified contributions for scholarships;

13 (4) certification that the scholarship granting
14 organization will provide scholarships to eligible
15 students;

16 (5) a list of the names and addresses of all members of
17 the governing board of the scholarship granting
18 organization; and

19 (6) a copy of the most recent financial audit of the
20 scholarship granting organization's accounts and records
21 conducted by an independent certified public accountant in
22 accordance with auditing standards generally accepted in
23 the United States, government auditing standards, and
24 rules adopted by the Department.

25 (b) A scholarship granting organization whose owner or
26 operator in the last 7 years has filed for personal bankruptcy

1 or corporate bankruptcy in a corporation of which he or she
2 owned more than 20% shall not be eligible to provide
3 scholarships.

4 (c) A scholarship granting organization must not have an
5 owner or operator who owns or operates a qualified school or
6 has a family member who is a paid staff or board member of a
7 participating qualified school.

8 (d) A scholarship granting organization shall comply with
9 the anti-discrimination provisions of 42 U.S.C. 2000d.

10 (e) The Department shall review and either approve or deny
11 each application to issue certificates of receipt pursuant to
12 this Act. Approval or denial of an application shall be made on
13 a periodic basis. Applicants shall be notified of the
14 Department's determination within 30 business days after the
15 application is received.

16 (f) No scholarship granting organization shall issue any
17 certificates of receipt without first being approved to issue
18 certificates of receipt.

19 Section 20. Annual review.

20 (a) Each scholarship granting organization that receives
21 approval to issue certificates of receipt shall file an
22 application for recertification on an annual basis. Such
23 application for recertification shall be in the form and manner
24 prescribed by the Department and shall include:

25 (1) certification from the Director or Chief Executive

1 Officer of the organization that the organization has
2 complied with and continues to comply with the requirements
3 of this Act, including evidence of that compliance; and

4 (2) a copy of the organization's current financial
5 statements.

6 (b) The Department may revoke the approval of a scholarship
7 granting organization to issue certificates of receipt upon a
8 finding that the organization has violated this Act or any
9 rules adopted under this Act. These violations shall include,
10 but need not be limited to, any of the following:

11 (1) failure to meet the requirements of this Act;

12 (2) failure to maintain full and adequate records with
13 respect to the receipt of qualified contributions;

14 (3) failure to supply such records to the Department;

15 or

16 (4) failure to provide notice to the Department of the
17 issuance of certificates of receipt pursuant to Section 35
18 of this Act.

19 (c) Within 5 days after the determination to revoke
20 approval, the Department shall provide notice of the
21 determination to the scholarship granting organization and
22 information regarding the process to request a hearing to
23 appeal the determination.

24 Section 25. Contribution authorization certificates.

25 (a) A taxpayer shall not be allowed a credit pursuant to

1 this Act for any contribution to a scholarship granting
2 organization that was made prior to the Department's issuance
3 of a contribution authorization certificate for such
4 contribution to the taxpayer.

5 (b) Prior to making a contribution to a scholarship
6 granting organization, the taxpayer shall apply to the
7 Department for a contribution authorization certificate.

8 (c) A taxpayer who makes more than one contribution to a
9 scholarship granting organization must make a separate
10 application for each such contribution authorization
11 certificate. The application shall be in the form and manner
12 prescribed by the Department, provided that the application
13 includes:

14 (1) the taxpayer's name and address;

15 (2) the amount the taxpayer will contribute; and

16 (3) any other information the Department deems
17 necessary.

18 (d) The Department may allow taxpayers to make multiple
19 applications on the same form, provided that each application
20 shall be treated as a separate application.

21 (e) The Department shall issue credit authorization
22 certificates on a first-come, first-served basis based upon the
23 date that the Department received the taxpayer's application
24 for the certificate subject to the provisions of subsection (e)
25 of Section 10 of this Act.

26 (f) A taxpayer's aggregate authorized contribution amount

1 as listed on one or more authorized contribution certificates
2 issued to the taxpayer shall not exceed the aggregate of the
3 amounts listed on the taxpayer's applications submitted in
4 accordance with this Section.

5 (g) Each contribution authorization certificate shall
6 state:

7 (1) the date such certificate was issued;

8 (2) the date by which the authorized contributions
9 listed in the certificate must be made, which shall be 60
10 days from the date of the issuance of a credit
11 authorization certificate;

12 (3) the total amount of authorized contributions; and

13 (4) any other information the Department deems
14 necessary.

15 (h) Credit authorization certificates shall be mailed to
16 the appropriate taxpayers within 3 business days after their
17 issuance.

18 (i) A taxpayer may rescind all or part of an authorized
19 contribution approved under this Act by providing written
20 notice to the Department. Amounts rescinded shall no longer be
21 deducted from the cap prescribed in Section 10 of this Act.

22 (j) The Department shall maintain on its website a running
23 total of the amount of credits for which taxpayers may make
24 applications for contribution authorization certification. The
25 running total shall be updated every business day.

1 Section 30. Certificates of receipt.

2 (a) No scholarship granting organization shall issue a
3 certificate of receipt for any qualified contribution made by a
4 taxpayer under this Act unless that scholarship granting
5 organization has been approved to issue certificates of receipt
6 pursuant to Section 15 of this Act.

7 (b) No scholarship granting organization shall issue a
8 certificate of receipt for a contribution made by a taxpayer
9 unless the taxpayer has been issued a credit authorization
10 certificate by the Department.

11 (c) If a taxpayer makes a contribution to a scholarship
12 granting organization prior to the date by which the authorized
13 contribution shall be made, the scholarship granting
14 organization shall, within 30 days of receipt of the authorized
15 contribution, issue to the taxpayer a written certificate of
16 receipt.

17 (d) If a taxpayer fails to make all or a portion of a
18 contribution prior to the date by which such authorized
19 contribution is required to be made, the taxpayer shall not be
20 entitled to a certificate of receipt for that portion of the
21 authorized contribution not made.

22 (e) Each certificate of receipt shall state:

23 (1) the name and address of the issuing scholarship
24 granting organization;

25 (2) the taxpayer's name and address;

26 (3) the date for each qualified contribution;

- 1 (4) the amount of each qualified contribution;
2 (5) the total qualified contribution amount; and
3 (6) any other information that the Department may deem
4 necessary.

5 (f) Upon the issuance of a certificate of receipt, the
6 issuing scholarship granting organization shall, within 10
7 days after issuing the certificate of receipt, provide the
8 Department with notification of the issuance of such
9 certificate in the form and manner prescribed by the
10 Department, provided that such notification shall include:

- 11 (1) the taxpayer's name and address;
12 (2) the date of the issuance of a certificate of
13 receipt;
14 (3) the qualified contribution date or dates and the
15 amounts contributed on such dates;
16 (4) the total qualified contribution listed on such
17 certificates;
18 (5) the issuing scholarship granting organization's
19 name and address; and
20 (6) any other information the Department may deem
21 necessary.

22 (g) Any portion of a contribution that a taxpayer fails to
23 make by the date indicated on the authorized contribution
24 certificate shall no longer be deducted from the cap prescribed
25 in Section 10 of this Act.

1 Section 35. Reports.

2 (a) Within 180 days after the end of its fiscal year, each
3 scholarship granting organization must provide to the
4 Department a copy of a financial audit of its accounts and
5 records conducted by an independent certified public
6 accountant in accordance with auditing standards generally
7 accepted in the United States, government auditing standards,
8 and rules adopted by the Department. The audit must include a
9 report on financial statements presented in accordance with
10 generally accepted accounting principles. The audit must
11 include evidence that no less than 95% of qualified
12 contributions received were used to provide scholarships to
13 eligible students. The Department shall review all audits
14 submitted pursuant to this subsection. The Department shall
15 request any significant items that were omitted in violation of
16 a rule adopted by the Department. The items must be provided
17 within 45 days after the date of request. If a scholarship
18 granting organization does not comply with the Department's
19 request, the Department may revoke the scholarship granting
20 organization's ability to issue certificates of receipt.

21 (b) A scholarship granting organization that is approved to
22 receive qualified contributions shall report to the
23 Department, on a form prescribed by the Department, by January
24 31 of each calendar year. The report shall include:

25 (1) the total number of certificates of receipt issued
26 during the immediately preceding calendar year;

1 (2) the total dollar amount of qualified contributions
2 received, as set forth in the certificates of receipt
3 issued during the immediately preceding calendar year;

4 (3) the total number of eligible students utilizing
5 scholarships for the immediately preceding calendar year
6 and the school year in progress and the total dollar value
7 of the scholarships;

8 (4) the name and address of each qualified school for
9 which scholarships using qualified contributions were
10 issued during the immediately preceding calendar year,
11 detailing the number, grade, race, gender, income level,
12 and residency by Zip Code of eligible students and the
13 total dollar value of scholarships being utilized at each
14 qualified school by priority group, as identified in
15 subsection (d) of Section 40 of this Act; and

16 (5) any additional information requested by the
17 Department.

18 (c) On or before the last day of March for each calendar
19 year, for the immediately preceding calendar year, the
20 Department shall submit a written report to the Governor, the
21 President of the Senate, the Speaker of the House of
22 Representatives, the Minority Leader of the Senate, and the
23 Minority Leader of the House of Representatives regarding this
24 Act. The report shall include, but not be limited to, the
25 following information:

26 (1) the names and addresses of all scholarship granting

1 organizations approved to issue certificates of receipt;

2 (2) the number and aggregate total of certificates of
3 receipt issued by each scholarship granting organization;
4 and

5 (3) the information reported to the Department
6 required by subsection (b) of this Section.

7 (d) The sharing and reporting of student data under this
8 Section must be in accordance with the requirements of the
9 Family Educational Rights and Privacy Act and the Illinois
10 School Student Records Act. All parties must preserve the
11 confidentiality of such information as required by law. Data
12 reported by the Department under subsection (c) of this Section
13 must not disaggregate data to a level that will disclose
14 demographic data of individual students.

15 Section 40. Scholarship granting organization
16 responsibilities.

17 (a) Before granting a scholarship for an academic year, all
18 scholarship granting organizations shall assess and document
19 each student's eligibility for the academic year.

20 (b) A scholarship granting organization shall grant
21 scholarships only to eligible students.

22 (c) A scholarship granting organization shall allow an
23 eligible student to attend any qualified school of the
24 student's choosing, subject to the availability of funds.

25 (d) In granting scholarships, a scholarship granting

1 organization shall give priority to the following priority
2 groups:

3 (1) eligible students who received a scholarship from a
4 scholarship granting organization during the previous
5 school year;

6 (2) eligible students who are members of a household
7 whose previous year's total annual income does not exceed
8 185% of the federal poverty level;

9 (3) eligible students who reside within a focus
10 district; and

11 (4) eligible students who are siblings of students
12 currently receiving a scholarship.

13 (d-5) A scholarship granting organization shall begin
14 granting scholarships no later than February 1 preceding the
15 school year for which the scholarship is sought. The priority
16 groups identified in subsection (d) of this Section shall be
17 eligible to receive scholarships on a first-come, first-served
18 basis until the April 1 immediately preceding the school year
19 for which the scholarship is sought. Applications for
20 scholarships for eligible students meeting the qualifications
21 of one or more priority groups that are received before April 1
22 must be either approved or denied within 10 business days after
23 receipt. Beginning April 1, all eligible students shall be
24 eligible to receive scholarships without regard to the priority
25 groups identified in subsection (d) of this Section.

26 (e) Except as provided in subsection (e-5) of this Section,

1 scholarships shall not exceed the lesser of (i) the statewide
2 average operational expense per student among public schools or
3 (ii) the necessary costs and fees for attendance at the
4 qualified school. Scholarships shall be prorated as follows:

5 (1) for eligible students whose household income is
6 less than 185% of the federal poverty level, the
7 scholarship shall be 100% of the amount determined pursuant
8 to this subsection (e) and subsection (e-5) of this
9 Section;

10 (2) for eligible students whose household income is
11 185% or more of the federal poverty level but less than
12 250% of the federal poverty level, the average of
13 scholarships shall be 75% of the amount determined pursuant
14 to this subsection (e) and subsection (e-5) of this
15 Section; and

16 (3) for eligible students whose household income is
17 250% or more of the federal poverty level, the average of
18 scholarships shall be 50% of the amount determined pursuant
19 to this subsection (e) and subsection (e-5) of this
20 Section.

21 (e-5) The statewide average operational expense per
22 student among public schools shall be multiplied by the
23 following factors:

24 (1) for students determined eligible to receive
25 services under the federal Individuals with Disabilities
26 Education Act, 2;

1 (2) for students who are English learners, as defined
2 in subsection (d) of Section 14C-2 of the School Code, 1.2;
3 and

4 (3) for students who are gifted and talented children,
5 as defined in Section 14A-20 of the School Code, 1.1.

6 (f) A scholarship granting organization shall distribute
7 scholarship payments to the participating school where the
8 student is enrolled.

9 (g) For the 2018-2019 school year through the 2021-2022
10 school year, each scholarship granting organization shall
11 expend no less than 75% of the qualified contributions received
12 during the calendar year in which the qualified contributions
13 were received. No more than 25% of the qualified contributions
14 may be carried forward to the following calendar year.

15 (h) For the 2022-2023 school year, each scholarship
16 granting organization shall expend all qualified contributions
17 received during the calendar year in which the qualified
18 contributions were received. No qualified contributions may be
19 carried forward to the following calendar year.

20 (i) A scholarship granting organization shall allow an
21 eligible student to transfer a scholarship during a school year
22 to any other participating school of the custodian's choice.
23 Such scholarships shall be prorated.

24 (j) With the prior approval of the Department, a
25 scholarship granting organization may transfer funds to
26 another scholarship granting organization if additional funds

1 are required to meet scholarship demands at the receiving
2 scholarship granting organization. All transferred funds must
3 be deposited by the receiving scholarship granting
4 organization into its scholarship accounts. All transferred
5 amounts received by any scholarship granting organization must
6 be separately disclosed to the Department.

7 (k) If the approval of a scholarship granting organization
8 is revoked as provided in Section 20 of this Act or the
9 scholarship granting organization is dissolved, all remaining
10 qualified contributions of the scholarship granting
11 organization shall be transferred to another scholarship
12 granting organization. All transferred funds must be deposited
13 by the receiving scholarship granting organization into its
14 scholarship accounts.

15 (l) Scholarship granting organizations shall make
16 reasonable efforts to advertise the availability of
17 scholarships to eligible students.

18 Section 45. State Board responsibilities.

19 (a) Beginning in the 2019-2020 school year, students who
20 have been granted a scholarship under this Act shall be
21 annually assessed at the qualified school where the student
22 attends school in the same manner in which students that attend
23 public schools are annually assessed pursuant to Section
24 2-3.64a-5 of the School Code. Such qualified school shall pay
25 costs associated with this requirement.

1 (b) The Board shall select an independent research
2 organization, which may be a public or private entity or
3 university, to which participating qualified schools must
4 report the scores of students who are receiving scholarships
5 and are assessed pursuant to subsection (a) of this Section.
6 Costs associated with the independent research organization
7 shall be paid by the scholarship granting organizations on a
8 per-pupil basis or by gifts, grants, or donations received by
9 the Board under subsection (d) of this Section, as determined
10 by the Board. The independent research organization must
11 annually report to the Board on the year-to-year learning gains
12 of students receiving scholarships on a statewide basis. The
13 report shall also include, to the extent possible, a comparison
14 of these learning gains to the statewide learning gains of
15 public school students with socioeconomic backgrounds similar
16 to those of students receiving scholarships. The annual report
17 shall be delivered to the Board and published on its website.

18 (c) Beginning within 120 days after the Board first
19 receives the annual report by the independent research
20 organization as provided in subsection (b) of this Section and
21 on an annual basis thereafter, the Board shall submit a written
22 report to the Governor, the President of the Senate, the
23 Speaker of the House of Representatives, the Minority Leader of
24 the Senate, and the Minority Leader of the House of
25 Representatives regarding this Act. Such report shall include
26 an evaluation of the academic performance of students receiving

1 scholarships and recommendations for improving student
2 performance.

3 (d) Subject to the State Officials and Employees Ethics
4 Act, the Board may receive and expend gifts, grants, and
5 donations of any kind from any public or private entity to
6 carry out the purposes of this Section, subject to the terms
7 and conditions under which the gifts are given, provided that
8 all such terms and conditions are permissible under law.

9 (e) The sharing and reporting of student learning gain data
10 under this Section must be in accordance with requirements of
11 the Family Educational Rights and Privacy Act and the Illinois
12 School Student Records Act. All parties must preserve the
13 confidentiality of such information as required by law. The
14 annual report must not disaggregate data to a level that will
15 disclose the academic level of individual students.

16 Section 50. Qualified school responsibilities. A qualified
17 school that accepts scholarship students must do all of the
18 following:

19 (1) provide to a scholarship granting organization,
20 upon request, all documentation required for the student's
21 participation, including the non-public school's cost and
22 student's fee schedules;

23 (2) be academically accountable to the custodian for
24 meeting the educational needs of the student by:

25 (A) at a minimum, annually providing to the

1 custodian a written explanation of the student's
2 progress; and

3 (B) annually administering assessments required by
4 subsection (a) of Section 45 of this Act in the same
5 manner in which they are administered at public schools
6 pursuant to Section 2-3.64a-5 of the School Code; the
7 Board shall bill participating qualified schools for
8 all costs associated with administering assessments
9 required by this paragraph; the participating
10 qualified schools shall ensure that all test security
11 and assessment administration procedures are followed;
12 participating qualified schools must report individual
13 student scores to the custodians of the students; the
14 independent research organization described in
15 subsection (b) of Section 45 of this Act shall be
16 provided all student score data in a secure manner by
17 the participating qualified school.

18 The inability of a qualified school to meet the
19 requirements of this Section shall constitute a basis for the
20 ineligibility of the qualified school to participate in the
21 scholarship program as determined by the Board.

22 Section 55. Custodian and student responsibilities.

23 (a) The custodian must select a qualified school and apply
24 for the admission of his or her child.

25 (b) The custodian shall ensure that the student

1 participating in the scholarship program takes the assessment
2 required by subsection (a) of Section 45 of this Act.

3 (c) Each custodian and each student has an obligation to
4 comply with the qualified school's published policies.

5 (d) The custodian shall authorize the scholarship granting
6 organization to access information needed for income
7 eligibility determinations.

8 Section 60. Recordkeeping; rulemaking; violations.

9 (a) Each taxpayer shall, for each taxable year for which
10 the tax credit provided for under this Act is claimed, maintain
11 records of the following information: (i) contribution
12 authorization certificates obtained under Section 25 of this
13 Act and (ii) certificates of receipt obtained under Section 30
14 of this Act.

15 (b) The Board and the Department may adopt rules consistent
16 with and necessary for the implementation of this Act.

17 (c) Violations of State laws or rules and complaints
18 relating to program participation shall be referred to the
19 Attorney General.

20 Section 65. Credit period; repeal.

21 (a) A taxpayer may take a credit under this Act for tax
22 years beginning on or after January 1, 2018 and ending before
23 January 1, 2023. A taxpayer may not take a credit pursuant to
24 this Act for tax years beginning on or after January 1, 2023.

1 (b) This Act is repealed on January 1, 2024.

2 Section 900. The Open Meetings Act is amended by changing
3 Section 2 as follows:

4 (5 ILCS 120/2) (from Ch. 102, par. 42)

5 Sec. 2. Open meetings.

6 (a) Openness required. All meetings of public bodies shall
7 be open to the public unless excepted in subsection (c) and
8 closed in accordance with Section 2a.

9 (b) Construction of exceptions. The exceptions contained
10 in subsection (c) are in derogation of the requirement that
11 public bodies meet in the open, and therefore, the exceptions
12 are to be strictly construed, extending only to subjects
13 clearly within their scope. The exceptions authorize but do not
14 require the holding of a closed meeting to discuss a subject
15 included within an enumerated exception.

16 (c) Exceptions. A public body may hold closed meetings to
17 consider the following subjects:

18 (1) The appointment, employment, compensation,
19 discipline, performance, or dismissal of specific
20 employees of the public body or legal counsel for the
21 public body, including hearing testimony on a complaint
22 lodged against an employee of the public body or against
23 legal counsel for the public body to determine its
24 validity. However, a meeting to consider an increase in

1 compensation to a specific employee of a public body that
2 is subject to the Local Government Wage Increase
3 Transparency Act may not be closed and shall be open to the
4 public and posted and held in accordance with this Act.

5 (2) Collective negotiating matters between the public
6 body and its employees or their representatives, or
7 deliberations concerning salary schedules for one or more
8 classes of employees.

9 (3) The selection of a person to fill a public office,
10 as defined in this Act, including a vacancy in a public
11 office, when the public body is given power to appoint
12 under law or ordinance, or the discipline, performance or
13 removal of the occupant of a public office, when the public
14 body is given power to remove the occupant under law or
15 ordinance.

16 (4) Evidence or testimony presented in open hearing, or
17 in closed hearing where specifically authorized by law, to
18 a quasi-adjudicative body, as defined in this Act, provided
19 that the body prepares and makes available for public
20 inspection a written decision setting forth its
21 determinative reasoning.

22 (5) The purchase or lease of real property for the use
23 of the public body, including meetings held for the purpose
24 of discussing whether a particular parcel should be
25 acquired.

26 (6) The setting of a price for sale or lease of

1 property owned by the public body.

2 (7) The sale or purchase of securities, investments, or
3 investment contracts. This exception shall not apply to the
4 investment of assets or income of funds deposited into the
5 Illinois Prepaid Tuition Trust Fund.

6 (8) Security procedures, school building safety and
7 security, and the use of personnel and equipment to respond
8 to an actual, a threatened, or a reasonably potential
9 danger to the safety of employees, students, staff, the
10 public, or public property.

11 (9) Student disciplinary cases.

12 (10) The placement of individual students in special
13 education programs and other matters relating to
14 individual students.

15 (11) Litigation, when an action against, affecting or
16 on behalf of the particular public body has been filed and
17 is pending before a court or administrative tribunal, or
18 when the public body finds that an action is probable or
19 imminent, in which case the basis for the finding shall be
20 recorded and entered into the minutes of the closed
21 meeting.

22 (12) The establishment of reserves or settlement of
23 claims as provided in the Local Governmental and
24 Governmental Employees Tort Immunity Act, if otherwise the
25 disposition of a claim or potential claim might be
26 prejudiced, or the review or discussion of claims, loss or

1 risk management information, records, data, advice or
2 communications from or with respect to any insurer of the
3 public body or any intergovernmental risk management
4 association or self insurance pool of which the public body
5 is a member.

6 (13) Conciliation of complaints of discrimination in
7 the sale or rental of housing, when closed meetings are
8 authorized by the law or ordinance prescribing fair housing
9 practices and creating a commission or administrative
10 agency for their enforcement.

11 (14) Informant sources, the hiring or assignment of
12 undercover personnel or equipment, or ongoing, prior or
13 future criminal investigations, when discussed by a public
14 body with criminal investigatory responsibilities.

15 (15) Professional ethics or performance when
16 considered by an advisory body appointed to advise a
17 licensing or regulatory agency on matters germane to the
18 advisory body's field of competence.

19 (16) Self evaluation, practices and procedures or
20 professional ethics, when meeting with a representative of
21 a statewide association of which the public body is a
22 member.

23 (17) The recruitment, credentialing, discipline or
24 formal peer review of physicians or other health care
25 professionals, or for the discussion of matters protected
26 under the federal Patient Safety and Quality Improvement

1 Act of 2005, and the regulations promulgated thereunder,
2 including 42 C.F.R. Part 3 (73 FR 70732), or the federal
3 Health Insurance Portability and Accountability Act of
4 1996, and the regulations promulgated thereunder,
5 including 45 C.F.R. Parts 160, 162, and 164, by a hospital,
6 or other institution providing medical care, that is
7 operated by the public body.

8 (18) Deliberations for decisions of the Prisoner
9 Review Board.

10 (19) Review or discussion of applications received
11 under the Experimental Organ Transplantation Procedures
12 Act.

13 (20) The classification and discussion of matters
14 classified as confidential or continued confidential by
15 the State Government Suggestion Award Board.

16 (21) Discussion of minutes of meetings lawfully closed
17 under this Act, whether for purposes of approval by the
18 body of the minutes or semi-annual review of the minutes as
19 mandated by Section 2.06.

20 (22) Deliberations for decisions of the State
21 Emergency Medical Services Disciplinary Review Board.

22 (23) The operation by a municipality of a municipal
23 utility or the operation of a municipal power agency or
24 municipal natural gas agency when the discussion involves
25 (i) contracts relating to the purchase, sale, or delivery
26 of electricity or natural gas or (ii) the results or

1 conclusions of load forecast studies.

2 (24) Meetings of a residential health care facility
3 resident sexual assault and death review team or the
4 Executive Council under the Abuse Prevention Review Team
5 Act.

6 (25) Meetings of an independent team of experts under
7 Brian's Law.

8 (26) Meetings of a mortality review team appointed
9 under the Department of Juvenile Justice Mortality Review
10 Team Act.

11 (27) (Blank).

12 (28) Correspondence and records (i) that may not be
13 disclosed under Section 11-9 of the Illinois Public Aid
14 Code or (ii) that pertain to appeals under Section 11-8 of
15 the Illinois Public Aid Code.

16 (29) Meetings between internal or external auditors
17 and governmental audit committees, finance committees, and
18 their equivalents, when the discussion involves internal
19 control weaknesses, identification of potential fraud risk
20 areas, known or suspected frauds, and fraud interviews
21 conducted in accordance with generally accepted auditing
22 standards of the United States of America.

23 (30) Those meetings or portions of meetings of a
24 fatality review team or the Illinois Fatality Review Team
25 Advisory Council during which a review of the death of an
26 eligible adult in which abuse or neglect is suspected,

1 alleged, or substantiated is conducted pursuant to Section
2 15 of the Adult Protective Services Act.

3 (31) Meetings and deliberations for decisions of the
4 Concealed Carry Licensing Review Board under the Firearm
5 Concealed Carry Act.

6 (32) Meetings between the Regional Transportation
7 Authority Board and its Service Boards when the discussion
8 involves review by the Regional Transportation Authority
9 Board of employment contracts under Section 28d of the
10 Metropolitan Transit Authority Act and Sections 3A.18 and
11 3B.26 of the Regional Transportation Authority Act.

12 (33) Those meetings or portions of meetings of the
13 advisory committee and peer review subcommittee created
14 under Section 320 of the Illinois Controlled Substances Act
15 during which specific controlled substance prescriber,
16 dispenser, or patient information is discussed.

17 (34) Meetings of the Tax Increment Financing Reform
18 Task Force under Section 2505-800 of the Department of
19 Revenue Law of the Civil Administrative Code of Illinois.

20 (d) Definitions. For purposes of this Section:

21 "Employee" means a person employed by a public body whose
22 relationship with the public body constitutes an
23 employer-employee relationship under the usual common law
24 rules, and who is not an independent contractor.

25 "Public office" means a position created by or under the
26 Constitution or laws of this State, the occupant of which is

1 charged with the exercise of some portion of the sovereign
2 power of this State. The term "public office" shall include
3 members of the public body, but it shall not include
4 organizational positions filled by members thereof, whether
5 established by law or by a public body itself, that exist to
6 assist the body in the conduct of its business.

7 "Quasi-adjudicative body" means an administrative body
8 charged by law or ordinance with the responsibility to conduct
9 hearings, receive evidence or testimony and make
10 determinations based thereon, but does not include local
11 electoral boards when such bodies are considering petition
12 challenges.

13 (e) Final action. No final action may be taken at a closed
14 meeting. Final action shall be preceded by a public recital of
15 the nature of the matter being considered and other information
16 that will inform the public of the business being conducted.

17 (Source: P.A. 98-49, eff. 7-1-13; 98-63, eff. 7-9-13; 98-756,
18 eff. 7-16-14; 98-1027, eff. 1-1-15; 98-1039, eff. 8-25-14;
19 99-78, eff. 7-20-15; 99-235, eff. 1-1-16; 99-480, eff. 9-9-15;
20 99-642, eff. 7-28-16; 99-646, eff. 7-28-16; 99-687, eff.
21 1-1-17; revised 9-21-16.)

22 Section 902. The Freedom of Information Act is amended by
23 changing Section 7.5 as follows:

24 (5 ILCS 140/7.5)

1 Sec. 7.5. Statutory exemptions. To the extent provided for
2 by the statutes referenced below, the following shall be exempt
3 from inspection and copying:

4 (a) All information determined to be confidential
5 under Section 4002 of the Technology Advancement and
6 Development Act.

7 (b) Library circulation and order records identifying
8 library users with specific materials under the Library
9 Records Confidentiality Act.

10 (c) Applications, related documents, and medical
11 records received by the Experimental Organ Transplantation
12 Procedures Board and any and all documents or other records
13 prepared by the Experimental Organ Transplantation
14 Procedures Board or its staff relating to applications it
15 has received.

16 (d) Information and records held by the Department of
17 Public Health and its authorized representatives relating
18 to known or suspected cases of sexually transmissible
19 disease or any information the disclosure of which is
20 restricted under the Illinois Sexually Transmissible
21 Disease Control Act.

22 (e) Information the disclosure of which is exempted
23 under Section 30 of the Radon Industry Licensing Act.

24 (f) Firm performance evaluations under Section 55 of
25 the Architectural, Engineering, and Land Surveying
26 Qualifications Based Selection Act.

1 (g) Information the disclosure of which is restricted
2 and exempted under Section 50 of the Illinois Prepaid
3 Tuition Act.

4 (h) Information the disclosure of which is exempted
5 under the State Officials and Employees Ethics Act, and
6 records of any lawfully created State or local inspector
7 general's office that would be exempt if created or
8 obtained by an Executive Inspector General's office under
9 that Act.

10 (i) Information contained in a local emergency energy
11 plan submitted to a municipality in accordance with a local
12 emergency energy plan ordinance that is adopted under
13 Section 11-21.5-5 of the Illinois Municipal Code.

14 (j) Information and data concerning the distribution
15 of surcharge moneys collected and remitted by wireless
16 carriers under the Wireless Emergency Telephone Safety
17 Act.

18 (k) Law enforcement officer identification information
19 or driver identification information compiled by a law
20 enforcement agency or the Department of Transportation
21 under Section 11-212 of the Illinois Vehicle Code.

22 (l) Records and information provided to a residential
23 health care facility resident sexual assault and death
24 review team or the Executive Council under the Abuse
25 Prevention Review Team Act.

26 (m) Information provided to the predatory lending

1 database created pursuant to Article 3 of the Residential
2 Real Property Disclosure Act, except to the extent
3 authorized under that Article.

4 (n) Defense budgets and petitions for certification of
5 compensation and expenses for court appointed trial
6 counsel as provided under Sections 10 and 15 of the Capital
7 Crimes Litigation Act. This subsection (n) shall apply
8 until the conclusion of the trial of the case, even if the
9 prosecution chooses not to pursue the death penalty prior
10 to trial or sentencing.

11 (o) Information that is prohibited from being
12 disclosed under Section 4 of the Illinois Health and
13 Hazardous Substances Registry Act.

14 (p) Security portions of system safety program plans,
15 investigation reports, surveys, schedules, lists, data, or
16 information compiled, collected, or prepared by or for the
17 Regional Transportation Authority under Section 2.11 of
18 the Regional Transportation Authority Act or the St. Clair
19 County Transit District under the Bi-State Transit Safety
20 Act.

21 (q) Information prohibited from being disclosed by the
22 Personnel Records Review Act.

23 (r) Information prohibited from being disclosed by the
24 Illinois School Student Records Act.

25 (s) Information the disclosure of which is restricted
26 under Section 5-108 of the Public Utilities Act.

1 (t) All identified or deidentified health information
2 in the form of health data or medical records contained in,
3 stored in, submitted to, transferred by, or released from
4 the Illinois Health Information Exchange, and identified
5 or deidentified health information in the form of health
6 data and medical records of the Illinois Health Information
7 Exchange in the possession of the Illinois Health
8 Information Exchange Authority due to its administration
9 of the Illinois Health Information Exchange. The terms
10 "identified" and "deidentified" shall be given the same
11 meaning as in the Health Insurance Portability and
12 Accountability Act of 1996, Public Law 104-191, or any
13 subsequent amendments thereto, and any regulations
14 promulgated thereunder.

15 (u) Records and information provided to an independent
16 team of experts under Brian's Law.

17 (v) Names and information of people who have applied
18 for or received Firearm Owner's Identification Cards under
19 the Firearm Owners Identification Card Act or applied for
20 or received a concealed carry license under the Firearm
21 Concealed Carry Act, unless otherwise authorized by the
22 Firearm Concealed Carry Act; and databases under the
23 Firearm Concealed Carry Act, records of the Concealed Carry
24 Licensing Review Board under the Firearm Concealed Carry
25 Act, and law enforcement agency objections under the
26 Firearm Concealed Carry Act.

1 (w) Personally identifiable information which is
2 exempted from disclosure under subsection (g) of Section
3 19.1 of the Toll Highway Act.

4 (x) Information which is exempted from disclosure
5 under Section 5-1014.3 of the Counties Code or Section
6 8-11-21 of the Illinois Municipal Code.

7 (y) Confidential information under the Adult
8 Protective Services Act and its predecessor enabling
9 statute, the Elder Abuse and Neglect Act, including
10 information about the identity and administrative finding
11 against any caregiver of a verified and substantiated
12 decision of abuse, neglect, or financial exploitation of an
13 eligible adult maintained in the Registry established
14 under Section 7.5 of the Adult Protective Services Act.

15 (z) Records and information provided to a fatality
16 review team or the Illinois Fatality Review Team Advisory
17 Council under Section 15 of the Adult Protective Services
18 Act.

19 (aa) Information which is exempted from disclosure
20 under Section 2.37 of the Wildlife Code.

21 (bb) Information which is or was prohibited from
22 disclosure by the Juvenile Court Act of 1987.

23 (cc) Recordings made under the Law Enforcement
24 Officer-Worn Body Camera Act, except to the extent
25 authorized under that Act.

26 (dd) Information that is prohibited from being

1 disclosed under Section 45 of the Condominium and Common
2 Interest Community Ombudsperson Act.

3 (ee) ~~(dd)~~ Information that is exempted from disclosure
4 under Section 30.1 of the Pharmacy Practice Act.

5 (ff) Information which is exempted from disclosure
6 under Section 2505-800 of the Department of Revenue Law of
7 the Civil Administrative Code of Illinois.

8 (Source: P.A. 98-49, eff. 7-1-13; 98-63, eff. 7-9-13; 98-756,
9 eff. 7-16-14; 98-1039, eff. 8-25-14; 98-1045, eff. 8-25-14;
10 99-78, eff. 7-20-15; 99-298, eff. 8-6-15; 99-352, eff. 1-1-16;
11 99-642, eff. 7-28-16; 99-776, eff. 8-12-16; 99-863, eff.
12 8-19-16; revised 9-1-16.)

13 Section 904. The Election Code is amended by changing
14 Section 28-2 as follows:

15 (10 ILCS 5/28-2) (from Ch. 46, par. 28-2)

16 Sec. 28-2. (a) Except as otherwise provided in this
17 Section, petitions for the submission of public questions to
18 referendum must be filed with the appropriate officer or board
19 not less than 92 days prior to a regular election to be
20 eligible for submission on the ballot at such election; and
21 petitions for the submission of a question under Section 18-120
22 or Section 18-206 of the Property Tax Code must be filed with
23 the appropriate officer or board not more than 10 months nor
24 less than 6 months prior to the election at which such question

1 is to be submitted to the voters.

2 (b) However, petitions for the submission of a public
3 question to referendum which proposes the creation or formation
4 of a political subdivision must be filed with the appropriate
5 officer or board not less than 122 days prior to a regular
6 election to be eligible for submission on the ballot at such
7 election.

8 (c) Resolutions or ordinances of governing boards of
9 political subdivisions which initiate the submission of public
10 questions pursuant to law must be adopted not less than 79 days
11 before a regularly scheduled election to be eligible for
12 submission on the ballot at such election.

13 (d) A petition, resolution or ordinance initiating the
14 submission of a public question may specify a regular election
15 at which the question is to be submitted, and must so specify
16 if the statute authorizing the public question requires
17 submission at a particular election. However, no petition,
18 resolution or ordinance initiating the submission of a public
19 question, other than a legislative resolution initiating an
20 amendment to the Constitution, may specify such submission at
21 an election more than one year, or 15 months in the case of a
22 back door referendum as defined in subsection (f), after the
23 date on which it is filed or adopted, as the case may be. A
24 petition, resolution or ordinance initiating a public question
25 which specifies a particular election at which the question is
26 to be submitted shall be so limited, and shall not be valid as

1 to any other election, other than an emergency referendum
2 ordered pursuant to Section 2A-1.4.

3 (e) If a petition initiating a public question does not
4 specify a regularly scheduled election, the public question
5 shall be submitted to referendum at the next regular election
6 occurring not less than 92 days after the filing of the
7 petition, or not less than 122 days after the filing of a
8 petition for referendum to create a political subdivision. If a
9 resolution or ordinance initiating a public question does not
10 specify a regularly scheduled election, the public question
11 shall be submitted to referendum at the next regular election
12 occurring not less than 79 days after the adoption of the
13 resolution or ordinance.

14 (f) In the case of back door referenda, any limitations in
15 another statute authorizing such a referendum which restrict
16 the time in which the initiating petition may be validly filed
17 shall apply to such petition, in addition to the filing
18 deadlines specified in this Section for submission at a
19 particular election. In the case of any back door referendum,
20 the publication of the ordinance or resolution of the political
21 subdivision shall include a notice of (1) the specific number
22 of voters required to sign a petition requesting that a public
23 question be submitted to the voters of the subdivision; (2) the
24 time within which the petition must be filed; and (3) the date
25 of the prospective referendum. The secretary or clerk of the
26 political subdivision shall provide a petition form to any

1 individual requesting one. The legal sufficiency of that form,
2 if provided by the secretary or clerk of the political
3 subdivision, cannot be the basis of a challenge to placing the
4 back door referendum on the ballot. As used herein, a "back
5 door referendum" is the submission of a public question to the
6 voters of a political subdivision, initiated by a petition of
7 voters or residents of such political subdivision, to determine
8 whether an action by the governing body of such subdivision
9 shall be adopted or rejected.

10 (g) A petition for the incorporation or formation of a new
11 political subdivision whose officers are to be elected rather
12 than appointed must have attached to it an affidavit attesting
13 that at least 122 days and no more than 152 days prior to such
14 election notice of intention to file such petition was
15 published in a newspaper published within the proposed
16 political subdivision, or if none, in a newspaper of general
17 circulation within the territory of the proposed political
18 subdivision in substantially the following form:

19 NOTICE OF PETITION TO FORM A NEW.....

20 Residents of the territory described below are notified
21 that a petition will or has been filed in the Office
22 of.....requesting a referendum to establish a
23 new....., to be called the.....

24 *The officers of the new.....will be elected on the
25 same day as the referendum. Candidates for the governing board
26 of the new.....may file nominating petitions with the officer

1 named above until.....

2 The territory proposed to comprise the new.....is
3 described as follows:

4 (description of territory included in petition)

5 (signature).....

6 Name and address of person or persons proposing
7 the new political subdivision.

8 * Where applicable.

9 Failure to file such affidavit, or failure to publish the
10 required notice with the correct information contained therein
11 shall render the petition, and any referendum held pursuant to
12 such petition, null and void.

13 Notwithstanding the foregoing provisions of this
14 subsection (g) or any other provisions of this Code, the
15 publication of notice and affidavit requirements of this
16 subsection (g) shall not apply to any petition filed under
17 Article 7 or 11E of the School Code nor to any referendum held
18 pursuant to any such petition, and neither any petition filed
19 under any of those Articles nor any referendum held pursuant to
20 any such petition shall be rendered null and void because of
21 the failure to file an affidavit or publish a notice with
22 respect to the petition or referendum as required under this
23 subsection (g) for petitions that are not filed under any of
24 those Articles of the School Code.

25 (Source: P.A. 96-1008, eff. 7-6-10.)

1 Section 905. The Economic Development Area Tax Increment
2 Allocation Act is amended by changing Section 7 as follows:

3 (20 ILCS 620/7) (from Ch. 67 1/2, par. 1007)

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

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

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

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

17 The municipality, by an ordinance adopting tax increment
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
25 shall be used in calculating the general State school aid
26 formula, provided for in Section 18-8 of the School Code, or

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

17 Upon the payment of all economic development project costs,
18 retirement of obligations and the distribution of any excess
19 monies pursuant to this Section the municipality shall adopt an
20 ordinance dissolving the special tax allocation fund for the
21 economic development project area, terminating the economic
22 development project area, and terminating the use of tax
23 increment allocation financing for the economic development
24 project area. Thereafter the rates of the taxing districts
25 shall be extended and taxes levied, collected and distributed
26 in the manner applicable in the absence of the adoption of tax

1 increment allocation financing.

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

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

9 Section 910. The Civil Administrative Code of Illinois
10 (Department of Revenue Law) is amended by adding Section
11 2505-800 as follows:

12 (20 ILCS 2505/2505-800 new)

13 Sec. 2505-800. Tax Increment Financing Reform Task Force.

14 (a) There is hereby created the Tax Increment Financing
15 Reform Task Force which shall consist of the following members:

16 (1) 3 members of the General Assembly, appointed by the
17 President of the Senate;

18 (2) 3 members of the General Assembly, appointed by the
19 Minority Leader of the Senate;

20 (3) 3 members of the General Assembly, appointed by the
21 Speaker of the House of Representatives; and

22 (4) 3 members of the General Assembly, appointed by the
23 Minority Leader of the House of Representatives.

24 (b) The members of the Task Force shall elect one co-chair

1 from each legislative caucus, who shall call meetings of the
2 Task Force to order. The Task Force shall hold an initial
3 meeting within 60 days after the effective date of this
4 amendatory Act of the 100th General Assembly.

5 (c) The Task Force shall conduct a study examining current
6 Tax Increment Financing (TIF) laws in this State and issues
7 that include, but are not limited to:

8 (1) the benefits and costs of TIF districts;

9 (2) the interaction between TIF law and school funding;

10 (3) the expenditure of TIF funds; and

11 (4) the expenditure of TIF surplus funds.

12 (d) The Task Force shall report the findings of the study
13 and any recommendations to the General Assembly on or before
14 April 1, 2018, at which time the Task Force shall be dissolved.

15 (e) The Department of Revenue shall provide staff and
16 administrative support to the Task Force, and shall post on its
17 website the report under subsection (d) of this Section.

18 (f) The Task Force is exempt from any requirements under
19 the Freedom of Information Act and Open Meetings Act.

20 (g) This Section is repealed on April 30, 2018.

21 Section 915. The State Finance Act is amended by changing
22 Section 13.2 as follows:

23 (30 ILCS 105/13.2) (from Ch. 127, par. 149.2)

24 Sec. 13.2. Transfers among line item appropriations.

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

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

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

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

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

1 the aggregate amount appropriated to the State's Attorneys
2 Appellate Prosecutor within the same treasury fund.

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

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

1 appropriated from the General Revenue Fund or any other State
2 fund that receives monies for long-term care services for each
3 fiscal year. A notice of the fund transfer must be made to the
4 General Assembly and posted at a minimum on the Department of
5 Healthcare and Family Services website, the Governor's Office
6 of Management and Budget website, and any other website the
7 Governor sees fit. These postings shall serve as notice to the
8 General Assembly of the amounts to be transferred. Notice shall
9 be given at least 30 days prior to transfer.

10 (b) In addition to the general transfer authority provided
11 under subsection (c), the following agencies have the specific
12 transfer authority granted in this subsection:

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

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

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

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

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

25 The State Board of Education is authorized to make
26 transfers between the following line item appropriations

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

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

20 (c) The sum of such transfers for an agency in a fiscal
21 year shall not exceed 2% of the aggregate amount appropriated
22 to it within the same treasury fund for the following objects:
23 Personal Services; Extra Help; Student and Inmate
24 Compensation; State Contributions to Retirement Systems; State
25 Contributions to Social Security; State Contribution for
26 Employee Group Insurance; Contractual Services; Travel;

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

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

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

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

20 (c-3) Special provisions for State fiscal year 2015.
21 Notwithstanding any other provision of this Section, for State
22 fiscal year 2015, transfers among line item appropriations to a
23 State agency from the same State treasury fund may be made for
24 operational or lump sum expenses only, provided that the sum of
25 such transfers for a State agency in State fiscal year 2015
26 shall not exceed 4% of the aggregate amount appropriated to

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

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

1 Illinois University, Western Illinois University, the Illinois
2 Mathematics and Science Academy and the Board of Higher
3 Education require the approval of the Board of Higher Education
4 and the Governor. Transfers among appropriations to all other
5 agencies require the approval of the Governor.

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

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

1 following programs:

2 (1) Disabled Student Personnel Reimbursement (Section
3 14-13.01 of the School Code);

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

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

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

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

11 (6) Summer School Payments (Section 18-4.3 of the
12 School Code);

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

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

17 (9) Special Education Reimbursement (Section 14-7.03
18 of the School Code).

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

21 Section 920. The Illinois Income Tax Act is amended by
22 adding Section 224 as follows:

23 (35 ILCS 5/224 new)

24 Sec. 224. Invest in Kids credit.

1 (a) For taxable years beginning on or after January 1, 2018
2 and ending before January 1, 2023, each taxpayer for whom a tax
3 credit has been awarded by the Department under the Invest in
4 Kids Act is entitled to a credit against the tax imposed under
5 subsections (a) and (b) of Section 201 of this Act in an amount
6 equal to the amount awarded under the Invest in Kids Act.

7 (b) For partners, shareholders of subchapter S
8 corporations, and owners of limited liability companies, if the
9 liability company is treated as a partnership for purposes of
10 federal and State income taxation, the credit under this
11 Section shall be determined in accordance with the
12 determination of income and distributive share of income under
13 Sections 702 and 704 and subchapter S of the Internal Revenue
14 Code.

15 (c) The credit may not be carried back and may not reduce
16 the taxpayer's liability to less than zero. If the amount of
17 the credit exceeds the tax liability for the year, the excess
18 may be carried forward and applied to the tax liability of the
19 5 taxable years following the excess credit year. The tax
20 credit shall be applied to the earliest year for which there is
21 a tax liability. If there are credits for more than one year
22 that are available to offset the liability, the earlier credit
23 shall be applied first.

24 (d) A tax credit awarded by the Department under the Invest
25 in Kids Act may not be claimed for any qualified contribution
26 for which the taxpayer claims a federal income tax deduction.

1 Section 925. The Property Tax Code is amended by changing
2 Sections 18-185, 18-200, and 18-249 and by adding Section
3 18-206 as follows:

4 (35 ILCS 200/18-185)

5 Sec. 18-185. Short title; definitions. This Division 5 may
6 be cited as the Property Tax Extension Limitation Law. As used
7 in this Division 5:

8 "Consumer Price Index" means the Consumer Price Index for
9 All Urban Consumers for all items published by the United
10 States Department of Labor.

11 "Extension limitation" means (a) the lesser of 5% or the
12 percentage increase in the Consumer Price Index during the
13 12-month calendar year preceding the levy year or (b) the rate
14 of increase approved by voters under Section 18-205.

15 "Affected county" means a county of 3,000,000 or more
16 inhabitants or a county contiguous to a county of 3,000,000 or
17 more inhabitants.

18 "Taxing district" has the same meaning provided in Section
19 1-150, except as otherwise provided in this Section. For the
20 1991 through 1994 levy years only, "taxing district" includes
21 only each non-home rule taxing district having the majority of
22 its 1990 equalized assessed value within any county or counties
23 contiguous to a county with 3,000,000 or more inhabitants.
24 Beginning with the 1995 levy year, "taxing district" includes

1 only each non-home rule taxing district subject to this Law
2 before the 1995 levy year and each non-home rule taxing
3 district not subject to this Law before the 1995 levy year
4 having the majority of its 1994 equalized assessed value in an
5 affected county or counties. Beginning with the levy year in
6 which this Law becomes applicable to a taxing district as
7 provided in Section 18-213, "taxing district" also includes
8 those taxing districts made subject to this Law as provided in
9 Section 18-213.

10 "Aggregate extension" for taxing districts to which this
11 Law applied before the 1995 levy year means the annual
12 corporate extension for the taxing district and those special
13 purpose extensions that are made annually for the taxing
14 district, excluding special purpose extensions: (a) made for
15 the taxing district to pay interest or principal on general
16 obligation bonds that were approved by referendum; (b) made for
17 any taxing district to pay interest or principal on general
18 obligation bonds issued before October 1, 1991; (c) made for
19 any taxing district to pay interest or principal on bonds
20 issued to refund or continue to refund those bonds issued
21 before October 1, 1991; (d) made for any taxing district to pay
22 interest or principal on bonds issued to refund or continue to
23 refund bonds issued after October 1, 1991 that were approved by
24 referendum; (e) made for any taxing district to pay interest or
25 principal on revenue bonds issued before October 1, 1991 for
26 payment of which a property tax levy or the full faith and

1 credit of the unit of local government is pledged; however, a
2 tax for the payment of interest or principal on those bonds
3 shall be made only after the governing body of the unit of
4 local government finds that all other sources for payment are
5 insufficient to make those payments; (f) made for payments
6 under a building commission lease when the lease payments are
7 for the retirement of bonds issued by the commission before
8 October 1, 1991, to pay for the building project; (g) made for
9 payments due under installment contracts entered into before
10 October 1, 1991; (h) made for payments of principal and
11 interest on bonds issued under the Metropolitan Water
12 Reclamation District Act to finance construction projects
13 initiated before October 1, 1991; (i) made for payments of
14 principal and interest on limited bonds, as defined in Section
15 3 of the Local Government Debt Reform Act, in an amount not to
16 exceed the debt service extension base less the amount in items
17 (b), (c), (e), and (h) of this definition for non-referendum
18 obligations, except obligations initially issued pursuant to
19 referendum; (j) made for payments of principal and interest on
20 bonds issued under Section 15 of the Local Government Debt
21 Reform Act; (k) made by a school district that participates in
22 the Special Education District of Lake County, created by
23 special education joint agreement under Section 10-22.31 of the
24 School Code, for payment of the school district's share of the
25 amounts required to be contributed by the Special Education
26 District of Lake County to the Illinois Municipal Retirement

1 Fund under Article 7 of the Illinois Pension Code; the amount
2 of any extension under this item (k) shall be certified by the
3 school district to the county clerk; (l) made to fund expenses
4 of providing joint recreational programs for persons with
5 disabilities under Section 5-8 of the Park District Code or
6 Section 11-95-14 of the Illinois Municipal Code; (m) made for
7 temporary relocation loan repayment purposes pursuant to
8 Sections 2-3.77 and 17-2.2d of the School Code; (n) made for
9 payment of principal and interest on any bonds issued under the
10 authority of Section 17-2.2d of the School Code; (o) made for
11 contributions to a firefighter's pension fund created under
12 Article 4 of the Illinois Pension Code, to the extent of the
13 amount certified under item (5) of Section 4-134 of the
14 Illinois Pension Code; and (p) made for road purposes in the
15 first year after a township assumes the rights, powers, duties,
16 assets, property, liabilities, obligations, and
17 responsibilities of a road district abolished under the
18 provisions of Section 6-133 of the Illinois Highway Code.

19 "Aggregate extension" for the taxing districts to which
20 this Law did not apply before the 1995 levy year (except taxing
21 districts subject to this Law in accordance with Section
22 18-213) means the annual corporate extension for the taxing
23 district and those special purpose extensions that are made
24 annually for the taxing district, excluding special purpose
25 extensions: (a) made for the taxing district to pay interest or
26 principal on general obligation bonds that were approved by

1 referendum; (b) made for any taxing district to pay interest or
2 principal on general obligation bonds issued before March 1,
3 1995; (c) made for any taxing district to pay interest or
4 principal on bonds issued to refund or continue to refund those
5 bonds issued before March 1, 1995; (d) made for any taxing
6 district to pay interest or principal on bonds issued to refund
7 or continue to refund bonds issued after March 1, 1995 that
8 were approved by referendum; (e) made for any taxing district
9 to pay interest or principal on revenue bonds issued before
10 March 1, 1995 for payment of which a property tax levy or the
11 full faith and credit of the unit of local government is
12 pledged; however, a tax for the payment of interest or
13 principal on those bonds shall be made only after the governing
14 body of the unit of local government finds that all other
15 sources for payment are insufficient to make those payments;
16 (f) made for payments under a building commission lease when
17 the lease payments are for the retirement of bonds issued by
18 the commission before March 1, 1995 to pay for the building
19 project; (g) made for payments due under installment contracts
20 entered into before March 1, 1995; (h) made for payments of
21 principal and interest on bonds issued under the Metropolitan
22 Water Reclamation District Act to finance construction
23 projects initiated before October 1, 1991; (h-4) made for
24 stormwater management purposes by the Metropolitan Water
25 Reclamation District of Greater Chicago under Section 12 of the
26 Metropolitan Water Reclamation District Act; (i) made for

1 payments of principal and interest on limited bonds, as defined
2 in Section 3 of the Local Government Debt Reform Act, in an
3 amount not to exceed the debt service extension base less the
4 amount in items (b), (c), and (e) of this definition for
5 non-referendum obligations, except obligations initially
6 issued pursuant to referendum and bonds described in subsection
7 (h) of this definition; (j) made for payments of principal and
8 interest on bonds issued under Section 15 of the Local
9 Government Debt Reform Act; (k) made for payments of principal
10 and interest on bonds authorized by Public Act 88-503 and
11 issued under Section 20a of the Chicago Park District Act for
12 aquarium or museum projects; (l) made for payments of principal
13 and interest on bonds authorized by Public Act 87-1191 or
14 93-601 and (i) issued pursuant to Section 21.2 of the Cook
15 County Forest Preserve District Act, (ii) issued under Section
16 42 of the Cook County Forest Preserve District Act for
17 zoological park projects, or (iii) issued under Section 44.1 of
18 the Cook County Forest Preserve District Act for botanical
19 gardens projects; (m) made pursuant to Section 34-53.5 of the
20 School Code, whether levied annually or not; (n) made to fund
21 expenses of providing joint recreational programs for persons
22 with disabilities under Section 5-8 of the Park District Code
23 or Section 11-95-14 of the Illinois Municipal Code; (o) made by
24 the Chicago Park District for recreational programs for persons
25 with disabilities under subsection (c) of Section 7.06 of the
26 Chicago Park District Act; (p) made for contributions to a

1 firefighter's pension fund created under Article 4 of the
2 Illinois Pension Code, to the extent of the amount certified
3 under item (5) of Section 4-134 of the Illinois Pension Code;
4 (q) made by Ford Heights School District 169 under Section
5 17-9.02 of the School Code; and (r) made for the purpose of
6 making employer contributions to the Public School Teachers'
7 Pension and Retirement Fund of Chicago under Section 34-53 of
8 the School Code.

9 "Aggregate extension" for all taxing districts to which
10 this Law applies in accordance with Section 18-213, except for
11 those taxing districts subject to paragraph (2) of subsection
12 (e) of Section 18-213, means the annual corporate extension for
13 the taxing district and those special purpose extensions that
14 are made annually for the taxing district, excluding special
15 purpose extensions: (a) made for the taxing district to pay
16 interest or principal on general obligation bonds that were
17 approved by referendum; (b) made for any taxing district to pay
18 interest or principal on general obligation bonds issued before
19 the date on which the referendum making this Law applicable to
20 the taxing district is held; (c) made for any taxing district
21 to pay interest or principal on bonds issued to refund or
22 continue to refund those bonds issued before the date on which
23 the referendum making this Law applicable to the taxing
24 district is held; (d) made for any taxing district to pay
25 interest or principal on bonds issued to refund or continue to
26 refund bonds issued after the date on which the referendum

1 making this Law applicable to the taxing district is held if
2 the bonds were approved by referendum after the date on which
3 the referendum making this Law applicable to the taxing
4 district is held; (e) made for any taxing district to pay
5 interest or principal on revenue bonds issued before the date
6 on which the referendum making this Law applicable to the
7 taxing district is held for payment of which a property tax
8 levy or the full faith and credit of the unit of local
9 government is pledged; however, a tax for the payment of
10 interest or principal on those bonds shall be made only after
11 the governing body of the unit of local government finds that
12 all other sources for payment are insufficient to make those
13 payments; (f) made for payments under a building commission
14 lease when the lease payments are for the retirement of bonds
15 issued by the commission before the date on which the
16 referendum making this Law applicable to the taxing district is
17 held to pay for the building project; (g) made for payments due
18 under installment contracts entered into before the date on
19 which the referendum making this Law applicable to the taxing
20 district is held; (h) made for payments of principal and
21 interest on limited bonds, as defined in Section 3 of the Local
22 Government Debt Reform Act, in an amount not to exceed the debt
23 service extension base less the amount in items (b), (c), and
24 (e) of this definition for non-referendum obligations, except
25 obligations initially issued pursuant to referendum; (i) made
26 for payments of principal and interest on bonds issued under

1 Section 15 of the Local Government Debt Reform Act; (j) made
2 for a qualified airport authority to pay interest or principal
3 on general obligation bonds issued for the purpose of paying
4 obligations due under, or financing airport facilities
5 required to be acquired, constructed, installed or equipped
6 pursuant to, contracts entered into before March 1, 1996 (but
7 not including any amendments to such a contract taking effect
8 on or after that date); (k) made to fund expenses of providing
9 joint recreational programs for persons with disabilities
10 under Section 5-8 of the Park District Code or Section 11-95-14
11 of the Illinois Municipal Code; (l) made for contributions to a
12 firefighter's pension fund created under Article 4 of the
13 Illinois Pension Code, to the extent of the amount certified
14 under item (5) of Section 4-134 of the Illinois Pension Code;
15 and (m) made for the taxing district to pay interest or
16 principal on general obligation bonds issued pursuant to
17 Section 19-3.10 of the School Code.

18 "Aggregate extension" for all taxing districts to which
19 this Law applies in accordance with paragraph (2) of subsection
20 (e) of Section 18-213 means the annual corporate extension for
21 the taxing district and those special purpose extensions that
22 are made annually for the taxing district, excluding special
23 purpose extensions: (a) made for the taxing district to pay
24 interest or principal on general obligation bonds that were
25 approved by referendum; (b) made for any taxing district to pay
26 interest or principal on general obligation bonds issued before

1 the effective date of this amendatory Act of 1997; (c) made for
2 any taxing district to pay interest or principal on bonds
3 issued to refund or continue to refund those bonds issued
4 before the effective date of this amendatory Act of 1997; (d)
5 made for any taxing district to pay interest or principal on
6 bonds issued to refund or continue to refund bonds issued after
7 the effective date of this amendatory Act of 1997 if the bonds
8 were approved by referendum after the effective date of this
9 amendatory Act of 1997; (e) made for any taxing district to pay
10 interest or principal on revenue bonds issued before the
11 effective date of this amendatory Act of 1997 for payment of
12 which a property tax levy or the full faith and credit of the
13 unit of local government is pledged; however, a tax for the
14 payment of interest or principal on those bonds shall be made
15 only after the governing body of the unit of local government
16 finds that all other sources for payment are insufficient to
17 make those payments; (f) made for payments under a building
18 commission lease when the lease payments are for the retirement
19 of bonds issued by the commission before the effective date of
20 this amendatory Act of 1997 to pay for the building project;
21 (g) made for payments due under installment contracts entered
22 into before the effective date of this amendatory Act of 1997;
23 (h) made for payments of principal and interest on limited
24 bonds, as defined in Section 3 of the Local Government Debt
25 Reform Act, in an amount not to exceed the debt service
26 extension base less the amount in items (b), (c), and (e) of

1 this definition for non-referendum obligations, except
2 obligations initially issued pursuant to referendum; (i) made
3 for payments of principal and interest on bonds issued under
4 Section 15 of the Local Government Debt Reform Act; (j) made
5 for a qualified airport authority to pay interest or principal
6 on general obligation bonds issued for the purpose of paying
7 obligations due under, or financing airport facilities
8 required to be acquired, constructed, installed or equipped
9 pursuant to, contracts entered into before March 1, 1996 (but
10 not including any amendments to such a contract taking effect
11 on or after that date); (k) made to fund expenses of providing
12 joint recreational programs for persons with disabilities
13 under Section 5-8 of the Park District Code or Section 11-95-14
14 of the Illinois Municipal Code; and (l) made for contributions
15 to a firefighter's pension fund created under Article 4 of the
16 Illinois Pension Code, to the extent of the amount certified
17 under item (5) of Section 4-134 of the Illinois Pension Code.

18 "Debt service extension base" means an amount equal to that
19 portion of the extension for a taxing district for the 1994
20 levy year, or for those taxing districts subject to this Law in
21 accordance with Section 18-213, except for those subject to
22 paragraph (2) of subsection (e) of Section 18-213, for the levy
23 year in which the referendum making this Law applicable to the
24 taxing district is held, or for those taxing districts subject
25 to this Law in accordance with paragraph (2) of subsection (e)
26 of Section 18-213 for the 1996 levy year, constituting an

1 extension for payment of principal and interest on bonds issued
2 by the taxing district without referendum, but not including
3 excluded non-referendum bonds. For park districts (i) that were
4 first subject to this Law in 1991 or 1995 and (ii) whose
5 extension for the 1994 levy year for the payment of principal
6 and interest on bonds issued by the park district without
7 referendum (but not including excluded non-referendum bonds)
8 was less than 51% of the amount for the 1991 levy year
9 constituting an extension for payment of principal and interest
10 on bonds issued by the park district without referendum (but
11 not including excluded non-referendum bonds), "debt service
12 extension base" means an amount equal to that portion of the
13 extension for the 1991 levy year constituting an extension for
14 payment of principal and interest on bonds issued by the park
15 district without referendum (but not including excluded
16 non-referendum bonds). A debt service extension base
17 established or increased at any time pursuant to any provision
18 of this Law, except Section 18-212, shall be increased each
19 year commencing with the later of (i) the 2009 levy year or
20 (ii) the first levy year in which this Law becomes applicable
21 to the taxing district, by the lesser of 5% or the percentage
22 increase in the Consumer Price Index during the 12-month
23 calendar year preceding the levy year. The debt service
24 extension base may be established or increased as provided
25 under Section 18-212. "Excluded non-referendum bonds" means
26 (i) bonds authorized by Public Act 88-503 and issued under

1 Section 20a of the Chicago Park District Act for aquarium and
2 museum projects; (ii) bonds issued under Section 15 of the
3 Local Government Debt Reform Act; or (iii) refunding
4 obligations issued to refund or to continue to refund
5 obligations initially issued pursuant to referendum.

6 "Special purpose extensions" include, but are not limited
7 to, extensions for levies made on an annual basis for
8 unemployment and workers' compensation, self-insurance,
9 contributions to pension plans, and extensions made pursuant to
10 Section 6-601 of the Illinois Highway Code for a road
11 district's permanent road fund whether levied annually or not.
12 The extension for a special service area is not included in the
13 aggregate extension.

14 "Aggregate extension base" means the taxing district's
15 last preceding aggregate extension as adjusted under Sections
16 18-135, 18-215, ~~and~~ 18-230, and 18-206. An adjustment under
17 Section 18-135 shall be made for the 2007 levy year and all
18 subsequent levy years whenever one or more counties within
19 which a taxing district is located (i) used estimated
20 valuations or rates when extending taxes in the taxing district
21 for the last preceding levy year that resulted in the over or
22 under extension of taxes, or (ii) increased or decreased the
23 tax extension for the last preceding levy year as required by
24 Section 18-135(c). Whenever an adjustment is required under
25 Section 18-135, the aggregate extension base of the taxing
26 district shall be equal to the amount that the aggregate

1 extension of the taxing district would have been for the last
2 preceding levy year if either or both (i) actual, rather than
3 estimated, valuations or rates had been used to calculate the
4 extension of taxes for the last levy year, or (ii) the tax
5 extension for the last preceding levy year had not been
6 adjusted as required by subsection (c) of Section 18-135.

7 Notwithstanding any other provision of law, for levy year
8 2012, the aggregate extension base for West Northfield School
9 District No. 31 in Cook County shall be \$12,654,592.

10 "Levy year" has the same meaning as "year" under Section
11 1-155.

12 "New property" means (i) the assessed value, after final
13 board of review or board of appeals action, of new improvements
14 or additions to existing improvements on any parcel of real
15 property that increase the assessed value of that real property
16 during the levy year multiplied by the equalization factor
17 issued by the Department under Section 17-30, (ii) the assessed
18 value, after final board of review or board of appeals action,
19 of real property not exempt from real estate taxation, which
20 real property was exempt from real estate taxation for any
21 portion of the immediately preceding levy year, multiplied by
22 the equalization factor issued by the Department under Section
23 17-30, including the assessed value, upon final stabilization
24 of occupancy after new construction is complete, of any real
25 property located within the boundaries of an otherwise or
26 previously exempt military reservation that is intended for

1 residential use and owned by or leased to a private corporation
2 or other entity, (iii) in counties that classify in accordance
3 with Section 4 of Article IX of the Illinois Constitution, an
4 incentive property's additional assessed value resulting from
5 a scheduled increase in the level of assessment as applied to
6 the first year final board of review market value, and (iv) any
7 increase in assessed value due to oil or gas production from an
8 oil or gas well required to be permitted under the Hydraulic
9 Fracturing Regulatory Act that was not produced in or accounted
10 for during the previous levy year. In addition, the county
11 clerk in a county containing a population of 3,000,000 or more
12 shall include in the 1997 recovered tax increment value for any
13 school district, any recovered tax increment value that was
14 applicable to the 1995 tax year calculations.

15 "Qualified airport authority" means an airport authority
16 organized under the Airport Authorities Act and located in a
17 county bordering on the State of Wisconsin and having a
18 population in excess of 200,000 and not greater than 500,000.

19 "Recovered tax increment value" means, except as otherwise
20 provided in this paragraph, the amount of the current year's
21 equalized assessed value, in the first year after a
22 municipality terminates the designation of an area as a
23 redevelopment project area previously established under the
24 Tax Increment Allocation Development Act in the Illinois
25 Municipal Code, previously established under the Industrial
26 Jobs Recovery Law in the Illinois Municipal Code, previously

1 established under the Economic Development Project Area Tax
2 Increment Act of 1995, or previously established under the
3 Economic Development Area Tax Increment Allocation Act, of each
4 taxable lot, block, tract, or parcel of real property in the
5 redevelopment project area over and above the initial equalized
6 assessed value of each property in the redevelopment project
7 area. For the taxes which are extended for the 1997 levy year,
8 the recovered tax increment value for a non-home rule taxing
9 district that first became subject to this Law for the 1995
10 levy year because a majority of its 1994 equalized assessed
11 value was in an affected county or counties shall be increased
12 if a municipality terminated the designation of an area in 1993
13 as a redevelopment project area previously established under
14 the Tax Increment Allocation Development Act in the Illinois
15 Municipal Code, previously established under the Industrial
16 Jobs Recovery Law in the Illinois Municipal Code, or previously
17 established under the Economic Development Area Tax Increment
18 Allocation Act, by an amount equal to the 1994 equalized
19 assessed value of each taxable lot, block, tract, or parcel of
20 real property in the redevelopment project area over and above
21 the initial equalized assessed value of each property in the
22 redevelopment project area. In the first year after a
23 municipality removes a taxable lot, block, tract, or parcel of
24 real property from a redevelopment project area established
25 under the Tax Increment Allocation Development Act in the
26 Illinois Municipal Code, the Industrial Jobs Recovery Law in

1 the Illinois Municipal Code, or the Economic Development Area
2 Tax Increment Allocation Act, "recovered tax increment value"
3 means the amount of the current year's equalized assessed value
4 of each taxable lot, block, tract, or parcel of real property
5 removed from the redevelopment project area over and above the
6 initial equalized assessed value of that real property before
7 removal from the redevelopment project area.

8 Except as otherwise provided in this Section, "limiting
9 rate" means a fraction the numerator of which is the last
10 preceding aggregate extension base times an amount equal to one
11 plus the extension limitation defined in this Section and the
12 denominator of which is the current year's equalized assessed
13 value of all real property in the territory under the
14 jurisdiction of the taxing district during the prior levy year.
15 For those taxing districts that reduced their aggregate
16 extension for the last preceding levy year, except for school
17 districts that reduced their extension for educational
18 purposes pursuant to Section 18-206, the highest aggregate
19 extension in any of the last 3 preceding levy years shall be
20 used for the purpose of computing the limiting rate. The
21 denominator shall not include new property or the recovered tax
22 increment value. If a new rate, a rate decrease, or a limiting
23 rate increase has been approved at an election held after March
24 21, 2006, then (i) the otherwise applicable limiting rate shall
25 be increased by the amount of the new rate or shall be reduced
26 by the amount of the rate decrease, as the case may be, or (ii)

1 in the case of a limiting rate increase, the limiting rate
2 shall be equal to the rate set forth in the proposition
3 approved by the voters for each of the years specified in the
4 proposition, after which the limiting rate of the taxing
5 district shall be calculated as otherwise provided. In the case
6 of a taxing district that obtained referendum approval for an
7 increased limiting rate on March 20, 2012, the limiting rate
8 for tax year 2012 shall be the rate that generates the
9 approximate total amount of taxes extendable for that tax year,
10 as set forth in the proposition approved by the voters; this
11 rate shall be the final rate applied by the county clerk for
12 the aggregate of all capped funds of the district for tax year
13 2012.

14 (Source: P.A. 98-6, eff. 3-29-13; 98-23, eff. 6-17-13; 99-143,
15 eff. 7-27-15; 99-521, eff. 6-1-17.)

16 (35 ILCS 200/18-200)

17 Sec. 18-200. School Code. A school district's State aid
18 shall not be reduced under the computation under subsections
19 5(a) through 5(h) of Part A of Section 18-8 of the School Code
20 or under Section 18-8.15 of the School Code due to the
21 operating tax rate falling from above the minimum requirement
22 of that Section of the School Code to below the minimum
23 requirement of that Section of the School Code due to the
24 operation of this Law.

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

1 (35 ILCS 200/18-206 new)

2 Sec. 18-206. Decrease in extension for educational
3 purposes.

4 (a) Notwithstanding any other provision of law, for those
5 school districts whose adequacy targets, as defined in Section
6 18-8.15 of this Code, exceed 110% for the school year that
7 begins during the calendar year immediately preceding the levy
8 year for which the reduction under this Section is sought, the
9 question of whether the school district shall reduce its
10 extension for educational purposes for the levy year in which
11 the election is held to an amount that is less than the
12 extension for educational purposes for the immediately
13 preceding levy year shall be submitted to the voters of the
14 school district at the next consolidated election but only upon
15 submission of a petition signed by not fewer than 10% of the
16 registered voters in the school district. In no event shall the
17 reduced extension be more than 10% lower than the amount
18 extended for educational purposes in the previous levy year,
19 and in no event shall the reduction cause the school district's
20 adequacy target to fall below 110% for the levy year for which
21 the reduction is sought.

22 (b) The petition shall be filed with the applicable
23 election authority, as defined in Section 1-3 of the Election
24 Code, or, in the case of multiple election authorities, with
25 the State Board of Elections, not more than 10 months nor less

1 than 6 months prior to the election at which the question is to
2 be submitted to the voters, and its validity shall be
3 determined as provided by Article 28 of the Election Code and
4 general election law. The election authority or Board, as
5 applicable, shall certify the question and the proper election
6 authority or authorities shall submit the question to the
7 voters. Except as otherwise provided in this Section, this
8 referendum shall be subject to all other general election law
9 requirements.

10 (c) The proposition seeking to reduce the extension for
11 educational purposes shall be in substantially the following
12 form:

13 Shall the amount extended for educational purposes by
14 (school district) be reduced from (previous levy year's
15 extension) to (proposed extension) for (levy year), but in
16 no event lower than the amount required to maintain an
17 adequacy target of 110%?

18 Votes shall be recorded as "Yes" or "No".

19 If a majority of all votes cast on the proposition are in
20 favor of the proposition, then, for the levy year in which the
21 election is held, the amount extended by the school district
22 for educational purposes shall be reduced as provided in the
23 referendum; however, in no event shall the reduction exceed the
24 amount that would cause the school district to have an adequacy
25 target of 110% for the applicable school year.

26 Once the question is submitted to the voters, then the

1 question may not be submitted again for the same school
2 district at any of the next 2 consolidated elections.

3 (d) For school districts that approve a reduction under
4 this Section, the county clerk shall extend a rate for
5 educational purposes that is no greater than the limiting rate
6 for educational purposes. If the school district is otherwise
7 subject to this Law for the applicable levy year, then, for the
8 levy year in which the reduction occurs, the county clerk shall
9 calculate separate limiting rates for educational purposes and
10 for the aggregate of the school district's other funds.

11 As used in this Section:

12 "School district" means each school district in the State,
13 regardless of whether or not that school district is otherwise
14 subject to this Law.

15 "Limiting rate for educational purposes" means a fraction
16 the numerator of which is the greater of (i) the amount
17 approved by the voters in the referendum under subsection (c)
18 of this Section or (ii) the amount that would cause the school
19 district to have an adequacy target of 110% for the applicable
20 school year, but in no event more than the school district's
21 extension for educational purposes in the immediately
22 preceding levy year, and the denominator of which is the
23 current year's equalized assessed value of all real property
24 under the jurisdiction of the school district during the prior
25 levy year.

1 (35 ILCS 200/18-249)

2 Sec. 18-249. Miscellaneous provisions.

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

9 (b) School Code. A school district's State aid shall not be
10 reduced under the computation under subsections 5(a) through
11 5(h) of Part A of Section 18-8 of the School Code or under
12 Section 18-8.15 of the School Code due to the operating tax
13 rate falling from above the minimum requirement of that Section
14 of the School Code to below the minimum requirement of that
15 Section of the School Code due to the operation of this Law.

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

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

21 Section 930. The Illinois Pension Code is amended by
22 changing Section 17-127 as follows:

23 (40 ILCS 5/17-127) (from Ch. 108 1/2, par. 17-127)

24 Sec. 17-127. Financing; revenues for the Fund.

1 (a) The revenues for the Fund shall consist of: (1) amounts
2 paid into the Fund by contributors thereto and from employer
3 contributions and State appropriations in accordance with this
4 Article; (2) amounts contributed to the Fund by an Employer;
5 (3) amounts contributed to the Fund pursuant to any law now in
6 force or hereafter to be enacted; (4) contributions from any
7 other source; and (5) the earnings on investments.

8 (b) The General Assembly finds that for many years the
9 State has contributed to the Fund an annual amount that is
10 between 20% and 30% of the amount of the annual State
11 contribution to the Article 16 retirement system, and the
12 General Assembly declares that it is its goal and intention to
13 continue this level of contribution to the Fund in the future.

14 (c) Beginning in State fiscal year 1999, the State shall
15 include in its annual contribution to the Fund an additional
16 amount equal to 0.544% of the Fund's total teacher payroll;
17 except that this additional contribution need not be made in a
18 fiscal year if the Board has certified in the previous fiscal
19 year that the Fund is at least 90% funded, based on actuarial
20 determinations. These additional State contributions are
21 intended to offset a portion of the cost to the Fund of the
22 increases in retirement benefits resulting from this
23 amendatory Act of 1998.

24 (d) In addition to any other contribution required under
25 this Article, including the contribution required under
26 subsection (c), the State shall contribute to the Fund the

1 following amounts:

2 (1) For State fiscal year 2018, the State shall
3 contribute \$221,300,000 for the employer normal cost for
4 fiscal year 2018 and the amount allowed under paragraph (3)
5 of Section 17-142.1 of this Code to defray health insurance
6 costs. Funds for this paragraph (1) shall come from funds
7 appropriated for Evidence-Based Funding pursuant to
8 Section 18-8.15 of the School Code.

9 (2) Beginning in State fiscal year 2019, the State
10 shall contribute for each fiscal year an amount to be
11 determined by the Fund, equal to the employer normal cost
12 for that fiscal year, plus the amount allowed pursuant to
13 paragraph (3) of Section 17-142.1 to defray health
14 insurance costs.

15 (e) The Board shall determine the amount of State
16 contributions required for each fiscal year on the basis of the
17 actuarial tables and other assumptions adopted by the Board and
18 the recommendations of the actuary. On or before November 1 of
19 each year, beginning November 1, 2017, the Board shall submit
20 to the State Actuary, the Governor, and the General Assembly a
21 proposed certification of the amount of the required State
22 contribution to the Fund for the next fiscal year, along with
23 all of the actuarial assumptions, calculations, and data upon
24 which that proposed certification is based.

25 On or before January 1 of each year, beginning January 1,
26 2018, the State Actuary shall issue a preliminary report

1 concerning the proposed certification and identifying, if
2 necessary, recommended changes in actuarial assumptions that
3 the Board must consider before finalizing its certification of
4 the required State contributions.

5 (f) On or before January 15, 2018 and each January 15
6 thereafter, the Board shall certify to the Governor and the
7 General Assembly the amount of the required State contribution
8 for the next fiscal year. The certification shall include a
9 copy of the actuarial recommendations upon which it is based
10 and shall specifically identify the Fund's projected employer
11 normal cost for that fiscal year. The Board's certification
12 must note any deviations from the State Actuary's recommended
13 changes, the reason or reasons for not following the State
14 Actuary's recommended changes, and the fiscal impact of not
15 following the State Actuary's recommended changes on the
16 required State contribution.

17 For the purposes of this Article, including issuing
18 vouchers, and for the purposes of subsection (h) of Section 1.1
19 of the State Pension Funds Continuing Appropriation Act, the
20 State contribution specified for State fiscal year 2018 shall
21 be deemed to have been certified, by operation of law and
22 without official action by the Board or the State Actuary, in
23 the amount provided in subsection (c) and subsection (d) of
24 this Section.

25 (g) For State fiscal year 2018, the State Board of
26 Education shall submit vouchers, as directed by the Board, for

1 payment of State contributions to the Fund for the required
2 annual State contribution under subsection (d) of this Section.
3 These vouchers shall be paid by the State Comptroller and
4 Treasurer by warrants drawn on the amount appropriated to the
5 State Board of Education from the Common School Fund in Section
6 5 of Article 97 of Public Act 100-21. If State appropriations
7 for State fiscal year 2018 are less than the amount lawfully
8 vouchered under this subsection, the difference shall be paid
9 from the Common School Fund under the continuing appropriation
10 authority provided in Section 1.1 of the State Pension Funds
11 Continuing Appropriation Act.

12 (h) For State fiscal year 2018, the Board shall submit
13 vouchers for the payment of State contributions to the Fund for
14 the required annual State contribution under subsection (c) of
15 this Section. Beginning in State fiscal year 2019, the Board
16 shall submit vouchers for payment of State contributions to the
17 Fund for the required annual State contribution under
18 subsections (c) and (d) of this Section. These vouchers shall
19 be paid by the State Comptroller and Treasurer by warrants
20 drawn on the funds appropriated to the Fund for that fiscal
21 year. If State appropriations to the Fund for the applicable
22 fiscal year are less than the amount lawfully vouchered under
23 this subsection, the difference shall be paid from the Common
24 School Fund under the continuing appropriation authority
25 provided in Section 1.1 of the State Pension Funds Continuing
26 Appropriation Act.

1 (Source: P.A. 90-548, eff. 12-4-97; 90-566, eff. 1-2-98;
2 90-582, eff. 5-27-98; 90-655, eff. 7-30-98.)

3 Section 935. The State Pension Funds Continuing
4 Appropriation Act is amended by changing Section 1.1 as
5 follows:

6 (40 ILCS 15/1.1)

7 Sec. 1.1. Appropriations to certain retirement systems.

8 (a) There is hereby appropriated from the General Revenue
9 Fund to the General Assembly Retirement System, on a continuing
10 monthly basis, the amount, if any, by which the total available
11 amount of all other appropriations to that retirement system
12 for the payment of State contributions is less than the total
13 amount of the vouchers for required State contributions
14 lawfully submitted by the retirement system for that month
15 under Section 2-134 of the Illinois Pension Code.

16 (b) There is hereby appropriated from the General Revenue
17 Fund to the State Universities Retirement System, on a
18 continuing monthly basis, the amount, if any, by which the
19 total available amount of all other appropriations to that
20 retirement system for the payment of State contributions,
21 including any deficiency in the required contributions of the
22 optional retirement program established under Section 15-158.2
23 of the Illinois Pension Code, is less than the total amount of
24 the vouchers for required State contributions lawfully

1 submitted by the retirement system for that month under Section
2 15-165 of the Illinois Pension Code.

3 (c) There is hereby appropriated from the Common School
4 Fund to the Teachers' Retirement System of the State of
5 Illinois, on a continuing monthly basis, the amount, if any, by
6 which the total available amount of all other appropriations to
7 that retirement system for the payment of State contributions
8 is less than the total amount of the vouchers for required
9 State contributions lawfully submitted by the retirement
10 system for that month under Section 16-158 of the Illinois
11 Pension Code.

12 (d) There is hereby appropriated from the General Revenue
13 Fund to the Judges Retirement System of Illinois, on a
14 continuing monthly basis, the amount, if any, by which the
15 total available amount of all other appropriations to that
16 retirement system for the payment of State contributions is
17 less than the total amount of the vouchers for required State
18 contributions lawfully submitted by the retirement system for
19 that month under Section 18-140 of the Illinois Pension Code.

20 (e) The continuing appropriations provided by subsections
21 (a), (b), (c), and (d) of this Section shall first be available
22 in State fiscal year 1996. The continuing appropriations
23 provided by subsection (h) of this Section shall first be
24 available as provided in that subsection (h).

25 (f) For State fiscal year 2010 only, the continuing
26 appropriations provided by this Section are equal to the amount

1 certified by each System on or before December 31, 2008, less
2 (i) the gross proceeds of the bonds sold in fiscal year 2010
3 under the authorization contained in subsection (a) of Section
4 7.2 of the General Obligation Bond Act and (ii) any amounts
5 received from the State Pensions Fund.

6 (g) For State fiscal year 2011 only, the continuing
7 appropriations provided by this Section are equal to the amount
8 certified by each System on or before April 1, 2011, less (i)
9 the gross proceeds of the bonds sold in fiscal year 2011 under
10 the authorization contained in subsection (a) of Section 7.2 of
11 the General Obligation Bond Act and (ii) any amounts received
12 from the State Pensions Fund.

13 (h) There is hereby appropriated from the Common School
14 Fund to the Public School Teachers' Pension and Retirement Fund
15 of Chicago, on a continuing basis, the amount, if any, by which
16 the total available amount of all other State appropriations to
17 that Retirement Fund for the payment of State contributions
18 under Section 17-127 of the Illinois Pension Code is less than
19 the total amount of the vouchers for required State
20 contributions lawfully submitted by the Retirement Fund or the
21 State Board of Education, under that Section 17-127.

22 (Source: P.A. 96-43, eff. 7-15-09; 96-1497, eff. 1-14-11;
23 96-1511, eff. 1-27-11.)

24 Section 940. The Innovation Development and Economy Act is
25 amended by changing Section 33 as follows:

1 (50 ILCS 470/33)

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

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

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

1 initial equalized assessed value of the district consistent
2 with subsection (c), and a list of the parcel or tax
3 identification number of each parcel of property included in
4 the district.

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

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

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

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

23 (f) Beginning with the assessment year in which the first
24 destination user in the first STAR bond project in a STAR bond
25 district makes its first retail sales and for each assessment
26 year thereafter until final maturity of the last STAR bonds

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

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

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

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

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

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

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

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

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

16 Section 945. The County Economic Development Project Area
17 Property Tax Allocation Act is amended by changing Section 7 as
18 follows:

19 (55 ILCS 85/7) (from Ch. 34, par. 7007)

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

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

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

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

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

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

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

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

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

26 Upon the payment of all economic development project costs,

1 retirement of obligations and the distribution of any excess
2 monies pursuant to this Section and not later than 23 years
3 from the date of adoption of the ordinance adopting property
4 tax allocation financing, 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; however, in relation to one or more contiguous
9 parcels not exceeding a total area of 120 acres within which an
10 electric generating facility is intended to be constructed, and
11 with respect to which the owner of that proposed electric
12 generating facility has entered into a redevelopment agreement
13 with Grundy County on or before July 25, 2017, the ordinance of
14 the county required in this paragraph shall not dissolve the
15 special tax allocation fund for the existing economic
16 development project area and shall only terminate the
17 designation of the economic development project area as to
18 those portions of the economic development project area
19 excluding the area covered by the redevelopment agreement
20 between the owner of the proposed electric generating facility
21 and Grundy County; the county shall adopt an ordinance
22 dissolving the special tax allocation fund for the economic
23 development project area and terminating the designation of the
24 economic development project area as an economic development
25 project area with regard to the electric generating facility
26 property not later than 35 years from the date of adoption of

1 the ordinance adopting property tax allocation financing.
2 Thereafter the rates of the taxing districts shall be extended
3 and taxes levied, collected and distributed in the manner
4 applicable in the absence of the adoption of property tax
5 allocation financing.

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

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

13 Section 950. The County Economic Development Project Area
14 Tax Increment Allocation Act of 1991 is amended by changing
15 Section 50 as follows:

16 (55 ILCS 90/50) (from Ch. 34, par. 8050)

17 Sec. 50. Special tax allocation fund.

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

1 been paid, the ad valorem taxes, if any, arising from the
2 levies upon the taxable real property in the economic
3 development project area by taxing districts and tax rates
4 determined in the manner provided in subsection (b) of Section
5 45 shall be divided as 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 of each
10 taxable lot, block, tract, or parcel of real property
11 existing at the time tax increment financing was adopted
12 shall be allocated to (and when collected shall be paid by
13 the county collector to) the respective affected taxing
14 districts in the manner required by law in the absence of
15 the adoption of tax increment allocation financing.

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

1 incurred in the payment of those costs.

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

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

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

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

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

18 Section 955. The Illinois Municipal Code is amended by
19 changing Sections 11-74.4-3, 11-74.4-8, and 11-74.6-35 as
20 follows:

21 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

22 Sec. 11-74.4-3. Definitions. The following terms, wherever
23 used or referred to in this Division 74.4 shall have the
24 following respective meanings, unless in any case a different

1 meaning clearly appears from the context.

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

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

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

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

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

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

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

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

25 (F) Excessive vacancies. The presence of buildings
26 that are unoccupied or under-utilized and that

1 represent an adverse influence on the area because of
2 the frequency, extent, or duration of the vacancies.

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

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

26 (I) Excessive land coverage and overcrowding of

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

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

24 (K) Environmental clean-up. The proposed
25 redevelopment project area has incurred Illinois
26 Environmental Protection Agency or United States

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

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

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

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

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

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

1 for public utilities.

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

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

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

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

22 (F) The total equalized assessed value of the
23 proposed redevelopment project area has declined for 3
24 of the last 5 calendar years prior to the year in which
25 the redevelopment project area is designated or is
26 increasing at an annual rate that is less than the

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

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

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

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

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

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

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

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

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

23 (b) For any redevelopment project area that has been
24 designated pursuant to this Section by an ordinance adopted
25 prior to November 1, 1999 (the effective date of Public Act
26 91-478), "conservation area" shall have the meaning set forth

1 in this Section prior to that date.

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

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

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

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

1 but not limited to, surface cracking, crumbling, potholes,
2 depressions, loose paving material, and weeds protruding
3 through paved surfaces.

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

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

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

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

1 bathroom facilities, hot water and kitchens, and
2 structural inadequacies preventing ingress and egress to
3 and from all rooms and units within a building.

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

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

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

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

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

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

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

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

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

25 (d) "Industrial park conservation area" means an area
26 within the boundaries of a redevelopment project area located

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

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

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

1 the township's redevelopment plan.

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

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

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

1 business located in the redevelopment project area or State
2 Sales Tax Boundary, as the case may be, during the base year
3 which shall be the calendar year immediately prior to the year
4 in which the municipality adopted tax increment allocation
5 financing. For purposes of computing the aggregate amount of
6 such taxes for base years occurring prior to 1985, the
7 Department of Revenue shall determine the Initial Sales Tax
8 Amounts for such taxes and deduct therefrom an amount equal to
9 4% of the aggregate amount of taxes per year for each year the
10 base year is prior to 1985, but not to exceed a total deduction
11 of 12%. The amount so determined shall be known as the
12 "Adjusted Initial Sales Tax Amounts". For purposes of
13 determining the Municipal Sales Tax Increment, the Department
14 of Revenue shall for each period subtract from the amount paid
15 to the municipality from the Local Government Tax Fund arising
16 from sales by retailers and servicemen on transactions located
17 in the redevelopment project area or the State Sales Tax
18 Boundary, as the case may be, the certified Initial Sales Tax
19 Amounts, the Adjusted Initial Sales Tax Amounts or the Revised
20 Initial Sales Tax Amounts for the Municipal Retailers'
21 Occupation Tax Act and the Municipal Service Occupation Tax
22 Act. For the State Fiscal Year 1989, this calculation shall be
23 made by utilizing the calendar year 1987 to determine the tax
24 amounts received. For the State Fiscal Year 1990, this
25 calculation shall be made by utilizing the period from January
26 1, 1988, until September 30, 1988, to determine the tax amounts

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

21 (i) "Net State Sales Tax Increment" means the sum of the
22 following: (a) 80% of the first \$100,000 of State Sales Tax
23 Increment annually generated within a State Sales Tax Boundary;
24 (b) 60% of the amount in excess of \$100,000 but not exceeding
25 \$500,000 of State Sales Tax Increment annually generated within
26 a State Sales Tax Boundary; and (c) 40% of all amounts in

1 excess of \$500,000 of State Sales Tax Increment annually
2 generated within a State Sales Tax Boundary. If, however, a
3 municipality established a tax increment financing district in
4 a county with a population in excess of 3,000,000 before
5 January 1, 1986, and the municipality entered into a contract
6 or issued bonds after January 1, 1986, but before December 31,
7 1986, to finance redevelopment project costs within a State
8 Sales Tax Boundary, then the Net State Sales Tax Increment
9 means, for the fiscal years beginning July 1, 1990, and July 1,
10 1991, 100% of the State Sales Tax Increment annually generated
11 within a State Sales Tax Boundary; and notwithstanding any
12 other provision of this Act, for those fiscal years the
13 Department of Revenue shall distribute to those municipalities
14 100% of their Net State Sales Tax Increment before any
15 distribution to any other municipality and regardless of
16 whether or not those other municipalities will receive 100% of
17 their Net State Sales Tax Increment. For Fiscal Year 1999, and
18 every year thereafter until the year 2007, for any municipality
19 that has not entered into a contract or has not issued bonds
20 prior to June 1, 1988 to finance redevelopment project costs
21 within a State Sales Tax Boundary, the Net State Sales Tax
22 Increment shall be calculated as follows: By multiplying the
23 Net State Sales Tax Increment by 90% in the State Fiscal Year
24 1999; 80% in the State Fiscal Year 2000; 70% in the State
25 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the
26 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%

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

4 Municipalities that issued bonds in connection with a
5 redevelopment project in a redevelopment project area within
6 the State Sales Tax Boundary prior to July 29, 1991, or that
7 entered into contracts in connection with a redevelopment
8 project in a redevelopment project area before June 1, 1988,
9 shall continue to receive their proportional share of the
10 Illinois Tax Increment Fund distribution until the date on
11 which the redevelopment project is completed or terminated. If,
12 however, a municipality that issued bonds in connection with a
13 redevelopment project in a redevelopment project area within
14 the State Sales Tax Boundary prior to July 29, 1991 retires the
15 bonds prior to June 30, 2007 or a municipality that entered
16 into contracts in connection with a redevelopment project in a
17 redevelopment project area before June 1, 1988 completes the
18 contracts prior to June 30, 2007, then so long as the
19 redevelopment project is not completed or is not terminated,
20 the Net State Sales Tax Increment shall be calculated,
21 beginning on the date on which the bonds are retired or the
22 contracts are completed, as follows: By multiplying the Net
23 State Sales Tax Increment by 60% in the State Fiscal Year 2002;
24 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year
25 2004; 30% in the State Fiscal Year 2005; 20% in the State
26 Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No

1 payment shall be made for State Fiscal Year 2008 and
2 thereafter. Refunding of any bonds issued prior to July 29,
3 1991, shall not alter the Net State Sales Tax Increment.

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

16 (k) "Net State Utility Tax Increment" means the sum of the
17 following: (a) 80% of the first \$100,000 of State Utility Tax
18 Increment annually generated by a redevelopment project area;
19 (b) 60% of the amount in excess of \$100,000 but not exceeding
20 \$500,000 of the State Utility Tax Increment annually generated
21 by a redevelopment project area; and (c) 40% of all amounts in
22 excess of \$500,000 of State Utility Tax Increment annually
23 generated by a redevelopment project area. For the State Fiscal
24 Year 1999, and every year thereafter until the year 2007, for
25 any municipality that has not entered into a contract or has
26 not issued bonds prior to June 1, 1988 to finance redevelopment

1 project costs within a redevelopment project area, the Net
2 State Utility Tax Increment shall be calculated as follows: By
3 multiplying the Net State Utility Tax Increment by 90% in the
4 State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70%
5 in the State Fiscal Year 2001; 60% in the State Fiscal Year
6 2002; 50% in the State Fiscal Year 2003; 40% in the State
7 Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the
8 State Fiscal Year 2006; and 10% in the State Fiscal Year 2007.
9 No payment shall be made for the State Fiscal Year 2008 and
10 thereafter.

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

24 (1) "Obligations" mean bonds, loans, debentures, notes,
25 special certificates or other evidence of indebtedness issued
26 by the municipality to carry out a redevelopment project or to

1 refund outstanding obligations.

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

14 (n) "Redevelopment plan" means the comprehensive program
15 of the municipality for development or redevelopment intended
16 by the payment of redevelopment project costs to reduce or
17 eliminate those conditions the existence of which qualified the
18 redevelopment project area as a "blighted area" or
19 "conservation area" or combination thereof or "industrial park
20 conservation area," and thereby to enhance the tax bases of the
21 taxing districts which extend into the redevelopment project
22 area, provided that, with respect to redevelopment project
23 areas described in subsections (p-1) and (p-2), "redevelopment
24 plan" means the comprehensive program of the affected
25 municipality for the development of qualifying transit
26 facilities. On and after November 1, 1999 (the effective date

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

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

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

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

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

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

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

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

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

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

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

20 The provisions of items (B) and (C) of this subsection (n)
21 shall not apply to a municipality that before March 14, 1994
22 (the effective date of Public Act 88-537) had fixed, either by
23 its corporate authorities or by a commission designated under
24 subsection (k) of Section 11-74.4-4, a time and place for a
25 public hearing as required by subsection (a) of Section
26 11-74.4-5. No redevelopment plan shall be adopted unless a

1 municipality complies with all of the following requirements:

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

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

22 (3) The redevelopment plan establishes the estimated
23 dates of completion of the redevelopment project and
24 retirement of obligations issued to finance redevelopment
25 project costs. Those dates may not be later than the dates
26 set forth under Section 11-74.4-3.5.

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

9 (3.5) The municipality finds, in the case of an
10 industrial park conservation area, also that the
11 municipality is a labor surplus municipality and that the
12 implementation of the redevelopment plan will reduce
13 unemployment, create new jobs and by the provision of new
14 facilities enhance the tax base of the taxing districts
15 that extend into the redevelopment project area.

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

25 (5) If: (a) the redevelopment plan will not result in
26 displacement of residents from 10 or more inhabited

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

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

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

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

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

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

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

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

22 (9) For redevelopment project areas designated prior
23 to November 1, 1999, the redevelopment plan may be amended
24 without further joint review board meeting or hearing,
25 provided that the municipality shall give notice of any
26 such changes by mail to each affected taxing district and

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

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

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

1 blighted area or a conservation area, or a combination of both
2 blighted areas and conservation areas.

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

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

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

1 and a redevelopment project. Such costs include, without
2 limitation, the following:

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

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

5 (1.5) After July 1, 1999, annual administrative costs
6 shall not include general overhead or administrative costs
7 of the municipality that would still have been incurred by
8 the municipality if the municipality had not designated a
9 redevelopment project area or approved a redevelopment
10 plan;

11 (1.6) The cost of marketing sites within the
12 redevelopment project area to prospective businesses,
13 developers, and investors;

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

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

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

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

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

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

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

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

25 (7.5) For redevelopment project areas designated (or
26 redevelopment project areas amended to add or increase the

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

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

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

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

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

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

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

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

1 this Act;

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

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

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

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

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

25 (iii) the amount reimbursed may not affect
26 amounts otherwise obligated by the terms of any

1 bonds, notes, or other funding instruments, or the
2 terms of any redevelopment agreement.

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

19 (7.7) For redevelopment project areas designated (or
20 redevelopment project areas amended to add or increase the
21 number of tax-increment-financing assisted housing units)
22 on or after January 1, 2005 (the effective date of Public
23 Act 93-961), a public library district's increased costs
24 attributable to assisted housing units located within the
25 redevelopment project area for which the developer or
26 redeveloper receives financial assistance through an

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

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

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

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

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

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

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

12 (9) Payment in lieu of taxes;

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

1 limited to the number of employees to be trained, a
2 description of the training and services to be provided,
3 the number and type of positions available or to be
4 available, itemized costs of the program and sources of
5 funds to pay for the same, and the term of the agreement.
6 Such costs include, specifically, the payment by community
7 college districts of costs pursuant to Sections 3-37, 3-38,
8 3-40 and 3-40.1 of the Public Community College Act and by
9 school districts of costs pursuant to Sections 10-22.20a
10 and 10-23.3a of the ~~The~~ School Code;

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

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

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

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

26 (D) the total of such interest payments paid

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

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

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

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

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

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

17 (11.5) If the redevelopment project area is located
18 within a municipality with a population of more than
19 100,000, the cost of day care services for children of
20 employees from low-income families working for businesses
21 located within the redevelopment project area and all or a
22 portion of the cost of operation of day care centers
23 established by redevelopment project area businesses to
24 serve employees from low-income families working in
25 businesses located in the redevelopment project area. For
26 the purposes of this paragraph, "low-income families"

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

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

10 ~~(13)~~ After November 1, 1999 (the effective date of Public
11 Act 91-478), none of the redevelopment project costs enumerated
12 in this subsection shall be eligible redevelopment project
13 costs if those costs would provide direct financial support to
14 a retail entity initiating operations in the redevelopment
15 project area while terminating operations at another Illinois
16 location within 10 miles of the redevelopment project area but
17 outside the boundaries of the redevelopment project area
18 municipality. For purposes of this paragraph, termination
19 means a closing of a retail operation that is directly related
20 to the opening of the same operation or like retail entity
21 owned or operated by more than 50% of the original ownership in
22 a redevelopment project area, but it does not mean closing an
23 operation for reasons beyond the control of the retail entity,
24 as documented by the retail entity, subject to a reasonable
25 finding by the municipality that the current location contained
26 inadequate space, had become economically obsolete, or was no

1 longer a viable location for the retailer or serviceman.

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

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

23 (q-1) For redevelopment project areas created pursuant to
24 subsection (p-1), redevelopment project costs are limited to
25 those costs in paragraph (q) that are related to the existing
26 or proposed Regional Transportation Authority Suburban Transit

1 Access Route (STAR Line) station.

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

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

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

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

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

25 (t) "Taxing districts" means counties, townships, cities
26 and incorporated towns and villages, school, road, park,

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (3) The municipal clerk has certified to the county

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

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

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

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

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

1 municipality shall be dissolved.

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

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

1 assessed value or "current equalized assessed value as
2 adjusted" or the initial equalized assessed value of
3 each such taxable lot, block, tract, or parcel of real
4 property existing at the time tax increment financing
5 was adopted, minus the total current homestead
6 exemptions under Article 15 of the Property Tax Code in
7 the redevelopment project area shall be allocated to
8 and when collected shall be paid by the county
9 collector to the respective affected taxing districts
10 in the manner required by law in the absence of the
11 adoption of tax increment allocation 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 to the
23 municipal Treasurer, who shall deposit said taxes into
24 a special fund called the special tax allocation fund
25 of the municipality for the purpose of paying
26 redevelopment project costs and obligations incurred

1 in the payment thereof.

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

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

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

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

1 property taxes from real property in the redevelopment
2 project area.

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

1 adoption of tax increment allocation financing.

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

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

1 absence of the adoption of tax increment allocation
2 financing.

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

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

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

1 purpose of paying redevelopment project costs and
2 obligations incurred in the payment thereof; and
3 then

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

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

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

17 (65 ILCS 5/11-74.6-35)

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

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

1 subsection (b) of Section 11-74.6-40 each year after the
2 effective date of the ordinance until redevelopment project
3 costs and all municipal obligations financing redevelopment
4 project costs incurred under this Act have been paid shall be
5 divided as 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 taxable
11 lot, block, tract or parcel of real property in the
12 redevelopment project area shall be allocated to and when
13 collected shall be paid by the county collector to the
14 respective affected taxing districts in the manner
15 required by law without regard to the adoption of tax
16 increment allocation financing.

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

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

24 (A) The total equalized assessed value of the
25 redevelopment project area as last determined was not
26 less than 175% of the total initial equalized assessed

1 value.

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

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

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

1 county. The refund shall be limited to the amount of the
2 overpayment.

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

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

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

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

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

1 the payment thereof.

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

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

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

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

24 Upon the payment of all redevelopment project costs,
25 retirement of obligations and the distribution of any excess
26 moneys under this Section, the municipality shall adopt an

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

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

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

16 Section 960. The Economic Development Project Area Tax
17 Increment Allocation Act of 1995 is amended by changing Section
18 50 as follows:

19 (65 ILCS 110/50)

20 Sec. 50. Special tax allocation fund.

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

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

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

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

1 shall deposit the taxes into a special fund (called the
2 special tax allocation fund of the municipality) for the
3 purpose of paying economic development project costs and
4 obligations incurred in the payment of those costs.

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

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

1 by the county collector to those taxing districts of real
2 property taxes from real property in the economic development
3 project area.

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

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

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

23 Section 965. The School Code is amended by changing
24 Sections 1A-8, 1B-5, 1B-6, 1B-7, 1B-8, 1C-1, 1C-2, 1D-1, 1E-20,
25 1F-20, 1F-62, 1H-20, 1H-70, 2-3.25g, 2-3.33, 2-3.51.5, 2-3.66,

1 2-3.66b, 2-3.84, 2-3.109a, 3-14.21, 7-14A, 10-17a, 10-19,
2 10-22.5a, 10-22.20, 10-29, 11E-135, 13A-8, 13B-20.20, 13B-45,
3 13B-50, 13B-50.10, 13B-50.15, 14-7.02b, 14-13.01, 14C-1,
4 14C-12, 17-1, 17-1.2, 17-1.5, 17-2.11, 17-2A, 18-4.3, 18-8.05,
5 18-8.10, 18-9, 18-12, 26-16, 27-6, 27-7, 27-8.1, 27-24.2,
6 27A-9, 27A-11, 29-5, 34-2.3, 34-18, 34-18.30, 34-43.1, and
7 34-53 and by adding Sections 2-3.170, 17-3.6, and 18-8.15 as
8 follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 provided in this School Code.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

23 (a) to sue and be sued;

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

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

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

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

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

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

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

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

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

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

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

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

1 judgment the circumstances so require;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 authority;

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

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

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

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

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

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

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

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

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

1 amount determined by the State Superintendent.

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

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

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

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

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

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

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

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

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

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

11 (105 ILCS 5/1C-2)

12 Sec. 1C-2. Block grants.

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

21 (b) (Blank).

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

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

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

1 (105 ILCS 5/1D-1)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

18 (105 ILCS 5/1E-20)

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

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

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

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

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

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

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

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

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

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

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

17 (105 ILCS 5/1F-20)

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

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

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

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

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

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

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

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

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

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

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

16 (105 ILCS 5/1F-62)

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

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

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

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

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

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

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

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

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

26 All loan payments made from the School District Emergency

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

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

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

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

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

11 (105 ILCS 5/1H-20)

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

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

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

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

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

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

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

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

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

1 (105 ILCS 5/1H-70)

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

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

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

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

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

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

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

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

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

5 (105 ILCS 5/2-3.25g) (from Ch. 122, par. 2-3.25g)

6 Sec. 2-3.25g. Waiver or modification of mandates within the
7 School Code and administrative rules and regulations.

8 (a) In this Section:

9 "Board" means a school board or the governing board or
10 administrative district, as the case may be, for a joint
11 agreement.

12 "Eligible applicant" means a school district, joint
13 agreement made up of school districts, or regional
14 superintendent of schools on behalf of schools and programs
15 operated by the regional office of education.

16 "Implementation date" has the meaning set forth in
17 Section 24A-2.5 of this Code.

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

19 (b) Notwithstanding any other provisions of this School
20 Code or any other law of this State to the contrary, eligible
21 applicants may petition the State Board of Education for the
22 waiver or modification of the mandates of this School Code or
23 of the administrative rules and regulations promulgated by the
24 State Board of Education. Waivers or modifications of
25 administrative rules and regulations and modifications of

1 mandates of this School Code may be requested when an eligible
2 applicant demonstrates that it can address the intent of the
3 rule or mandate in a more effective, efficient, or economical
4 manner or when necessary to stimulate innovation or improve
5 student performance. Waivers of mandates of the School Code may
6 be requested when the waivers are necessary to stimulate
7 innovation or improve student performance or when the applicant
8 demonstrates that it can address the intent of the mandate of
9 the School Code in a more effective, efficient, or economical
10 manner. Waivers may not be requested from laws, rules, and
11 regulations pertaining to special education, teacher educator
12 licensure, teacher tenure and seniority, or Section 5-2.1 of
13 this Code or from compliance with the Every Student Succeeds
14 Act (Public Law 114-95) No Child Left Behind Act of 2001
15 ~~(Public Law 107-110)~~. Eligible applicants may not seek a waiver
16 or seek a modification of a mandate regarding the requirements
17 for (i) student performance data to be a significant factor in
18 teacher or principal evaluations or (ii) teachers and
19 principals to be rated using the 4 categories of "excellent",
20 "proficient", "needs improvement", or "unsatisfactory". On
21 September 1, 2014, any previously authorized waiver or
22 modification from such requirements shall terminate.

23 (c) Eligible applicants, as a matter of inherent managerial
24 policy, and any Independent Authority established under
25 Section 2-3.25f-5 of this Code may submit an application for a
26 waiver or modification authorized under this Section. Each

1 application must include a written request by the eligible
2 applicant or Independent Authority and must demonstrate that
3 the intent of the mandate can be addressed in a more effective,
4 efficient, or economical manner or be based upon a specific
5 plan for improved student performance and school improvement.
6 Any eligible applicant requesting a waiver or modification for
7 the reason that intent of the mandate can be addressed in a
8 more economical manner shall include in the application a
9 fiscal analysis showing current expenditures on the mandate and
10 projected savings resulting from the waiver or modification.
11 Applications and plans developed by eligible applicants must be
12 approved by the board or regional superintendent of schools
13 applying on behalf of schools or programs operated by the
14 regional office of education following a public hearing on the
15 application and plan and the opportunity for the board or
16 regional superintendent to hear testimony from staff directly
17 involved in its implementation, parents, and students. The time
18 period for such testimony shall be separate from the time
19 period established by the eligible applicant for public comment
20 on other matters. ~~If the applicant is a school district or
21 joint agreement requesting a waiver or modification of Section
22 27-6 of this Code, the public hearing shall be held on a day
23 other than the day on which a regular meeting of the board is
24 held.~~

25 (c-5) If the applicant is a school district, then the
26 district shall post information that sets forth the time, date,

1 place, and general subject matter of the public hearing on its
2 Internet website at least 14 days prior to the hearing. If the
3 district is requesting to increase the fee charged for driver
4 education authorized pursuant to Section 27-24.2 of this Code,
5 the website information shall include the proposed amount of
6 the fee the district will request. All school districts must
7 publish a notice of the public hearing at least 7 days prior to
8 the hearing in a newspaper of general circulation within the
9 school district that sets forth the time, date, place, and
10 general subject matter of the hearing. Districts requesting to
11 increase the fee charged for driver education shall include in
12 the published notice the proposed amount of the fee the
13 district will request. If the applicant is a joint agreement or
14 regional superintendent, then the joint agreement or regional
15 superintendent shall post information that sets forth the time,
16 date, place, and general subject matter of the public hearing
17 on its Internet website at least 14 days prior to the hearing.
18 If the joint agreement or regional superintendent is requesting
19 to increase the fee charged for driver education authorized
20 pursuant to Section 27-24.2 of this Code, the website
21 information shall include the proposed amount of the fee the
22 applicant will request. All joint agreements and regional
23 superintendents must publish a notice of the public hearing at
24 least 7 days prior to the hearing in a newspaper of general
25 circulation in each school district that is a member of the
26 joint agreement or that is served by the educational service

1 region that sets forth the time, date, place, and general
2 subject matter of the hearing, provided that a notice appearing
3 in a newspaper generally circulated in more than one school
4 district shall be deemed to fulfill this requirement with
5 respect to all of the affected districts. Joint agreements or
6 regional superintendents requesting to increase the fee
7 charged for driver education shall include in the published
8 notice the proposed amount of the fee the applicant will
9 request. The eligible applicant must notify in writing the
10 affected exclusive collective bargaining agent and those State
11 legislators representing the eligible applicant's territory of
12 its intent to seek approval of a waiver or modification and of
13 the hearing to be held to take testimony from staff. The
14 affected exclusive collective bargaining agents shall be
15 notified of such public hearing at least 7 days prior to the
16 date of the hearing and shall be allowed to attend such public
17 hearing. The eligible applicant shall attest to compliance with
18 all of the notification and procedural requirements set forth
19 in this Section.

20 (d) A request for a waiver or modification of
21 administrative rules and regulations or for a modification of
22 mandates contained in this School Code shall be submitted to
23 the State Board of Education within 15 days after approval by
24 the board or regional superintendent of schools. The
25 application as submitted to the State Board of Education shall
26 include a description of the public hearing. ~~Except with~~

1 ~~respect to contracting for adaptive driver education, an~~
2 ~~eligible applicant wishing to request a modification or waiver~~
3 ~~of administrative rules of the State Board of Education~~
4 ~~regarding contracting with a commercial driver training school~~
5 ~~to provide the course of study authorized under Section 27-24.2~~
6 ~~of this Code must provide evidence with its application that~~
7 ~~the commercial driver training school with which it will~~
8 ~~contract holds a license issued by the Secretary of State under~~
9 ~~Article IV of Chapter 6 of the Illinois Vehicle Code and that~~
10 ~~each instructor employed by the commercial driver training~~
11 ~~school to provide instruction to students served by the school~~
12 ~~district holds a valid teaching certificate or teaching~~
13 ~~license, as applicable, issued under the requirements of this~~
14 ~~Code and rules of the State Board of Education. Such evidence~~
15 ~~must include, but need not be limited to, a list of each~~
16 ~~instructor assigned to teach students served by the school~~
17 ~~district, which list shall include the instructor's name,~~
18 ~~personal identification number as required by the State Board~~
19 ~~of Education, birth date, and driver's license number. If the~~
20 ~~modification or waiver is granted, then the eligible applicant~~
21 ~~shall notify the State Board of Education of any changes in the~~
22 ~~personnel providing instruction within 15 calendar days after~~
23 ~~an instructor leaves the program or a new instructor is hired.~~
24 ~~Such notification shall include the instructor's name,~~
25 ~~personal identification number as required by the State Board~~
26 ~~of Education, birth date, and driver's license number. If a~~

1 ~~school district maintains an Internet website, then the~~
2 ~~district shall post a copy of the final contract between the~~
3 ~~district and the commercial driver training school on the~~
4 ~~district's Internet website. If no Internet website exists,~~
5 ~~then the district shall make available the contract upon~~
6 ~~request. A record of all materials in relation to the~~
7 ~~application for contracting must be maintained by the school~~
8 ~~district and made available to parents and guardians upon~~
9 ~~request. The instructor's date of birth and driver's license~~
10 ~~number and any other personally identifying information as~~
11 ~~deemed by the federal Driver's Privacy Protection Act of 1994~~
12 ~~must be redacted from any public materials.~~ Following receipt
13 of the waiver or modification request, the State Board shall
14 have 45 days to review the application and request. If the
15 State Board fails to disapprove the application within that 45
16 day period, the waiver or modification shall be deemed granted.
17 The State Board may disapprove any request if it is not based
18 upon sound educational practices, endangers the health or
19 safety of students or staff, compromises equal opportunities
20 for learning, or fails to demonstrate that the intent of the
21 rule or mandate can be addressed in a more effective,
22 efficient, or economical manner or have improved student
23 performance as a primary goal. Any request disapproved by the
24 State Board may be appealed to the General Assembly by the
25 eligible applicant as outlined in this Section.

26 A request for a waiver from mandates contained in this

1 School Code shall be submitted to the State Board within 15
2 days after approval by the board or regional superintendent of
3 schools. The application as submitted to the State Board of
4 Education shall include a description of the public hearing.
5 The description shall include, but need not be limited to, the
6 means of notice, the number of people in attendance, the number
7 of people who spoke as proponents or opponents of the waiver, a
8 brief description of their comments, and whether there were any
9 written statements submitted. The State Board shall review the
10 applications and requests for completeness and shall compile
11 the requests in reports to be filed with the General Assembly.
12 The State Board shall file reports outlining the waivers
13 requested by eligible applicants and appeals by eligible
14 applicants of requests disapproved by the State Board with the
15 Senate and the House of Representatives before each March 1 and
16 October 1.

17 The report shall be reviewed by a panel of 4 members
18 consisting of:

19 (1) the Speaker of the House of Representatives;

20 (2) the Minority Leader of the House of
21 Representatives;

22 (3) the President of the Senate; and

23 (4) the Minority Leader of the Senate.

24 The State Board of Education may provide the panel
25 recommendations on waiver requests. The members of the panel
26 shall review the report submitted by the State Board of

1 Education and submit to the State Board of Education any notice
2 of further consideration to any waiver request within 14 days
3 after the member receives the report. If 3 or more of the panel
4 members submit a notice of further consideration to any waiver
5 request contained within the report, the State Board of
6 Education shall submit the waiver request to the General
7 Assembly for consideration. If less than 3 panel members submit
8 a notice of further consideration to a waiver request, the
9 waiver may be approved, denied, or modified by the State Board.
10 If the State Board does not act on a waiver request within 10
11 days, then the waiver request is approved. If the waiver
12 request is denied by the State Board, it shall submit the
13 waiver request to the General Assembly for consideration.

14 The General Assembly may disapprove any waiver request
15 submitted to the General Assembly pursuant to this subsection
16 (d) the report of the State Board in whole or in part within 60
17 calendar days after each house of the General Assembly next
18 convenes after the waiver request is submitted ~~report is filed~~
19 by adoption of a resolution by a record vote of the majority of
20 members elected in each house. If the General Assembly fails to
21 disapprove any waiver request or appealed request within such
22 60 day period, the waiver or modification shall be deemed
23 granted. Any resolution adopted by the General Assembly
24 disapproving a report of the State Board in whole or in part
25 shall be binding on the State Board.

26 (e) An approved waiver or modification ~~(except a waiver~~

1 ~~from or modification to a physical education mandate)~~ may
2 remain in effect for a period not to exceed 5 school years and
3 may be renewed upon application by the eligible applicant.
4 However, such waiver or modification may be changed within that
5 5-year period by a board or regional superintendent of schools
6 applying on behalf of schools or programs operated by the
7 regional office of education following the procedure as set
8 forth in this Section for the initial waiver or modification
9 request. If neither the State Board of Education nor the
10 General Assembly disapproves, the change is deemed granted.

11 ~~An approved waiver from or modification to a physical~~
12 ~~education mandate may remain in effect for a period not to~~
13 ~~exceed 2 school years and may be renewed no more than 2 times~~
14 ~~upon application by the eligible applicant. An approved waiver~~
15 ~~from or modification to a physical education mandate may be~~
16 ~~changed within the 2 year period by the board or regional~~
17 ~~superintendent of schools, whichever is applicable, following~~
18 ~~the procedure set forth in this Section for the initial waiver~~
19 ~~or modification request. If neither the State Board of~~
20 ~~Education nor the General Assembly disapproves, the change is~~
21 ~~deemed granted.~~

22 (f) (Blank).

23 (Source: P.A. 98-513, eff. 1-1-14; 98-739, eff. 7-16-14;
24 98-1155, eff. 1-9-15; 99-78, eff. 7-20-15.)

25 (105 ILCS 5/2-3.33) (from Ch. 122, par. 2-3.33)

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

23 Except in the case of an adverse court or administrative
24 agency decision, no recomputation of a State aid claim shall be
25 made pursuant to this Section as a result of a reduction in the
26 assessed valuation of a school district from the assessed

1 valuation of the district reported to the State Board of
2 Education by the Department of Revenue under Section 18-8.05 or
3 18-8.15 of this Code unless the requirements of Section 16-15
4 of the Property Tax Code and Section 2-3.84 of this Code are
5 complied with in all respects.

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

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

1 following fiscal year.

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

3 (105 ILCS 5/2-3.51.5)

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

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

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

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

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

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

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

1 (105 ILCS 5/2-3.66) (from Ch. 122, par. 2-3.66)

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

1 not be limited to, evening school, summer school, community
2 college courses, adult education, preparation courses for high
3 school equivalency testing, vocational training, work
4 experience, programs to enhance self concept and parenting
5 courses. School districts which are awarded grants pursuant to
6 this Section shall be authorized to provide day care services
7 to children of students who are eligible and desire to enroll
8 in programs established and funded under this Section, but only
9 if and to the extent that such day care is necessary to enable
10 those eligible students to attend and participate in the
11 programs and courses which are conducted pursuant to this
12 Section. School districts and regional offices of education may
13 claim general State aid under Section 18-8.05 or evidence-based
14 funding under Section 18-8.15 for students enrolled in truants'
15 alternative and optional education programs, provided that
16 such students are receiving services that are supplemental to a
17 program leading to a high school diploma and are otherwise
18 eligible to be claimed for general State aid under Section
19 18-8.05 or evidence-based funding under Section 18-8.15, as
20 applicable.

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

22 (105 ILCS 5/2-3.66b)

23 Sec. 2-3.66b. IHOPE Program.

24 (a) There is established the Illinois Hope and Opportunity
25 Pathways through Education (IHOPE) Program. The State Board of

1 Education shall implement and administer the IHOPE Program. The
2 goal of the IHOPE Program is to develop a comprehensive system
3 in this State to re-enroll significant numbers of high school
4 dropouts in programs that will enable them to earn their high
5 school diploma.

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

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

22 Programs funded through the IHOPE Program shall allow high
23 school dropouts, up to and including age 21 notwithstanding
24 Section 26-2 of this Code, to re-enroll in an educational
25 program in conformance with rules adopted by the State Board of
26 Education. Programs may include without limitation

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

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

26 (d) A regional office of education or a school district

1 organized under Article 34 of this Code may operate its own
2 program funded by the IHOPE Program or enter into a contract
3 with other not-for-profit entities, including school
4 districts, public community colleges, and not-for-profit
5 community-based organizations, to operate a program.

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

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

23 A regional office of education or a school district
24 organized under Article 34 of this Code may claim State aid
25 under Section 18-8.05 or 18-8.15 of this Code for students
26 enrolled in a program funded by the IHOPE Program, provided

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

11 (f) IHOPE categories of programming may include the
12 following:

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

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

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

25 (4) Dual enrollment in which students attend high
26 school classes in combination with community college

1 classes or students attend community college classes while
2 simultaneously earning high school credit and eventually a
3 high school diploma.

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

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

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

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

19 (4) Voluntary enrollment.

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

24 (6) Comprehensive programs providing extensive support
25 services.

26 (7) Small teams of students supported by full-time paid

1 mentors who work to retain and help those students
2 graduate.

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

6 (9) Learning opportunities that incorporate action
7 into study.

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

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

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

21 (105 ILCS 5/2-3.84) (from Ch. 122, par. 2-3.84)

22 Sec. 2-3.84. In calculating the amount of State aid to be
23 apportioned to the various school districts in this State, the
24 State Board of Education shall incorporate and deduct the total
25 aggregate adjustments to assessments made by the State Property

1 Tax Appeal Board or Cook County Board of Appeals, as reported
2 pursuant to Section 16-15 of the Property Tax Code or Section
3 129.1 of the Revenue Act of 1939 by the Department of Revenue,
4 from the equalized assessed valuation that is otherwise to be
5 utilized in the initial calculation.

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

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

19 (105 ILCS 5/2-3.109a)

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

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

2 (105 ILCS 5/2-3.170 new)

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

4 (a) As used in this Section,

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

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

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

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

18 (c) By August 1 of each year, the State Board shall publish
19 an estimated threshold unit equivalent tax rate. School
20 districts whose adjusted operating tax rate, as defined in this
21 Section, is greater than the estimated threshold unit
22 equivalent tax rate are eligible for relief under this Section.
23 This estimated tax rate shall be based on the most recent
24 available data provided by school districts pursuant to Section
25 18-8.15 of this Code. The State Board shall estimate this

1 property tax rate based on the amount appropriated to the grant
2 program and the assumption that a set of school districts,
3 based on criteria established by the State Board, will apply
4 for grants under this Section. The criteria shall be based on
5 reasonable assumptions about when school districts will apply
6 for the grant.

7 (d) School districts seeking grants under this Section
8 shall apply to the State Board by October 1 of each year. All
9 applications to the State Board for grants shall include the
10 amount of the grant requested.

11 (e) By December 1 of each year, based on the most recent
12 available data provided by school districts pursuant to Section
13 18-8.15 of this Code, the State Board shall calculate the unit
14 equivalent tax rate, based on the applications received by the
15 State Board, above which the appropriations are sufficient to
16 provide relief and publish a list of the school districts
17 eligible for relief.

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

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

25 (h) The total grant to a school district under this Section
26 shall be calculated based on the total amount of reduction in

1 the school district's aggregate extension, up to a limit of 1%
2 of a district's equalized assessed value for a unit school
3 district, 0.69% for an elementary school district, and 0.31%
4 for a high school district, multiplied by the property tax
5 multiplier or the amount that the unit equivalent tax rate is
6 greater than the rate determined by the State Board, whichever
7 is less.

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

11 (j) The State Board shall prioritize payments under Section
12 18-8.15 of this Code over payments under this Section, if
13 necessary.

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

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

23 (105 ILCS 5/3-14.21) (from Ch. 122, par. 3-14.21)

24 Sec. 3-14.21. Inspection of schools.

25 (a) The regional superintendent shall inspect and survey

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

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

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

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

26 (d) If a municipality or, in the case of an unincorporated

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

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

9 (105 ILCS 5/7-14A) (from Ch. 122, par. 7-14A)

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

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

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

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

18 Sec. 10-17a. State, school district, and school report
19 cards.

20 (1) By October 31, 2013 and October 31 of each subsequent
21 school year, the State Board of Education, through the State
22 Superintendent of Education, shall prepare a State report card,
23 school district report cards, and school report cards, and
24 shall by the most economic means provide to each school
25 district in this State, including special charter districts and

1 districts subject to the provisions of Article 34, the report
2 cards for the school district and each of its schools.

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

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

20 (B) curriculum information, including, where
21 applicable, Advanced Placement, International
22 Baccalaureate or equivalent courses, dual enrollment
23 courses, foreign language classes, school personnel
24 resources (including Career Technical Education teachers),
25 before and after school programs, extracurricular
26 activities, subjects in which elective classes are

1 offered, health and wellness initiatives (including the
2 average number of days of Physical Education per week per
3 student), approved programs of study, awards received,
4 community partnerships, and special programs such as
5 programming for the gifted and talented, students with
6 disabilities, and work-study students;

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

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

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

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

21 (G) a school district's Final Percent of Adequacy, as
22 defined in paragraph (4) of subsection (f) of Section
23 18-8.15 of this Code;

24 (H) a school district's Local Capacity Target, as
25 defined in paragraph (2) of subsection (c) of Section
26 18-8.15 of this Code, displayed as a percentage amount; and

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

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

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

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

26 (5) Annually, no more than 30 calendar days after receipt

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

20 (6) Nothing contained in this amendatory Act of the 98th
21 General Assembly repeals, supersedes, invalidates, or
22 nullifies final decisions in lawsuits pending on the effective
23 date of this amendatory Act of the 98th General Assembly in
24 Illinois courts involving the interpretation of Public Act
25 97-8.

26 (Source: P.A. 98-463, eff. 8-16-13; 98-648, eff. 7-1-14; 99-30,

1 eff. 7-10-15; 99-193, eff. 7-30-15; 99-642, eff. 7-28-16.)

2 (105 ILCS 5/10-19) (from Ch. 122, par. 10-19)

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

1 from employing superintendents of schools, principals and
2 other nonteaching personnel for a period of 12 months, or in
3 the case of superintendents for a period in accordance with
4 Section 10-23.8, or prevents the board from employing other
5 personnel before or after the regular school term with payment
6 of salary proportionate to that received for comparable work
7 during the school term.

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

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

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

1 this Section as respects numbers of days of actual pupil
2 attendance and with the other requirements of this Act as
3 respects courses of instruction.

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

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

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

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

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

1 transportation services due to the attendance of such
2 non-resident pupils.

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

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

1 its program on account of the person's race, color, sex,
2 religion or nationality.

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

4 (105 ILCS 5/10-22.20) (from Ch. 122, par. 10-22.20)

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

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

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

1 such instruction. The expenses thus incurred shall be subject
2 to State reimbursement, as provided in this Section. The board
3 may make a tuition charge for persons taking instruction who
4 are not subject to State reimbursement, such tuition charge not
5 to exceed the per capita cost of such classes.

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

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

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

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

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

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

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

23 (c) Upon the annual approval of the Illinois Community
24 College Board, reimbursement shall be first provided for
25 transportation, child care services, and other special needs of
26 the students directly related to instruction and then from the

1 funds remaining an amount equal to the product of the total
2 credit hours or units of instruction approved by the Illinois
3 Community College Board, multiplied by the following:

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

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

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

23 (4) (Blank); and

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

26 (d) Upon its annual approval, the Illinois Community

1 College Board shall provide grants to eligible programs for
2 supplemental activities to improve or expand services under the
3 Adult Education Act. Eligible programs shall be determined
4 based upon performance outcomes of students in the programs as
5 set by the Illinois Community College Board.

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

8 If the amount appropriated to the Illinois Community
9 College Board for reimbursement under this Section is less than
10 the amount required under this Act, the apportionment shall be
11 proportionately reduced.

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

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

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

26 For classes authorized under this Section, a credit hour or

1 unit of instruction is equal to 15 hours of direct instruction
2 for students enrolled in approved adult education programs at
3 midterm and making satisfactory progress, in accordance with
4 standards established by the Illinois Community College Board.

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

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

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

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

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

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

25 After July 1, 1970 when the provisions of Section 10-20.20
26 become operative in the district, children in a child-care

1 facility shall be transferred to the kindergarten established
2 under that Section for such portion of the day as may be
3 required for the kindergarten program, and only the prorated
4 costs of care and training provided in the Center for the
5 remaining period shall be charged to the Illinois Department of
6 Human Services or other persons or agencies paying for such
7 care.

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

10 (j) In addition to claiming reimbursement under this
11 Section, a school district may claim general State aid under
12 Section 18-8.05 or evidence-based funding under Section
13 18-8.15 for any student under age 21 who is enrolled in courses
14 accepted for graduation from elementary or high school and who
15 otherwise meets the requirements of Section 18-8.05 or 18-8.15,
16 as applicable.

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

18 (105 ILCS 5/10-29)

19 Sec. 10-29. Remote educational programs.

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

24 (1) A student may participate in the program only after
25 the school district, pursuant to adopted school board

1 policy, and a person authorized to enroll the student under
2 Section 10-20.12b of this Code determine that a remote
3 educational program will best serve the student's
4 individual learning needs. The adopted school board policy
5 shall include, but not be limited to, all of the following:

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

11 (B) Any limitations on the number of students or
12 grade levels that may participate in a remote
13 educational program.

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

24 (D) A description of the process the school
25 district will use to develop and approve a written
26 remote educational plan that meets the requirements of

1 subdivision (5) of this subsection (a).

2 (E) A description of the system the school district
3 will establish to calculate the number of clock hours a
4 student is participating in instruction in accordance
5 with the remote educational program.

6 (F) A description of the process for renewing a
7 remote educational program at the expiration of its
8 term.

9 (G) Such other terms and provisions as the school
10 district deems necessary to provide for the
11 establishment and delivery of a remote educational
12 program.

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

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

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

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

24 (C) they have responsibility for all of the
25 following elements of the program: planning
26 instruction, diagnosing learning needs, prescribing

1 content delivery through class activities, assessing
2 learning, reporting outcomes to administrators and
3 parents and guardians, and evaluating the effects of
4 instruction.

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

23 (5) Each student participating in a remote educational
24 program must have a written remote educational plan that
25 has been approved by the school district and a person
26 authorized to enroll the student under Section 10-20.12b of

1 this Code. The school district and a person authorized to
2 enroll the student under Section 10-20.12b of this Code
3 must approve any amendment to a remote educational plan.
4 The remote educational plan must include, but is not
5 limited to, all of the following:

6 (A) Specific achievement goals for the student
7 aligned to State learning standards.

8 (B) A description of all assessments that will be
9 used to measure student progress, which description
10 shall indicate the assessments that will be
11 administered at an attendance center within the school
12 district.

13 (C) A description of the progress reports that will
14 be provided to the school district and the person or
15 persons authorized to enroll the student under Section
16 10-20.12b of this Code.

17 (D) Expectations, processes, and schedules for
18 interaction between a teacher and student.

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

26 (F) If applicable, a description of how the remote

1 educational program will be delivered in a manner
2 consistent with the student's individualized education
3 program required by Section 614(d) of the federal
4 Individuals with Disabilities Education Improvement
5 Act of 2004 or plan to ensure compliance with Section
6 504 of the federal Rehabilitation Act of 1973.

7 (G) A description of the procedures and
8 opportunities for participation in academic and
9 extra-curricular activities and programs within the
10 school district.

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

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

26 (J) The term of the student's participation in the

1 remote educational program, which may not extend for
2 longer than 12 months, unless the term is renewed by
3 the district in accordance with subdivision (7) of this
4 subsection (a).

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

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

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

1 student must be included within all accountability
2 determinations for the school district and attendance
3 center under State and federal law.

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

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

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

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

1 (d) The impact of remote educational programs on wages,
2 hours, and terms and conditions of employment of educational
3 employees within the school district shall be subject to local
4 collective bargaining agreements.

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

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

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

22 (h) The State Board of Education may adopt any rules
23 necessary to ensure compliance by remote educational programs
24 with the requirements of this Section and other applicable
25 legal requirements.

26 (Source: P.A. 98-972, eff. 8-15-14; 99-193, eff. 7-30-15;

1 99-194, eff. 7-30-15; 99-642, eff. 7-28-16.)

2 (105 ILCS 5/11E-135)

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

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

21 (2) For a school district that annexes all of the territory
22 of one or more entire other school districts as defined in
23 Article 7 of this Code, for the first year during which the
24 change of boundaries attributable to the annexation becomes
25 effective for all purposes, as determined under Section 7-9 of

1 this Code, the general State aid and supplemental general State
2 aid calculated under Section 18-8.05 of this Code or the
3 evidence-based funding calculated under Section 18-8.15 of
4 this Code, as applicable, shall be computed for the annexing
5 district as constituted after the annexation and for the
6 annexing and each annexed district as constituted prior to the
7 annexation; and if the computation on the basis of the annexing
8 and annexed districts as constituted prior to the annexation is
9 greater, then a supplementary payment equal to the difference
10 shall be made for the first 4 years of existence of the
11 annexing school district as constituted upon the annexation.

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

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

23 (4) For a school district conversion, as defined in Section
24 11E-15 of this Code, or a multi-unit conversion, as defined in
25 subsection (b) of Section 11E-30 of this Code, if in their
26 first year of existence the newly created elementary districts

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

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

22 (B) the deemed pupil enrollment of each newly created
23 elementary district from a school district conversion
24 shall be an amount equal to its actual pupil enrollment for
25 its first year of existence reduced by an amount equal to
26 the product obtained when the amount by which the newly

1 created high school district's deemed pupil enrollment
2 exceeds its actual pupil enrollment for its first year of
3 existence is multiplied by a fraction, the numerator of
4 which is the actual pupil enrollment of the newly created
5 elementary district for its first year of existence and the
6 denominator of which is the actual aggregate pupil
7 enrollment of all of the newly created elementary districts
8 for their first year of existence;

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

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

1 such newly created districts for their first year of
2 existence.

3 The aggregate amount of each supplementary payment under
4 this subdivision (4) and the amount thereof to be allocated to
5 the newly created districts shall be computed by the State
6 Board of Education on the basis of pupil enrollment and other
7 data, which shall be certified to the State Board of Education,
8 on forms that it shall provide for that purpose, by the
9 regional superintendent of schools for each educational
10 service region in which the newly created districts are
11 located.

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

25 (6) For an elementary opt-in, as described in subsection
26 (d) of Section 11E-30 of this Code, the general State aid or

1 evidence-based funding difference shall be computed in
2 accordance with paragraph (5) of this subsection (a) as if the
3 elementary opt-in was included in an optional elementary unit
4 district at the optional elementary unit district's original
5 effective date. If the calculation in this paragraph (6) is
6 less than that calculated in paragraph (5) of this subsection
7 (a) at the optional elementary unit district's original
8 effective date, then no adjustments may be made. If the
9 calculation in this paragraph (6) is more than that calculated
10 in paragraph (5) of this subsection (a) at the optional
11 elementary unit district's original effective date, then the
12 excess must be paid as follows:

13 (A) If the effective date for the elementary opt-in is
14 one year after the effective date for the optional
15 elementary unit district, 100% 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 (B) If the effective date for the elementary opt-in is
20 2 years after the effective date for the optional
21 elementary unit district, 75% of the calculated excess
22 shall be paid to the optional elementary unit district in
23 each of the first 4 years after the effective date of the
24 elementary opt-in.

25 (C) If the effective date for the elementary opt-in is
26 3 years after the effective date for the optional

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

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

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

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

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

1 fiscal year of January 11, 2008 (the effective date of Public
2 Act 95-707). Subsequent required yearly payments shall be paid
3 in subsequent fiscal years until the payment obligation under
4 this paragraph (6.5) is complete.

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

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

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

1 schedule.

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

22 (3) For each new high school district formed under a school
23 district conversion, as defined in Section 11E-15 of this Code,
24 the State shall make a supplementary payment for 4 years equal
25 to the difference between the sum of the salaries earned by
26 each certified member of the new high school district, while

1 employed in one of the previously existing districts, and the
2 sum of the salaries those certified members would have been
3 paid if placed on the salary schedule of the previously
4 existing district with the highest salary schedule.

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

18 (5) For an elementary district opt-in, as described in
19 subsection (d) of Section 11E-30 of this Code, the salary
20 difference incentive shall be computed in accordance with
21 paragraph (4) of this subsection (b) as if the opted-in
22 elementary district was included in the optional elementary
23 unit district at the optional elementary unit district's
24 original effective date. If the calculation in this paragraph
25 (5) is less than that calculated in paragraph (4) of this
26 subsection (b) at the optional elementary unit district's

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

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

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

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

24 (D) If the effective date for the elementary opt-in is
25 4 years after the effective date for the partial elementary
26 unit district, 25% of the calculated excess shall be paid

1 to the optional elementary unit district in each of the
2 first 4 years after the effective date of the elementary
3 opt-in.

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

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

26 (5.10) After the annexation of territory detached from

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

1 by Public Act 95-707 are intended to be retroactive and
2 applicable to any annexation taking effect on or after July 1,
3 2004. For annexations that are eligible for payments under this
4 paragraph (5.10) and that are effective on or after July 1,
5 2004, but before January 11, 2008 (the effective date of Public
6 Act 95-707), the first required yearly payment under this
7 paragraph (5.10) shall be paid in the fiscal year of January
8 11, 2008 (the effective date of Public Act 95-707). Subsequent
9 required yearly payments shall be paid in subsequent fiscal
10 years until the payment obligation under this paragraph (5.10)
11 is complete.

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

1 members would have been paid during the year immediately
2 preceding the deactivation if placed on the salary schedule of
3 the sending or receiving district with the highest salary
4 schedule.

5 (6) The supplementary State aid reimbursement under this
6 subsection (b) shall be treated as separate from all other
7 payments made pursuant to Section 18-8.05 of this Code. In the
8 case of the formation of a new district or cooperative high
9 school or a deactivation, reimbursement shall begin during the
10 first year of operation of the new district or cooperative high
11 school or the first year of the deactivation, and in the case
12 of an annexation of the territory of one or more school
13 districts by one or more other school districts or the
14 annexation of territory detached from a school district whereby
15 the enrollment of the annexing district increases by 90% or
16 more as a result of the annexation, reimbursement shall begin
17 during the first year when the change in boundaries
18 attributable to the annexation becomes effective for all
19 purposes as determined pursuant to Section 7-9 of this Code,
20 except that for an annexation of territory detached from a
21 school district that is effective on or after July 1, 2004, but
22 before January 11, 2008 (the effective date of Public Act
23 95-707), whereby the enrollment of the annexing district
24 increases by 90% or more as a result of the annexation,
25 reimbursement shall begin during the fiscal year of January 11,
26 2008 (the effective date of Public Act 95-707). Each year that

1 the new, annexing, or receiving district or cooperative high
2 school, as the case may be, is entitled to receive
3 reimbursement, the number of eligible certified members who are
4 employed on October 1 in the district or cooperative high
5 school shall be certified to the State Board of Education on
6 prescribed forms by October 15 and payment shall be made on or
7 before November 15 of that year.

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

20 (2) For the first year after the annexation of all of the
21 territory of one or more entire school districts by another
22 school district, as defined in 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 issued by the
26 regional board of school trustees under Section 7-6 of this

1 Code, notwithstanding any effort to seek administrative review
2 of the decision, totaling the annexing district's and totaling
3 each annexed district's audited fund balances in their
4 respective educational, working cash, operations and
5 maintenance, and transportation funds. The annexing district
6 as constituted after the annexation shall be paid supplementary
7 State aid equal to the sum of the differences between the
8 deficit of whichever of the annexing or annexed districts as
9 constituted prior to the annexation had the smallest deficit
10 and the deficits of each of the other districts as constituted
11 prior to the annexation.

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

1 annexing or annexed districts as constituted prior to the
2 annexation had the smallest deficit and the deficits of each of
3 the other districts as constituted prior to the annexation. The
4 aggregate amount of the supplementary State aid payable under
5 this paragraph (3) shall be allocated between or among the
6 annexing districts as follows:

7 (A) the regional superintendent of schools for each
8 educational service region in which an annexed district is
9 located prior to the annexation shall certify to the State
10 Board of Education, on forms that it shall provide for that
11 purpose, the value of all taxable property in each annexed
12 district, as last equalized or assessed by the Department
13 of Revenue prior to the annexation, and the equalized
14 assessed value of each part of the annexed district that
15 was annexed to or included as a part of an annexing
16 district;

17 (B) using equalized assessed values as certified by the
18 regional superintendent of schools under clause (A) of this
19 paragraph (3), the combined audited fund balance deficit of
20 each annexed district as determined under this Section
21 shall be apportioned between or among the annexing
22 districts in the same ratio as the equalized assessed value
23 of that part of the annexed district that was annexed to or
24 included as a part of an annexing district bears to the
25 total equalized assessed value of the annexed district; and

26 (C) the aggregate supplementary State aid payment

1 under this paragraph (3) shall be allocated between or
2 among, and shall be paid to, the annexing districts in the
3 same ratio as the sum of the combined audited fund balance
4 deficit of each annexing district as constituted prior to
5 the annexation, plus all combined audited fund balance
6 deficit amounts apportioned to that annexing district
7 under clause (B) of this subsection, bears to the aggregate
8 of the combined audited fund balance deficits of all of the
9 annexing and annexed districts as constituted prior to the
10 annexation.

11 (4) For the new elementary districts and new high school
12 district formed through a school district conversion, as
13 defined in Section 11E-15 of this Code or the new elementary
14 district or districts and new combined high school - unit
15 district formed through a multi-unit conversion, as defined in
16 subsection (b) of Section 11E-30 of this Code, a computation
17 shall be made totaling each previously existing district's
18 audited fund balances in the educational fund, working cash
19 fund, operations and maintenance fund, and transportation fund
20 for the year ending June 30 prior to the referendum
21 establishing the new districts. In the first year of the new
22 districts, the State shall make a one-time supplementary
23 payment equal to the sum of the differences between the deficit
24 of the previously existing district with the smallest deficit
25 and the deficits of each of the other previously existing
26 districts. A district with a combined balance among the 4 funds

1 that is positive shall be considered to have a deficit of zero.
2 The supplementary payment shall be allocated among the newly
3 formed high school and elementary districts in the manner
4 provided by the petition for the formation of the districts, in
5 the form in which the petition is approved by the regional
6 superintendent of schools or State Superintendent of Education
7 under Section 11E-50 of this Code.

8 (5) For each newly created partial elementary unit
9 district, as defined in subsection (a) or (c) of Section 11E-30
10 of this Code, a computation shall be made totaling the audited
11 fund balances of each previously existing district that formed
12 the new partial elementary unit district in the educational
13 fund, working cash fund, operations and maintenance fund, and
14 transportation fund for the year ending June 30 prior to the
15 referendum for the formation of the partial elementary unit
16 district. In the first year of the new partial elementary unit
17 district, the State shall make a one-time supplementary payment
18 to the new district equal to the sum of the differences between
19 the deficit of the previously existing district with the
20 smallest deficit and the deficits of each of the other
21 previously existing districts. A district with a combined
22 balance among the 4 funds that is positive shall be considered
23 to have a deficit of zero.

24 (6) For an elementary opt-in as defined in subsection (d)
25 of Section 11E-30 of this Code, the deficit fund balance
26 incentive shall be computed in accordance with paragraph (5) of

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

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

24 (C) If the effective date for the elementary opt-in is
25 3 years after the effective date for the optional
26 elementary unit district, 50% of the calculated excess

1 shall be paid to the optional elementary unit district in
2 the first year after the effective date of the elementary
3 opt-in.

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

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

15 (6.5) For the first year after the annexation of territory
16 detached from another school district whereby the enrollment of
17 the annexing district increases by 90% or more as a result of
18 the annexation, a computation shall be made totaling the
19 audited fund balances of the district gaining territory and the
20 audited fund balances of the district losing territory in the
21 educational fund, working cash fund, operations and
22 maintenance fund, and transportation fund for the year ending
23 June 30 prior to the date that the change of boundaries
24 attributable to the annexation is allowed by the affirmative
25 decision of the regional board of school trustees under Section
26 7-6 of this Code, notwithstanding any action for administrative

1 review of the decision. The annexing district as constituted
2 after the annexation shall be paid supplementary State aid
3 equal to the difference between the deficit of whichever
4 district included in this calculation as constituted prior to
5 the annexation had the smallest deficit and the deficit of each
6 other district included in this calculation as constituted
7 prior to the annexation, multiplied by the ratio of equalized
8 assessed value of the territory detached to the total equalized
9 assessed value of the district losing territory. The regional
10 superintendent of schools for the educational service region in
11 which a district losing territory is located prior to the
12 annexation shall certify to the State Board of Education the
13 value of all taxable property in the district losing territory
14 and the value of all taxable property in the territory being
15 detached, as last equalized or assessed by the Department of
16 Revenue prior to the annexation. To be eligible for
17 supplementary State aid reimbursement under this Section, the
18 intergovernmental agreement to be submitted pursuant to
19 Section 7-14A of this Code must show that fund balances were
20 transferred from the district losing territory to the district
21 gaining territory in the annexation. The changes to this
22 Section made by Public Act 95-707 are intended to be
23 retroactive and applicable to any annexation taking effect on
24 or after July 1, 2004. For annexations that are eligible for
25 payments under this paragraph (6.5) and that are effective on
26 or after July 1, 2004, but before January 11, 2008 (the

1 effective date of Public Act 95-707), the required payment
2 under this paragraph (6.5) shall be paid in the fiscal year of
3 January 11, 2008 (the effective date of Public Act 95-707).

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

1 Education. If this 3-year average is less than the district's
2 expenditures in these categories for the specified year ending
3 June 30, as provided in paragraphs (1), (2), (3), (4), (5),
4 (6), and (6.5) of this subsection (c), then the 3-year average
5 shall be used in calculating the amounts payable under this
6 Section in place of the amounts shown in these categories for
7 the specified year ending June 30, as provided in paragraphs
8 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c).
9 Any deficit because of State aid not yet received may not be
10 considered in determining the June 30 deficits. The same basis
11 of accounting shall be used by all previously existing
12 districts and by all annexing or annexed districts, as
13 constituted prior to the annexation, in making any computation
14 required under paragraphs (1), (2), (3), (4), (5), (6), and
15 (6.5) of this subsection (c).

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

19 (d)(1) Following the formation of a combined school
20 district, as defined in Section 11E-20 of this Code, a new unit
21 district, as defined in Section 11E-25 of this Code, a new
22 elementary district or districts and a new high school district
23 formed through a school district conversion, as defined in
24 Section 11E-15 of this Code, a new partial elementary unit
25 district, as defined in Section 11E-30 of this Code, or a new
26 elementary district or districts formed through a multi-unit

1 conversion, as defined in subsection (b) of Section 11E-30 of
 2 this Code, or the annexation of all of the territory of one or
 3 more entire school districts by one or more other school
 4 districts, as defined in Article 7 of this Code, a
 5 supplementary State aid reimbursement shall be paid for the
 6 number of school years determined under the following table to
 7 each new or annexing district equal to the sum of \$4,000 for
 8 each certified employee who is employed by the district on a
 9 full-time basis for the regular term of the school year:

10	Reorganized District's Rank	Reorganized District's Rank		
11	by type of district (unit,	in Average Daily Attendance		
12	high school, elementary)	By Quintile		
13	in Equalized Assessed Value			
14	Per Pupil by Quintile			
15				3rd, 4th,
16		1st	2nd	or 5th
17		Quintile	Quintile	Quintile
18	1st Quintile	1 year	1 year	1 year
19	2nd Quintile	1 year	2 years	2 years
20	3rd Quintile	2 years	3 years	3 years
21	4th Quintile	2 years	3 years	3 years
22	5th Quintile	2 years	3 years	3 years

23 The State Board of Education shall make a one-time calculation
 24 of a reorganized district's quintile ranks. The average daily

1 attendance used in this calculation shall be the best 3 months'
2 average daily attendance for the district's first year. The
3 equalized assessed value per pupil shall be the district's real
4 property equalized assessed value used in calculating the
5 district's first-year general State aid claim, under Section
6 18-8.05 of this Code, or first-year evidence-based funding
7 claim, under Section 18-8.15 of this Code, as applicable,
8 divided by the best 3 months' average daily attendance.

9 No annexing or resulting school district shall be entitled
10 to supplementary State aid under this subsection (d) unless the
11 district acquires at least 30% of the average daily attendance
12 of the district from which the territory is being detached or
13 divided.

14 If a district results from multiple reorganizations that
15 would otherwise qualify the district for multiple payments
16 under this subsection (d) in any year, then the district shall
17 receive a single payment only for that year based solely on the
18 most recent reorganization.

19 (2) For an elementary opt-in, as defined in subsection (d)
20 of Section 11E-30 of this Code, the full-time certified staff
21 incentive shall be computed in accordance with paragraph (1) of
22 this subsection (d), equal to the sum of \$4,000 for each
23 certified employee of the elementary district that opts-in who
24 is employed by the optional elementary unit district on a
25 full-time basis for the regular term of the school year. The
26 calculation from this paragraph (2) must be paid as follows:

1 (A) If the effective date for the elementary opt-in is
2 one year after the effective date for the optional
3 elementary unit district, 100% 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 (B) If the effective date for the elementary opt-in is
11 2 years after the effective date for the optional
12 elementary unit district, 75% of the 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 (C) If the effective date for the elementary opt-in is
20 3 years after the effective date for the optional
21 elementary unit district, 50% of the amount calculated in
22 this paragraph (2) shall be paid to the optional elementary
23 unit district for the number of years calculated in
24 paragraph (1) of this subsection (d) at the optional
25 elementary unit district's original effective date,
26 starting in the second year after the effective date of the

1 elementary opt-in.

2 (D) If the effective date for the elementary opt-in is
3 4 years after the effective date for the optional
4 elementary unit district, 25% of the amount calculated in
5 this paragraph (2) shall be paid to the optional elementary
6 unit district for the number of years calculated in
7 paragraph (1) of this subsection (d) at the optional
8 elementary unit district's original effective date,
9 starting in the second year after the effective date of the
10 elementary opt-in.

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

16 (2.5) Following the formation of a cooperative high school
17 by 2 or more school districts under Section 10-22.22c of this
18 Code, a supplementary State aid reimbursement shall be paid for
19 3 school years to the cooperative high school equal to the sum
20 of \$4,000 for each certified employee who is employed by the
21 cooperative high school on a full-time basis for the regular
22 term of any such school year. If a cooperative high school
23 results from multiple agreements that would otherwise qualify
24 the cooperative high school for multiple payments under this
25 Section in any year, the cooperative high school shall receive
26 a single payment for that year based solely on the most recent

1 agreement.

2 (2.10) Following the annexation of territory detached from
3 another school district whereby the enrollment of the annexing
4 district increases 90% or more as a result of the annexation, a
5 supplementary State aid reimbursement shall be paid to the
6 annexing district equal to the sum of \$4,000 for each certified
7 employee who is employed by the annexing district on a
8 full-time basis and shall be calculated in accordance with
9 subsection (a) of this Section. To be eligible for
10 supplementary State aid reimbursement under this Section, the
11 intergovernmental agreement to be submitted pursuant to
12 Section 7-14A of this Code must show that certified staff
13 members were transferred from the control of the district
14 losing territory to the control of the district gaining
15 territory in the annexation. The changes to this Section made
16 by Public Act 95-707 are intended to be retroactive and
17 applicable to any annexation taking effect on or after July 1,
18 2004. For annexations that are eligible for payments under this
19 paragraph (2.10) and that are effective on or after July 1,
20 2004, but before January 11, 2008 (the effective date of Public
21 Act 95-707), the first required yearly payment under this
22 paragraph (2.10) shall be paid in the second fiscal year after
23 January 11, 2008 (the effective date of Public Act 95-707). Any
24 subsequent required yearly payments shall be paid in subsequent
25 fiscal years until the payment obligation under this paragraph
26 (2.10) is complete.

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

18 (3) The supplementary State aid reimbursement payable
19 under this subsection (d) shall be separate from and in
20 addition to all other payments made to the district pursuant to
21 any other Section of this Article.

22 (4) During May of each school year for which a
23 supplementary State aid reimbursement is to be paid to a new,
24 annexing, or receiving school district or cooperative high
25 school pursuant to this subsection (d), the school board or
26 governing board shall certify to the State Board of Education,

1 on forms furnished to the school board or governing board by
2 the State Board of Education for purposes of this subsection
3 (d), the number of certified employees for which the district
4 or cooperative high school is entitled to reimbursement under
5 this Section, together with the names, certificate numbers, and
6 positions held by the certified employees.

7 (5) Upon certification by the State Board of Education to
8 the State Comptroller of the amount of the supplementary State
9 aid reimbursement to which a school district or cooperative
10 high school is entitled under this subsection (d), the State
11 Comptroller shall draw his or her warrant upon the State
12 Treasurer for the payment thereof to the school district or
13 cooperative high school and shall promptly transmit the payment
14 to the school district or cooperative high school through the
15 appropriate school treasurer.

16 (Source: P.A. 95-331, eff. 8-21-07; 95-707, eff. 1-11-08;
17 95-903, eff. 8-25-08; 96-328, eff. 8-11-09.)

18 (105 ILCS 5/13A-8)

19 Sec. 13A-8. Funding.

20 (a) The State of Illinois shall provide funding for the
21 alternative school programs within each educational service
22 region and within the Chicago public school system by line item
23 appropriation made to the State Board of Education for that
24 purpose. This money, when appropriated, shall be provided to
25 the regional superintendent and to the Chicago Board of

1 Education, who shall establish a budget, including salaries,
2 for their alternative school programs. Each program shall
3 receive funding in the amount of \$30,000 plus an amount based
4 on the ratio of the region's or Chicago's best 3 months'
5 average daily attendance in grades pre-kindergarten through 12
6 to the statewide totals of these amounts. For purposes of this
7 calculation, the best 3 months' average daily attendance for
8 each region or Chicago shall be calculated by adding to the
9 best 3 months' average daily attendance the number of
10 low-income students identified in the most recently available
11 federal census multiplied by one-half times the percentage of
12 the region's or Chicago's low-income students to the State's
13 total low-income students. The State Board of Education shall
14 retain up to 1.1% of the appropriation to be used to provide
15 technical assistance, professional development, and
16 evaluations for the programs.

17 (a-5) Notwithstanding any other provisions of this
18 Section, for the 1998-1999 fiscal year, the total amount
19 distributed under subsection (a) for an alternative school
20 program shall be not less than the total amount that was
21 distributed under that subsection for that alternative school
22 program for the 1997-1998 fiscal year. If an alternative school
23 program is to receive a total distribution under subsection (a)
24 for the 1998-1999 fiscal year that is less than the total
25 distribution that the program received under that subsection
26 for the 1997-1998 fiscal year, that alternative school program

1 shall also receive, from a separate appropriation made for
2 purposes of this subsection (a-5), a supplementary payment
3 equal to the amount by which its total distribution under
4 subsection (a) for the 1997-1998 fiscal year exceeds the amount
5 of the total distribution that the alternative school program
6 receives under that subsection for the 1998-1999 fiscal year.
7 If the amount appropriated for supplementary payments to
8 alternative school programs under this subsection (a-5) is
9 insufficient for that purpose, those supplementary payments
10 shall be prorated among the alternative school programs
11 entitled to receive those supplementary payments according to
12 the aggregate amount of the appropriation made for purposes of
13 this subsection (a-5).

14 (b) An alternative school program shall be entitled to
15 receive general State aid as calculated in subsection (K) of
16 Section 18-8.05 or evidence-based funding as calculated in
17 subsection (g) of Section 18-8.15 upon filing a claim as
18 provided therein. Any time that a student who is enrolled in an
19 alternative school program spends in work-based learning,
20 community service, or a similar alternative educational
21 setting shall be included in determining the student's minimum
22 number of clock hours of daily school work that constitute a
23 day of attendance for purposes of calculating general State aid
24 or evidence-based funding.

25 (c) An alternative school program may receive additional
26 funding from its school districts in such amount as may be

1 agreed upon by the parties and necessary to support the
2 program. In addition, an alternative school program is
3 authorized to accept and expend gifts, legacies, and grants,
4 including but not limited to federal grants, from any source
5 for purposes directly related to the conduct and operation of
6 the program.

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

10 (105 ILCS 5/13B-20.20)

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

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

19 (105 ILCS 5/13B-45)

20 Sec. 13B-45. Days and hours of attendance. An alternative
21 learning opportunities program shall provide students with at
22 least the minimum number of days of pupil attendance required
23 under Section 10-19 of this Code and the minimum number of
24 daily hours of school work required under Section 18-8.05 or

1 18-8.15 of this Code, provided that the State Board may approve
2 exceptions to these requirements if the program meets all of
3 the following conditions:

4 (1) The district plan submitted under Section
5 13B-25.15 of this Code establishes that a program providing
6 the required minimum number of days of attendance or daily
7 hours of school work would not serve the needs of the
8 program's students.

9 (2) Each day of attendance shall provide no fewer than
10 3 clock hours of school work, as defined under paragraph
11 (1) of subsection (F) of Section 18-8.05 of this Code.

12 (3) Each day of attendance that provides fewer than 5
13 clock hours of school work shall also provide supplementary
14 services, including without limitation work-based
15 learning, student assistance programs, counseling, case
16 management, health and fitness programs, or life-skills or
17 conflict resolution training, in order to provide a total
18 daily program to the student of 5 clock hours. A program
19 may claim general State aid or evidence-based funding for
20 up to 2 hours of the time each day that a student is
21 receiving supplementary services.

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

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

2 (105 ILCS 5/13B-50)

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

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

15 (105 ILCS 5/13B-50.10)

16 Sec. 13B-50.10. Additional criteria for general State aid
17 or evidence-based funding. In order to claim general State aid
18 or evidence-based funding, an alternative learning
19 opportunities program must meet the following criteria:

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

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

24 (3) The program must comply with all other State and

1 federal laws applicable to education providers.

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

3 (105 ILCS 5/13B-50.15)

4 Sec. 13B-50.15. Level of funding. Approved alternative
5 learning opportunities programs are entitled to claim general
6 State aid or evidence-based funding, subject to Sections
7 13B-50, 13B-50.5, and 13B-50.10 of this Code. Approved programs
8 operated by regional offices of education are entitled to
9 receive general State aid at the foundation level of support. A
10 school district or consortium must ensure that an approved
11 program receives supplemental general State aid,
12 transportation reimbursements, and special education
13 resources, if appropriate, for students enrolled in the
14 program.

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

16 (105 ILCS 5/14-7.02b)

17 Sec. 14-7.02b. Funding for children requiring special
18 education services. Payments to school districts for children
19 requiring special education services documented in their
20 individualized education program regardless of the program
21 from which these services are received, excluding children
22 claimed under Sections 14-7.02 and 14-7.03 of this Code, shall
23 be made in accordance with this Section. Funds received under
24 this Section may be used only for the provision of special

1 educational facilities and services as defined in Section
2 14-1.08 of this Code.

3 The appropriation for fiscal year 2005 through fiscal year
4 2017 ~~and thereafter~~ shall be based upon the IDEA child count of
5 all students in the State, excluding students claimed under
6 Sections 14-7.02 and 14-7.03 of this Code, on December 1 of the
7 fiscal year 2 years preceding, multiplied by 17.5% of the
8 general State aid foundation level of support established for
9 that fiscal year under Section 18-8.05 of this Code.

10 Beginning with fiscal year 2005 and through fiscal year
11 2007, individual school districts shall not receive payments
12 under this Section totaling less than they received under the
13 funding authorized under Section 14-7.02a of this Code during
14 fiscal year 2004, pursuant to the provisions of Section
15 14-7.02a as they were in effect before the effective date of
16 this amendatory Act of the 93rd General Assembly. This base
17 level funding shall be computed first.

18 Beginning with fiscal year 2008 through fiscal year 2017
19 ~~and each fiscal year thereafter~~, individual school districts
20 must not receive payments under this Section totaling less than
21 they received in fiscal year 2007. This funding shall be
22 computed last and shall be a separate calculation from any
23 other calculation set forth in this Section. This amount is
24 exempt from the requirements of Section 1D-1 of this Code.

25 Through fiscal year 2017, an ~~An~~ amount equal to 85% of the
26 funds remaining in the appropriation shall be allocated to

1 school districts based upon the district's average daily
2 attendance reported for purposes of Section 18-8.05 of this
3 Code for the preceding school year. Fifteen percent of the
4 funds remaining in the appropriation shall be allocated to
5 school districts based upon the district's low income eligible
6 pupil count used in the calculation of general State aid under
7 Section 18-8.05 of this Code for the same fiscal year. One
8 hundred percent of the funds computed and allocated to
9 districts under this Section shall be distributed and paid to
10 school districts.

11 For individual students with disabilities whose program
12 costs exceed 4 times the district's per capita tuition rate as
13 calculated under Section 10-20.12a of this Code, the costs in
14 excess of 4 times the district's per capita tuition rate shall
15 be paid by the State Board of Education from unexpended IDEA
16 discretionary funds originally designated for room and board
17 reimbursement pursuant to Section 14-8.01 of this Code. The
18 amount of tuition for these children shall be determined by the
19 actual cost of maintaining classes for these children, using
20 the per capita cost formula set forth in Section 14-7.01 of
21 this Code, with the program and cost being pre-approved by the
22 State Superintendent of Education. Reimbursement for
23 individual students with disabilities whose program costs
24 exceed 4 times the district's per capita tuition rate shall be
25 claimed beginning with costs encumbered for the 2004-2005
26 school year and thereafter.

1 The State Board of Education shall prepare vouchers equal
2 to one-fourth the amount allocated to districts, for
3 transmittal to the State Comptroller on the 30th day of
4 September, December, and March, respectively, and the final
5 voucher, no later than June 20. The Comptroller shall make
6 payments pursuant to this Section to school districts as soon
7 as possible after receipt of vouchers. If the money
8 appropriated from the General Assembly for such purposes for
9 any year is insufficient, it shall be apportioned on the basis
10 of the payments due to school districts.

11 Nothing in this Section shall be construed to decrease or
12 increase the percentage of all special education funds that are
13 allocated annually under Article 1D of this Code or to alter
14 the requirement that a school district provide special
15 education services.

16 Nothing in this amendatory Act of the 93rd General Assembly
17 shall eliminate any reimbursement obligation owed as of the
18 effective date of this amendatory Act of the 93rd General
19 Assembly to a school district with in excess of 500,000
20 inhabitants.

21 Except for reimbursement for individual students with
22 disabilities whose program costs exceed 4 times the district's
23 per capita tuition rate, no funding shall be provided to school
24 districts under this Section after fiscal year 2017.

25 In fiscal year 2018 and each fiscal year thereafter, all
26 funding received by a school district from the State pursuant

1 to Section 18-8.15 of this Code that is attributable to
2 students requiring special education services must be used for
3 special education services authorized under this Code.

4 (Source: P.A. 93-1022, eff. 8-24-08; 95-705, eff. 1-8-08.)

5 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

6 Sec. 14-13.01. Reimbursement payable by State; amounts for
7 personnel and transportation.

8 (a) Through fiscal year 2017, for ~~For~~ staff working on
9 behalf of children who have not been identified as eligible for
10 special education and for eligible children with physical
11 disabilities, including all eligible children whose placement
12 has been determined under Section 14-8.02 in hospital or home
13 instruction, 1/2 of the teacher's salary but not more than
14 \$1,000 annually per child or \$9,000 per teacher, whichever is
15 less.

16 (a-5) A child qualifies for home or hospital instruction if
17 it is anticipated that, due to a medical condition, the child
18 will be unable to attend school, and instead must be instructed
19 at home or in the hospital, for a period of 2 or more
20 consecutive weeks or on an ongoing intermittent basis. For
21 purposes of this Section, "ongoing intermittent basis" means
22 that the child's medical condition is of such a nature or
23 severity that it is anticipated that the child will be absent
24 from school due to the medical condition for periods of at
25 least 2 days at a time multiple times during the school year

1 totaling at least 10 days or more of absences. There shall be
2 no requirement that a child be absent from school a minimum
3 number of days before the child qualifies for home or hospital
4 instruction. In order to establish eligibility for home or
5 hospital services, a student's parent or guardian must submit
6 to the child's school district of residence a written statement
7 from a physician licensed to practice medicine in all of its
8 branches stating the existence of such medical condition, the
9 impact on the child's ability to participate in education, and
10 the anticipated duration or nature of the child's absence from
11 school. Home or hospital instruction may commence upon receipt
12 of a written physician's statement in accordance with this
13 Section, but instruction shall commence not later than 5 school
14 days after the school district receives the physician's
15 statement. Special education and related services required by
16 the child's IEP or services and accommodations required by the
17 child's federal Section 504 plan must be implemented as part of
18 the child's home or hospital instruction, unless the IEP team
19 or federal Section 504 plan team determines that modifications
20 are necessary during the home or hospital instruction due to
21 the child's condition.

22 (a-10) Through fiscal year 2017, eligible ~~Eligible~~
23 children to be included in any reimbursement under this
24 paragraph must regularly receive a minimum of one hour of
25 instruction each school day, or in lieu thereof of a minimum of
26 5 hours of instruction in each school week in order to qualify

1 for full reimbursement under this Section. If the attending
2 physician for such a child has certified that the child should
3 not receive as many as 5 hours of instruction in a school week,
4 however, reimbursement under this paragraph on account of that
5 child shall be computed proportionate to the actual hours of
6 instruction per week for that child divided by 5.

7 (a-15) The State Board of Education shall establish rules
8 governing the required qualifications of staff providing home
9 or hospital instruction.

10 (b) For children described in Section 14-1.02, 80% of the
11 cost of transportation approved as a related service in the
12 Individualized Education Program for each student in order to
13 take advantage of special educational facilities.
14 Transportation costs shall be determined in the same fashion as
15 provided in Section 29-5 of this Code. For purposes of this
16 subsection (b), the dates for processing claims specified in
17 Section 29-5 shall apply.

18 (c) Through fiscal year 2017, for ~~For~~ each qualified
19 worker, the annual sum of \$9,000.

20 (d) Through fiscal year 2017, for ~~For~~ one full time
21 qualified director of the special education program of each
22 school district which maintains a fully approved program of
23 special education the annual sum of \$9,000. Districts
24 participating in a joint agreement special education program
25 shall not receive such reimbursement if reimbursement is made
26 for a director of the joint agreement program.

1 (e) (Blank).

2 (f) (Blank).

3 (g) Through fiscal year 2017, for ~~For~~ readers, working with
4 blind or partially seeing children 1/2 of their salary but not
5 more than \$400 annually per child. Readers may be employed to
6 assist such children and shall not be required to be certified
7 but prior to employment shall meet standards set up by the
8 State Board of Education.

9 (h) Through fiscal year 2017, for ~~For~~ non-certified
10 employees, as defined by rules promulgated by the State Board
11 of Education, who deliver services to students with IEPs, 1/2
12 of the salary paid or \$3,500 per employee, whichever is less.

13 (i) The State Board of Education shall set standards and
14 prescribe rules for determining the allocation of
15 reimbursement under this section on less than a full time basis
16 and for less than a school year.

17 When any school district eligible for reimbursement under
18 this Section operates a school or program approved by the State
19 Superintendent of Education for a number of days in excess of
20 the adopted school calendar but not to exceed 235 school days,
21 such reimbursement shall be increased by 1/180 of the amount or
22 rate paid hereunder for each day such school is operated in
23 excess of 180 days per calendar year.

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 29-5 of this Code may classify

1 all or a portion of the funds that it receives in a particular
2 fiscal year or from evidence-based funding ~~general State aid~~
3 pursuant to Section 18-8.15 ~~18-8.05~~ of this Code as funds
4 received in connection with any funding program for which it is
5 entitled to receive funds from the State in that fiscal year
6 (including, without limitation, any funding program referenced
7 in this Section), regardless of the source or timing of the
8 receipt. The district may not classify more funds as funds
9 received in connection with the funding program than the
10 district is entitled to receive in that fiscal year for that
11 program. Any classification by a district must be made by a
12 resolution of its board of education. The resolution must
13 identify the amount of any payments or evidence-based funding
14 ~~general State aid~~ to be classified under this paragraph and
15 must specify the funding program to which the funds are to be
16 treated as received in connection therewith. This resolution is
17 controlling as to the classification of funds referenced
18 therein. A certified copy of the resolution must be sent to the
19 State Superintendent of Education. The resolution shall still
20 take effect even though a copy of the resolution has not been
21 sent to the State Superintendent of Education in a timely
22 manner. No classification under this paragraph by a district
23 shall affect the total amount or timing of money the district
24 is entitled to receive under this Code. No classification under
25 this paragraph by a district shall in any way relieve the
26 district from or affect any requirements that otherwise would

1 apply with respect to that funding program, including any
2 accounting of funds by source, reporting expenditures by
3 original source and purpose, reporting requirements, or
4 requirements of providing services.

5 No funding shall be provided to school districts under this
6 Section after fiscal year 2017. In fiscal year 2018 and each
7 fiscal year thereafter, all funding received by a school
8 district from the State pursuant to Section 18-8.15 of this
9 Code that is attributable to personnel reimbursements for
10 special education pupils must be used for special education
11 services authorized under this Code.

12 (Source: P.A. 96-257, eff. 8-11-09; 97-123, eff. 7-14-11.)

13 (105 ILCS 5/14C-1) (from Ch. 122, par. 14C-1)

14 Sec. 14C-1. The General Assembly finds that there are large
15 numbers of children in this State who come from environments
16 where the primary language is other than English. Experience
17 has shown that public school classes in which instruction is
18 given only in English are often inadequate for the education of
19 children whose native tongue is another language. The General
20 Assembly believes that a program of transitional bilingual
21 education can meet the needs of these children and facilitate
22 their integration into the regular public school curriculum.
23 Therefore, pursuant to the policy of this State to ensure equal
24 educational opportunity to every child, and in recognition of
25 the educational needs of English learners, it is the purpose of

1 this Act to provide for the establishment of transitional
2 bilingual education programs in the public schools, to provide
3 supplemental financial assistance through fiscal year 2017 to
4 help local school districts meet the extra costs of such
5 programs, and to allow this State through the State Board of
6 Education to directly or indirectly provide technical
7 assistance and professional development to support
8 transitional bilingual education or a transitional program of
9 instruction ~~programs~~ statewide through contractual services by
10 a not-for-profit entity for technical assistance, professional
11 development, and other support to school districts and
12 educators for services for English learner pupils. In no case
13 may aggregate funding for contractual services by a
14 not-for-profit entity for support to school districts and
15 educators for services for English learner pupils be less than
16 the aggregate amount expended for such purposes in Fiscal Year
17 2017. Not-for-profit entities providing support to school
18 districts and educators for services for English learner pupils
19 must have experience providing those services in a school
20 district having a population exceeding 500,000; one or more
21 school districts in any of the counties of Lake, McHenry,
22 DuPage, Kane, and Will; and one or more school districts
23 elsewhere in this State. Funding for not-for-profit entities
24 providing support to school districts and educators for
25 services for English learner pupils may be increased subject to
26 an agreement with the State Board of Education. Funding for

1 not-for-profit entities providing support to school districts
2 and educators for services for English learner pupils shall
3 come from funds allocated pursuant to Section 18-8.15 of this
4 Code.

5 (Source: P.A. 99-30, eff. 7-10-15.)

6 (105 ILCS 5/14C-12) (from Ch. 122, par. 14C-12)

7 Sec. 14C-12. Account of expenditures; Cost report;
8 Reimbursement. Each school district with at least one English
9 learner shall keep an accurate, detailed and separate account
10 of all monies paid out by it for the programs in transitional
11 bilingual education required or permitted by this Article,
12 including transportation costs, and shall annually report
13 thereon for the school year ending June 30 indicating the
14 average per pupil expenditure. Through fiscal year 2017, each
15 ~~Each~~ school district shall be reimbursed for the amount by
16 which such costs exceed the average per pupil expenditure by
17 such school district for the education of children of
18 comparable age who are not in any special education program. No
19 funding shall be provided to school districts under this
20 Section after fiscal year 2017. In fiscal year 2018 and each
21 fiscal year thereafter, all funding received by a school
22 district from the State pursuant to Section 18-8.15 of this
23 Code that is attributable to instructions, supports, and
24 interventions for English learner pupils must be used for
25 programs and services authorized under this Article. At least

1 60% of transitional bilingual education funding received from
2 the State must be used for the instructional costs of programs
3 and services authorized under this Article ~~transitional~~
4 ~~bilingual education.~~

5 Applications for preapproval ~~for reimbursement~~ for costs
6 of transitional bilingual education programs must be submitted
7 to the State Superintendent of Education at least 60 days
8 before a transitional bilingual education program is started,
9 unless a justifiable exception is granted by the State
10 Superintendent of Education. Applications shall set forth a
11 plan for transitional bilingual education established and
12 maintained in accordance with this Article.

13 Through fiscal year 2017, reimbursement ~~Reimbursement~~
14 claims for transitional bilingual education programs shall be
15 made as follows:

16 Each school district shall claim reimbursement on a current
17 basis for the first 3 quarters of the fiscal year and file a
18 final adjusted claim for the school year ended June 30
19 preceding computed in accordance with rules prescribed by the
20 State Superintendent's Office. The State Superintendent of
21 Education before approving any such claims shall determine
22 their accuracy and whether they are based upon services and
23 facilities provided under approved programs. Upon approval he
24 shall transmit to the Comptroller the vouchers showing the
25 amounts due for school district reimbursement claims. Upon
26 receipt of the final adjusted claims the State Superintendent

1 of Education shall make a final determination of the accuracy
2 of such claims. If the money appropriated by the General
3 Assembly for such purpose for any year is insufficient, it
4 shall be apportioned on the basis of the claims approved.

5 Failure on the part of the school district to prepare and
6 certify the final adjusted claims due under this Section may
7 constitute a forfeiture by the school district of its right to
8 be reimbursed by the State under this Section.

9 (Source: P.A. 96-1170, eff. 1-1-11.)

10 (105 ILCS 5/17-1) (from Ch. 122, par. 17-1)

11 Sec. 17-1. Annual Budget. The board of education of each
12 school district under 500,000 inhabitants shall, within or
13 before the first quarter of each fiscal year, adopt and file
14 with the State Board of Education an annual balanced budget
15 which it deems necessary to defray all necessary expenses and
16 liabilities of the district, and in such annual budget shall
17 specify the objects and purposes of each item and amount needed
18 for each object or purpose.

19 The budget shall be entered upon a School District Budget
20 form prepared and provided by the State Board of Education and
21 therein shall contain a statement of the cash on hand at the
22 beginning of the fiscal year, an estimate of the cash expected
23 to be received during such fiscal year from all sources, an
24 estimate of the expenditures contemplated for such fiscal year,
25 and a statement of the estimated cash expected to be on hand at

1 the end of such year. The estimate of taxes to be received may
2 be based upon the amount of actual cash receipts that may
3 reasonably be expected by the district during such fiscal year,
4 estimated from the experience of the district in prior years
5 and with due regard for other circumstances that may
6 substantially affect such receipts. Nothing in this Section
7 shall be construed as requiring any district to change or
8 preventing any district from changing from a cash basis of
9 financing to a surplus or deficit basis of financing; or as
10 requiring any district to change or preventing any district
11 from changing its system of accounting. The budget shall
12 conform to the requirements adopted by the State Board of
13 Education pursuant to Section 2-3.28 of this Code.

14 To the extent that a school district's budget is not
15 balanced, the district shall also adopt and file with the State
16 Board of Education a deficit reduction plan to balance the
17 district's budget within 3 years. The deficit reduction plan
18 must be filed at the same time as the budget, but the State
19 Superintendent of Education may extend this deadline if the
20 situation warrants.

21 If, as the result of an audit performed in compliance with
22 Section 3-7 of this Code, the resulting Annual Financial Report
23 required to be submitted pursuant to Section 3-15.1 of this
24 Code reflects a deficit as defined for purposes of the
25 preceding paragraph, then the district shall, within 30 days
26 after acceptance of such audit report, submit a deficit

1 reduction plan.

2 The board of education of each district shall fix a fiscal
3 year therefor. If the beginning of the fiscal year of a
4 district is subsequent to the time that the tax levy due to be
5 made in such fiscal year shall be made, then such annual budget
6 shall be adopted prior to the time such tax levy shall be made.
7 The failure by a board of education of any district to adopt an
8 annual budget, or to comply in any respect with the provisions
9 of this Section, shall not affect the validity of any tax levy
10 of the district otherwise in conformity with the law. With
11 respect to taxes levied either before, on, or after the
12 effective date of this amendatory Act of the 91st General
13 Assembly, (i) a tax levy is made for the fiscal year in which
14 the levy is due to be made regardless of which fiscal year the
15 proceeds of the levy are expended or are intended to be
16 expended, and (ii) except as otherwise provided by law, a board
17 of education's adoption of an annual budget in conformity with
18 this Section is not a prerequisite to the adoption of a valid
19 tax levy and is not a limit on the amount of the levy.

20 Such budget shall be prepared in tentative form by some
21 person or persons designated by the board, and in such
22 tentative form shall be made conveniently available to public
23 inspection for at least 30 days prior to final action thereon.
24 At least 1 public hearing shall be held as to such budget prior
25 to final action thereon. Notice of availability for public
26 inspection and of such public hearing shall be given by

1 publication in a newspaper published in such district, at least
2 30 days prior to the time of such hearing. If there is no
3 newspaper published in such district, notice of such public
4 hearing shall be given by posting notices thereof in 5 of the
5 most public places in such district. It shall be the duty of
6 the secretary of such board to make such tentative budget
7 available to public inspection, and to arrange for such public
8 hearing. The board may from time to time make transfers between
9 the various items in any fund not exceeding in the aggregate
10 10% of the total of such fund as set forth in the budget. The
11 board may from time to time amend such budget by the same
12 procedure as is herein provided for its original adoption.

13 Beginning July 1, 1976, the board of education, or regional
14 superintendent, or governing board responsible for the
15 administration of a joint agreement shall, by September 1 of
16 each fiscal year thereafter, adopt an annual budget for the
17 joint agreement in the same manner and subject to the same
18 requirements as are provided in this Section.

19 The State Board of Education shall exercise powers and
20 duties relating to budgets as provided in Section 2-3.27 of
21 this Code and shall require school districts to submit their
22 annual budgets, deficit reduction plans, and other financial
23 information, including revenue and expenditure reports and
24 borrowing and interfund transfer plans, in such form and within
25 the timelines designated by the State Board of Education.

26 By fiscal year 1982 all school districts shall use the

1 Program Budget Accounting System.

2 In the case of a school district receiving emergency State
3 financial assistance under Article 1B, the school board shall
4 also be subject to the requirements established under Article
5 1B with respect to the annual budget.

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

7 (105 ILCS 5/17-1.2)

8 Sec. 17-1.2. Post annual budget on web site. If a school
9 district has an Internet web site, the school district shall
10 post its current annual budget, itemized by receipts and
11 expenditures, on the district's Internet web site. The budget
12 shall include information conforming to the rules adopted by
13 the State Board of Education pursuant to Section 2-3.28 of this
14 Code. The school district shall notify the parents or guardians
15 of its students that the budget has been posted on the
16 district's web site and what the web site's address is.

17 (Source: P.A. 92-438, eff. 1-1-02.)

18 (105 ILCS 5/17-1.5)

19 Sec. 17-1.5. Limitation of administrative costs.

20 (a) It is the purpose of this Section to establish
21 limitations on the growth of administrative expenditures in
22 order to maximize the proportion of school district resources
23 available for the instructional program, building maintenance,
24 and safety services for the students of each district.

1 (b) Definitions. For the purposes of this Section:

2 "Administrative expenditures" mean the annual expenditures
3 of school districts properly attributable to expenditure
4 functions defined by the rules of the State Board of Education
5 as: 2320 (Executive Administration Services); 2330 (Special
6 Area Administration Services); 2490 (Other Support Services -
7 School Administration); 2510 (Direction of Business Support
8 Services); 2570 (Internal Services); and 2610 (Direction of
9 Central Support Services); provided, however, that
10 "administrative expenditures" shall not include early
11 retirement or other pension system obligations required by
12 State law.

13 "School district" means all school districts having a
14 population of less than 500,000.

15 (c) For the 1998-99 school year and each school year
16 thereafter, each school district shall undertake budgetary and
17 expenditure control actions so that the increase in
18 administrative expenditures for that school year over the prior
19 school year does not exceed 5%. School districts with
20 administrative expenditures per pupil in the 25th percentile
21 and below for all districts of the same type, as defined by the
22 State Board of Education, may waive the limitation imposed
23 under this Section for any year following a public hearing and
24 with the affirmative vote of at least two-thirds of the members
25 of the school board of the district. Any district waiving the
26 limitation shall notify the State Board within 45 days of such

1 action.

2 (d) School districts shall file with the State Board of
3 Education by November 15, 1998 and by each November 15th
4 thereafter a one-page report that lists (i) the actual
5 administrative expenditures for the prior year from the
6 district's audited Annual Financial Report, and (ii) the
7 projected administrative expenditures for the current year
8 from the budget adopted by the school board pursuant to Section
9 17-1 of this Code.

10 If a school district that is ineligible to waive the
11 limitation imposed by subsection (c) of this Section by board
12 action exceeds the limitation solely because of circumstances
13 beyond the control of the district and the district has
14 exhausted all available and reasonable remedies to comply with
15 the limitation, the district may request a waiver pursuant to
16 Section 2-3.25g. The waiver application shall specify the
17 amount, nature, and reason for the relief requested, as well as
18 all remedies the district has exhausted to comply with the
19 limitation. Any emergency relief so requested shall apply only
20 to the specific school year for which the request is made. The
21 State Board of Education shall analyze all such waivers
22 submitted and shall recommend that the General Assembly
23 disapprove any such waiver requested that is not due solely to
24 circumstances beyond the control of the district and for which
25 the district has not exhausted all available and reasonable
26 remedies to comply with the limitation. The State

1 Superintendent shall have no authority to impose any sanctions
2 pursuant to this Section for any expenditures for which a
3 waiver has been requested until such waiver has been reviewed
4 by the General Assembly.

5 If the report and information required under this
6 subsection (d) are not provided by the school district in a
7 timely manner, or are subsequently determined by the State
8 Superintendent of Education to be incomplete or inaccurate, the
9 State Superintendent shall notify the district in writing of
10 reporting deficiencies. The school district shall, within 60
11 days of the notice, address the reporting deficiencies
12 identified.

13 (e) If the State Superintendent determines that a school
14 district has failed to comply with the administrative
15 expenditure limitation imposed in subsection (c) of this
16 Section, the State Superintendent shall notify the district of
17 the violation and direct the district to undertake corrective
18 action to bring the district's budget into compliance with the
19 administrative expenditure limitation. The district shall,
20 within 60 days of the notice, provide adequate assurance to the
21 State Superintendent that appropriate corrective actions have
22 been or will be taken. If the district fails to provide
23 adequate assurance or fails to undertake the necessary
24 corrective actions, the State Superintendent may impose
25 progressive sanctions against the district that may culminate
26 in withholding all subsequent payments of general State aid due

1 the district under Section 18-8.05 of this Code or
2 evidence-based funding due the district under Section 18-8.15
3 of this Code until the assurance is provided or the corrective
4 actions taken.

5 (f) The State Superintendent shall publish a list each year
6 of the school districts that violate the limitation imposed by
7 subsection (c) of this Section and a list of the districts that
8 waive the limitation by board action as provided in subsection
9 (c) of this Section.

10 (Source: P.A. 90-548, eff. 1-1-98; 90-653, eff. 7-29-98.)

11 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

12 Sec. 17-2.11. School board power to levy a tax or to borrow
13 money and issue bonds for fire prevention, safety, energy
14 conservation, accessibility, school security, and specified
15 repair purposes.

16 (a) Whenever, as a result of any lawful order of any
17 agency, other than a school board, having authority to enforce
18 any school building code applicable to any facility that houses
19 students, or any law or regulation for the protection and
20 safety of the environment, pursuant to the Environmental
21 Protection Act, any school district having a population of less
22 than 500,000 inhabitants is required to alter or reconstruct
23 any school building or permanent, fixed equipment; the district
24 may, by proper resolution, levy a tax for the purpose of making
25 such alteration or reconstruction, based on a survey report by

1 an architect or engineer licensed in this State, upon all of
2 the taxable property of the district at the value as assessed
3 by the Department of Revenue and at a rate not to exceed 0.05%
4 per year for a period sufficient to finance such alteration or
5 reconstruction, upon the following conditions:

6 (1) When there are not sufficient funds available in
7 the operations and maintenance fund of the school district,
8 the school facility occupation tax fund of the district, or
9 the fire prevention and safety fund of the district, as
10 determined by the district on the basis of rules adopted by
11 the State Board of Education, to make such alteration or
12 reconstruction or to purchase and install such permanent,
13 fixed equipment so ordered or determined as necessary.
14 Appropriate school district records must be made available
15 to the State Superintendent of Education, upon request, to
16 confirm this insufficiency.

17 (2) When a certified estimate of an architect or
18 engineer licensed in this State stating the estimated
19 amount necessary to make the alteration or reconstruction
20 or to purchase and install the equipment so ordered has
21 been secured by the school district, and the estimate has
22 been approved by the regional superintendent of schools
23 having jurisdiction over the district and the State
24 Superintendent of Education. Approval must not be granted
25 for any work that has already started without the prior
26 express authorization of the State Superintendent of

1 Education. If the estimate is not approved or is denied
2 approval by the regional superintendent of schools within 3
3 months after the date on which it is submitted to him or
4 her, the school board of the district may submit the
5 estimate directly to the State Superintendent of Education
6 for approval or denial.

7 In the case of an emergency situation, where the estimated
8 cost to effectuate emergency repairs is less than the amount
9 specified in Section 10-20.21 of this Code, the school district
10 may proceed with such repairs prior to approval by the State
11 Superintendent of Education, but shall comply with the
12 provisions of subdivision (2) of this subsection (a) as soon
13 thereafter as may be as well as Section 10-20.21 of this Code.
14 If the estimated cost to effectuate emergency repairs is
15 greater than the amount specified in Section 10-20.21 of this
16 Code, then the school district shall proceed in conformity with
17 Section 10-20.21 of this Code and with rules established by the
18 State Board of Education to address such situations. The rules
19 adopted by the State Board of Education to deal with these
20 situations shall stipulate that emergency situations must be
21 expedited and given priority consideration. For purposes of
22 this paragraph, an emergency is a situation that presents an
23 imminent and continuing threat to the health and safety of
24 students or other occupants of a facility, requires complete or
25 partial evacuation of a building or part of a building, or
26 consumes one or more of the 5 emergency days built into the

1 adopted calendar of the school or schools or would otherwise be
2 expected to cause such school or schools to fall short of the
3 minimum school calendar requirements.

4 (b) Whenever any such district determines that it is
5 necessary for energy conservation purposes that any school
6 building or permanent, fixed equipment should be altered or
7 reconstructed and that such alterations or reconstruction will
8 be made with funds not necessary for the completion of approved
9 and recommended projects contained in any safety survey report
10 or amendments thereto authorized by Section 2-3.12 of this Act;
11 the district may levy a tax or issue bonds as provided in
12 subsection (a) of this Section.

13 (c) Whenever any such district determines that it is
14 necessary for accessibility purposes and to comply with the
15 school building code that any school building or equipment
16 should be altered or reconstructed and that such alterations or
17 reconstruction will be made with funds not necessary for the
18 completion of approved and recommended projects contained in
19 any safety survey report or amendments thereto authorized under
20 Section 2-3.12 of this Act, the district may levy a tax or
21 issue bonds as provided in subsection (a) of this Section.

22 (d) Whenever any such district determines that it is
23 necessary for school security purposes and the related
24 protection and safety of pupils and school personnel that any
25 school building or property should be altered or reconstructed
26 or that security systems and equipment (including but not

1 limited to intercom, early detection and warning, access
2 control and television monitoring systems) should be purchased
3 and installed, and that such alterations, reconstruction or
4 purchase and installation of equipment will be made with funds
5 not necessary for the completion of approved and recommended
6 projects contained in any safety survey report or amendment
7 thereto authorized by Section 2-3.12 of this Act and will deter
8 and prevent unauthorized entry or activities upon school
9 property by unknown or dangerous persons, assure early
10 detection and advance warning of any such actual or attempted
11 unauthorized entry or activities and help assure the continued
12 safety of pupils and school staff if any such unauthorized
13 entry or activity is attempted or occurs; the district may levy
14 a tax or issue bonds as provided in subsection (a) of this
15 Section.

16 (e) If a school district does not need funds for other fire
17 prevention and safety projects, including the completion of
18 approved and recommended projects contained in any safety
19 survey report or amendments thereto authorized by Section
20 2-3.12 of this Act, and it is determined after a public hearing
21 (which is preceded by at least one published notice (i)
22 occurring at least 7 days prior to the hearing in a newspaper
23 of general circulation within the school district and (ii)
24 setting forth the time, date, place, and general subject matter
25 of the hearing) that there is a substantial, immediate, and
26 otherwise unavoidable threat to the health, safety, or welfare

1 of pupils due to disrepair of school sidewalks, playgrounds,
2 parking lots, or school bus turnarounds and repairs must be
3 made; then the district may levy a tax or issue bonds as
4 provided in subsection (a) of this Section.

5 (f) For purposes of this Section a school district may
6 replace a school building or build additions to replace
7 portions of a building when it is determined that the
8 effectuation of the recommendations for the existing building
9 will cost more than the replacement costs. Such determination
10 shall be based on a comparison of estimated costs made by an
11 architect or engineer licensed in the State of Illinois. The
12 new building or addition shall be equivalent in area (square
13 feet) and comparable in purpose and grades served and may be on
14 the same site or another site. Such replacement may only be
15 done upon order of the regional superintendent of schools and
16 the approval of the State Superintendent of Education.

17 (g) The filing of a certified copy of the resolution
18 levying the tax when accompanied by the certificates of the
19 regional superintendent of schools and State Superintendent of
20 Education shall be the authority of the county clerk to extend
21 such tax.

22 (h) The county clerk of the county in which any school
23 district levying a tax under the authority of this Section is
24 located, in reducing raised levies, shall not consider any such
25 tax as a part of the general levy for school purposes and shall
26 not include the same in the limitation of any other tax rate

1 which may be extended.

2 Such tax shall be levied and collected in like manner as
3 all other taxes of school districts, subject to the provisions
4 contained in this Section.

5 (i) The tax rate limit specified in this Section may be
6 increased to .10% upon the approval of a proposition to effect
7 such increase by a majority of the electors voting on that
8 proposition at a regular scheduled election. Such proposition
9 may be initiated by resolution of the school board and shall be
10 certified by the secretary to the proper election authorities
11 for submission in accordance with the general election law.

12 (j) When taxes are levied by any school district for fire
13 prevention, safety, energy conservation, and school security
14 purposes as specified in this Section, and the purposes for
15 which the taxes have been levied are accomplished and paid in
16 full, and there remain funds on hand in the Fire Prevention and
17 Safety Fund from the proceeds of the taxes levied, including
18 interest earnings thereon, the school board by resolution shall
19 use such excess and other board restricted funds, excluding
20 bond proceeds and earnings from such proceeds, as follows:

21 (1) for other authorized fire prevention, safety,
22 energy conservation, required safety inspections, school
23 security purposes, sampling for lead in drinking water in
24 schools, and for repair and mitigation due to lead levels
25 in the drinking water supply; or

26 (2) for transfer to the Operations and Maintenance Fund

1 for the purpose of abating an equal amount of operations
2 and maintenance purposes taxes.

3 Notwithstanding subdivision (2) of this subsection (j) and
4 subsection (k) of this Section, through June 30, 2020 ~~2019~~, the
5 school board may, by proper resolution following a public
6 hearing set by the school board or the president of the school
7 board (that is preceded (i) by at least one published notice
8 over the name of the clerk or secretary of the board, occurring
9 at least 7 days and not more than 30 days prior to the hearing,
10 in a newspaper of general circulation within the school
11 district and (ii) by posted notice over the name of the clerk
12 or secretary of the board, at least 48 hours before the
13 hearing, at the principal office of the school board or at the
14 building where the hearing is to be held if a principal office
15 does not exist, with both notices setting forth the time, date,
16 place, and subject matter of the hearing), transfer surplus
17 life safety taxes and interest earnings thereon to the
18 Operations and Maintenance Fund for building repair work.

19 (k) If any transfer is made to the Operation and
20 Maintenance Fund, the secretary of the school board shall
21 within 30 days notify the county clerk of the amount of that
22 transfer and direct the clerk to abate the taxes to be extended
23 for the purposes of operations and maintenance authorized under
24 Section 17-2 of this Act by an amount equal to such transfer.

25 (l) If the proceeds from the tax levy authorized by this
26 Section are insufficient to complete the work approved under

1 this Section, the school board is authorized to sell bonds
2 without referendum under the provisions of this Section in an
3 amount that, when added to the proceeds of the tax levy
4 authorized by this Section, will allow completion of the
5 approved work.

6 (m) Any bonds issued pursuant to this Section shall bear
7 interest at a rate not to exceed the maximum rate authorized by
8 law at the time of the making of the contract, shall mature
9 within 20 years from date, and shall be signed by the president
10 of the school board and the treasurer of the school district.

11 (n) In order to authorize and issue such bonds, the school
12 board shall adopt a resolution fixing the amount of bonds, the
13 date thereof, the maturities thereof, rates of interest
14 thereof, place of payment and denomination, which shall be in
15 denominations of not less than \$100 and not more than \$5,000,
16 and provide for the levy and collection of a direct annual tax
17 upon all the taxable property in the school district sufficient
18 to pay the principal and interest on such bonds to maturity.
19 Upon the filing in the office of the county clerk of the county
20 in which the school district is located of a certified copy of
21 the resolution, it is the duty of the county clerk to extend
22 the tax therefor in addition to and in excess of all other
23 taxes heretofore or hereafter authorized to be levied by such
24 school district.

25 (o) After the time such bonds are issued as provided for by
26 this Section, if additional alterations or reconstructions are

1 required to be made because of surveys conducted by an
2 architect or engineer licensed in the State of Illinois, the
3 district may levy a tax at a rate not to exceed .05% per year
4 upon all the taxable property of the district or issue
5 additional bonds, whichever action shall be the most feasible.

6 (p) This Section is cumulative and constitutes complete
7 authority for the issuance of bonds as provided in this Section
8 notwithstanding any other statute or law to the contrary.

9 (q) With respect to instruments for the payment of money
10 issued under this Section either before, on, or after the
11 effective date of Public Act 86-004 (June 6, 1989), it is, and
12 always has been, the intention of the General Assembly (i) that
13 the Omnibus Bond Acts are, and always have been, supplementary
14 grants of power to issue instruments in accordance with the
15 Omnibus Bond Acts, regardless of any provision of this Act that
16 may appear to be or to have been more restrictive than those
17 Acts, (ii) that the provisions of this Section are not a
18 limitation on the supplementary authority granted by the
19 Omnibus Bond Acts, and (iii) that instruments issued under this
20 Section within the supplementary authority granted by the
21 Omnibus Bond Acts are not invalid because of any provision of
22 this Act that may appear to be or to have been more restrictive
23 than those Acts.

24 (r) When the purposes for which the bonds are issued have
25 been accomplished and paid for in full and there remain funds
26 on hand from the proceeds of the bond sale and interest

1 earnings therefrom, the board shall, by resolution, use such
2 excess funds in accordance with the provisions of Section
3 10-22.14 of this Act.

4 (s) Whenever any tax is levied or bonds issued for fire
5 prevention, safety, energy conservation, and school security
6 purposes, such proceeds shall be deposited and accounted for
7 separately within the Fire Prevention and Safety Fund.

8 (Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14;
9 99-143, eff. 7-27-15; 99-713, eff. 8-5-16; 99-922, eff.
10 1-17-17.)

11 (105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)

12 Sec. 17-2A. Interfund transfers.

13 (a) The school board of any district having a population of
14 less than 500,000 inhabitants may, by proper resolution
15 following a public hearing set by the school board or the
16 president of the school board (that is preceded (i) by at least
17 one published notice over the name of the clerk or secretary of
18 the board, occurring at least 7 days and not more than 30 days
19 prior to the hearing, in a newspaper of general circulation
20 within the school district and (ii) by posted notice over the
21 name of the clerk or secretary of the board, at least 48 hours
22 before the hearing, at the principal office of the school board
23 or at the building where the hearing is to be held if a
24 principal office does not exist, with both notices setting
25 forth the time, date, place, and subject matter of the

1 hearing), transfer money from (1) the Educational Fund to the
2 Operations and Maintenance Fund or the Transportation Fund, (2)
3 the Operations and Maintenance Fund to the Educational Fund or
4 the Transportation Fund, (3) the Transportation Fund to the
5 Educational Fund or the Operations and Maintenance Fund, or (4)
6 the Tort Immunity Fund to the Operations and Maintenance Fund
7 of said district, provided that, except during the period from
8 July 1, 2003 through June 30, 2020 ~~2019~~, such transfer is made
9 solely for the purpose of meeting one-time, non-recurring
10 expenses. Except during the period from July 1, 2003 through
11 June 30, 2020 ~~2019~~ and except as otherwise provided in
12 subsection (b) of this Section, any other permanent interfund
13 transfers authorized by any provision or judicial
14 interpretation of this Code for which the transferee fund is
15 not precisely and specifically set forth in the provision of
16 this Code authorizing such transfer shall be made to the fund
17 of the school district most in need of the funds being
18 transferred, as determined by resolution of the school board.

19 (b) (Blank).

20 (c) Notwithstanding subsection (a) of this Section or any
21 other provision of this Code to the contrary, the school board
22 of any school district (i) that is subject to the Property Tax
23 Extension Limitation Law, (ii) that is an elementary district
24 servicing students in grades K through 8, (iii) whose territory
25 is in one county, (iv) that is eligible for Section 7002
26 Federal Impact Aid, and (v) that has no more than \$81,000 in

1 funds remaining from refinancing bonds that were refinanced a
2 minimum of 5 years prior to January 20, 2017 (the effective
3 date of Public Act 99-926) ~~this amendatory Act of the 99th~~
4 ~~General Assembly~~ may make a one-time transfer of the funds
5 remaining from the refinancing bonds to the Operations and
6 Maintenance Fund of the district by proper resolution following
7 a public hearing set by the school board or the president of
8 the school board, with notice as provided in subsection (a) of
9 this Section, so long as the district meets the qualifications
10 set forth in this subsection (c) on January 20, 2017 (the
11 effective date of Public Act 99-926) ~~this amendatory Act of the~~
12 ~~99th General Assembly~~.

13 (Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14; 99-713,
14 eff. 8-5-16; 99-922, eff. 1-17-17; 99-926, eff. 1-20-17;
15 revised 1-23-17.)

16 (105 ILCS 5/17-3.6 new)

17 Sec. 17-3.6. Educational purposes tax rate for school
18 districts subject to Property Tax Extension Limitation Law.
19 Notwithstanding the provisions, requirements, or limitations
20 of this Code or any other law, any tax levied for educational
21 purposes by a school district subject to the Property Tax
22 Extension Limitation Law for the 2016 levy year or any
23 subsequent levy year may be extended at a rate exceeding the
24 rate established for educational purposes by referendum or this
25 Code, provided that the rate does not cause the school district

1 to exceed the limiting rate applicable to the school district
2 under the Property Tax Extension Limitation Law for that levy
3 year.

4 (105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

5 Sec. 18-4.3. Summer school grants. Through fiscal year
6 2017, grants ~~Grants~~ shall be determined for pupil attendance in
7 summer schools conducted under Sections 10-22.33A and 34-18 and
8 approved under Section 2-3.25 in the following manner.

9 The amount of grant for each accredited summer school
10 attendance pupil shall be obtained by dividing the total amount
11 of apportionments determined under Section 18-8.05 by the
12 actual number of pupils in average daily attendance used for
13 such apportionments. The number of credited summer school
14 attendance pupils shall be determined (a) by counting clock
15 hours of class instruction by pupils enrolled in grades 1
16 through 12 in approved courses conducted at least 60 clock
17 hours in summer sessions; (b) by dividing such total of clock
18 hours of class instruction by 4 to produce days of credited
19 pupil attendance; (c) by dividing such days of credited pupil
20 attendance by the actual number of days in the regular term as
21 used in computation in the general apportionment in Section
22 18-8.05; and (d) by multiplying by 1.25.

23 The amount of the grant for a summer school program
24 approved by the State Superintendent of Education for children
25 with disabilities, as defined in Sections 14-1.02 through

1 14-1.07, shall be determined in the manner contained above
2 except that average daily membership shall be utilized in lieu
3 of average daily attendance.

4 In the case of an apportionment based on summer school
5 attendance or membership pupils, the claim therefor shall be
6 presented as a separate claim for the particular school year in
7 which such summer school session ends. On or before November 1
8 of each year the superintendent of each eligible school
9 district shall certify to the State Superintendent of Education
10 the claim of the district for the summer session just ended.
11 Failure on the part of the school board to so certify shall
12 constitute a forfeiture of its right to such payment. The State
13 Superintendent of Education shall transmit to the Comptroller
14 no later than December 15th of each year vouchers for payment
15 of amounts due school districts for summer school. The State
16 Superintendent of Education shall direct the Comptroller to
17 draw his warrants for payments thereof by the 30th day of
18 December. If the money appropriated by the General Assembly for
19 such purpose for any year is insufficient, it shall be
20 apportioned on the basis of claims approved.

21 However, notwithstanding the foregoing provisions, for
22 each fiscal year the money appropriated by the General Assembly
23 for the purposes of this Section shall only be used for grants
24 for approved summer school programs for those children with
25 disabilities served pursuant to Section 14-7.02 or 14-7.02b of
26 this Code.

1 No funding shall be provided to school districts under this
2 Section after fiscal year 2017. In fiscal year 2018 and each
3 fiscal year thereafter, all funding received by a school
4 district from the State pursuant to Section 18-8.15 of this
5 Code that is attributable to summer school for special
6 education pupils must be used for special education services
7 authorized under this Code.

8 (Source: P.A. 93-1022, eff. 8-24-04.)

9 (105 ILCS 5/18-8.05)

10 Sec. 18-8.05. Basis for apportionment of general State
11 financial aid and supplemental general State aid to the common
12 schools for the 1998-1999 through the 2016-2017 ~~and subsequent~~
13 school years.

14 (A) General Provisions.

15 (1) The provisions of this Section relating to the
16 calculation and apportionment of general State financial aid
17 and supplemental general State aid apply to the 1998-1999
18 through the 2016-2017 ~~and subsequent~~ school years. The system
19 of general State financial aid provided for in this Section is
20 designed to assure that, through a combination of State
21 financial aid and required local resources, the financial
22 support provided each pupil in Average Daily Attendance equals
23 or exceeds a prescribed per pupil Foundation Level. This
24 formula approach imputes a level of per pupil Available Local

1 Resources and provides for the basis to calculate a per pupil
2 level of general State financial aid that, when added to
3 Available Local Resources, equals or exceeds the Foundation
4 Level. The amount of per pupil general State financial aid for
5 school districts, in general, varies in inverse relation to
6 Available Local Resources. Per pupil amounts are based upon
7 each school district's Average Daily Attendance as that term is
8 defined in this Section.

9 (2) In addition to general State financial aid, school
10 districts with specified levels or concentrations of pupils
11 from low income households are eligible to receive supplemental
12 general State financial aid grants as provided pursuant to
13 subsection (H). The supplemental State aid grants provided for
14 school districts under subsection (H) shall be appropriated for
15 distribution to school districts as part of the same line item
16 in which the general State financial aid of school districts is
17 appropriated under this Section.

18 (3) To receive financial assistance under this Section,
19 school districts are required to file claims with the State
20 Board of Education, subject to the following requirements:

21 (a) Any school district which fails for any given
22 school year to maintain school as required by law, or to
23 maintain a recognized school is not eligible to file for
24 such school year any claim upon the Common School Fund. In
25 case of nonrecognition of one or more attendance centers in
26 a school district otherwise operating recognized schools,

1 the claim of the district shall be reduced in the
2 proportion which the Average Daily Attendance in the
3 attendance center or centers bear to the Average Daily
4 Attendance in the school district. A "recognized school"
5 means any public school which meets the standards as
6 established for recognition by the State Board of
7 Education. A school district or attendance center not
8 having recognition status at the end of a school term is
9 entitled to receive State aid payments due upon a legal
10 claim which was filed while it was recognized.

11 (b) School district claims filed under this Section are
12 subject to Sections 18-9 and 18-12, except as otherwise
13 provided in this Section.

14 (c) If a school district operates a full year school
15 under Section 10-19.1, the general State aid to the school
16 district shall be determined by the State Board of
17 Education in accordance with this Section as near as may be
18 applicable.

19 (d) (Blank).

20 (4) Except as provided in subsections (H) and (L), the
21 board of any district receiving any of the grants provided for
22 in this Section may apply those funds to any fund so received
23 for which that board is authorized to make expenditures by law.

24 School districts are not required to exert a minimum
25 Operating Tax Rate in order to qualify for assistance under
26 this Section.

1 (5) As used in this Section the following terms, when
2 capitalized, shall have the meaning ascribed herein:

3 (a) "Average Daily Attendance": A count of pupil
4 attendance in school, averaged as provided for in
5 subsection (C) and utilized in deriving per pupil financial
6 support levels.

7 (b) "Available Local Resources": A computation of
8 local financial support, calculated on the basis of Average
9 Daily Attendance and derived as provided pursuant to
10 subsection (D).

11 (c) "Corporate Personal Property Replacement Taxes":
12 Funds paid to local school districts pursuant to "An Act in
13 relation to the abolition of ad valorem personal property
14 tax and the replacement of revenues lost thereby, and
15 amending and repealing certain Acts and parts of Acts in
16 connection therewith", certified August 14, 1979, as
17 amended (Public Act 81-1st S.S.-1).

18 (d) "Foundation Level": A prescribed level of per pupil
19 financial support as provided for in subsection (B).

20 (e) "Operating Tax Rate": All school district property
21 taxes extended for all purposes, except Bond and Interest,
22 Summer School, Rent, Capital Improvement, and Vocational
23 Education Building purposes.

24 (B) Foundation Level.

25 (1) The Foundation Level is a figure established by the

1 State representing the minimum level of per pupil financial
2 support that should be available to provide for the basic
3 education of each pupil in Average Daily Attendance. As set
4 forth in this Section, each school district is assumed to exert
5 a sufficient local taxing effort such that, in combination with
6 the aggregate of general State financial aid provided the
7 district, an aggregate of State and local resources are
8 available to meet the basic education needs of pupils in the
9 district.

10 (2) For the 1998-1999 school year, the Foundation Level of
11 support is \$4,225. For the 1999-2000 school year, the
12 Foundation Level of support is \$4,325. For the 2000-2001 school
13 year, the Foundation Level of support is \$4,425. For the
14 2001-2002 school year and 2002-2003 school year, the Foundation
15 Level of support is \$4,560. For the 2003-2004 school year, the
16 Foundation Level of support is \$4,810. For the 2004-2005 school
17 year, the Foundation Level of support is \$4,964. For the
18 2005-2006 school year, the Foundation Level of support is
19 \$5,164. For the 2006-2007 school year, the Foundation Level of
20 support is \$5,334. For the 2007-2008 school year, the
21 Foundation Level of support is \$5,734. For the 2008-2009 school
22 year, the Foundation Level of support is \$5,959.

23 (3) For the 2009-2010 school year and each school year
24 thereafter, the Foundation Level of support is \$6,119 or such
25 greater amount as may be established by law by the General
26 Assembly.

1 (C) Average Daily Attendance.

2 (1) For purposes of calculating general State aid pursuant
3 to subsection (E), an Average Daily Attendance figure shall be
4 utilized. The Average Daily Attendance figure for formula
5 calculation purposes shall be the monthly average of the actual
6 number of pupils in attendance of each school district, as
7 further averaged for the best 3 months of pupil attendance for
8 each school district. In compiling the figures for the number
9 of pupils in attendance, school districts and the State Board
10 of Education shall, for purposes of general State aid funding,
11 conform attendance figures to the requirements of subsection
12 (F).

13 (2) The Average Daily Attendance figures utilized in
14 subsection (E) shall be the requisite attendance data for the
15 school year immediately preceding the school year for which
16 general State aid is being calculated or the average of the
17 attendance data for the 3 preceding school years, whichever is
18 greater. The Average Daily Attendance figures utilized in
19 subsection (H) shall be the requisite attendance data for the
20 school year immediately preceding the school year for which
21 general State aid is being calculated.

22 (D) Available Local Resources.

23 (1) For purposes of calculating general State aid pursuant
24 to subsection (E), a representation of Available Local

1 Resources per pupil, as that term is defined and determined in
2 this subsection, shall be utilized. Available Local Resources
3 per pupil shall include a calculated dollar amount representing
4 local school district revenues from local property taxes and
5 from Corporate Personal Property Replacement Taxes, expressed
6 on the basis of pupils in Average Daily Attendance. Calculation
7 of Available Local Resources shall exclude any tax amnesty
8 funds received as a result of Public Act 93-26.

9 (2) In determining a school district's revenue from local
10 property taxes, the State Board of Education shall utilize the
11 equalized assessed valuation of all taxable property of each
12 school district as of September 30 of the previous year. The
13 equalized assessed valuation utilized shall be obtained and
14 determined as provided in subsection (G).

15 (3) For school districts maintaining grades kindergarten
16 through 12, local property tax revenues per pupil shall be
17 calculated as the product of the applicable equalized assessed
18 valuation for the district multiplied by 3.00%, and divided by
19 the district's Average Daily Attendance figure. For school
20 districts maintaining grades kindergarten through 8, local
21 property tax revenues per pupil shall be calculated as the
22 product of the applicable equalized assessed valuation for the
23 district multiplied by 2.30%, and divided by the district's
24 Average Daily Attendance figure. For school districts
25 maintaining grades 9 through 12, local property tax revenues
26 per pupil shall be the applicable equalized assessed valuation

1 of the district multiplied by 1.05%, and divided by the
2 district's Average Daily Attendance figure.

3 For partial elementary unit districts created pursuant to
4 Article 11E of this Code, local property tax revenues per pupil
5 shall be calculated as the product of the equalized assessed
6 valuation for property within the partial elementary unit
7 district for elementary purposes, as defined in Article 11E of
8 this Code, multiplied by 2.06% and divided by the district's
9 Average Daily Attendance figure, plus the product of the
10 equalized assessed valuation for property within the partial
11 elementary unit district for high school purposes, as defined
12 in Article 11E of this Code, multiplied by 0.94% and divided by
13 the district's Average Daily Attendance figure.

14 (4) The Corporate Personal Property Replacement Taxes paid
15 to each school district during the calendar year one year
16 before the calendar year in which a school year begins, divided
17 by the Average Daily Attendance figure for that district, shall
18 be added to the local property tax revenues per pupil as
19 derived by the application of the immediately preceding
20 paragraph (3). The sum of these per pupil figures for each
21 school district shall constitute Available Local Resources as
22 that term is utilized in subsection (E) in the calculation of
23 general State aid.

24 (E) Computation of General State Aid.

25 (1) For each school year, the amount of general State aid

1 allotted to a school district shall be computed by the State
2 Board of Education as provided in this subsection.

3 (2) For any school district for which Available Local
4 Resources per pupil is less than the product of 0.93 times the
5 Foundation Level, general State aid for that district shall be
6 calculated as an amount equal to the Foundation Level minus
7 Available Local Resources, multiplied by the Average Daily
8 Attendance of the school district.

9 (3) For any school district for which Available Local
10 Resources per pupil is equal to or greater than the product of
11 0.93 times the Foundation Level and less than the product of
12 1.75 times the Foundation Level, the general State aid per
13 pupil shall be a decimal proportion of the Foundation Level
14 derived using a linear algorithm. Under this linear algorithm,
15 the calculated general State aid per pupil shall decline in
16 direct linear fashion from 0.07 times the Foundation Level for
17 a school district with Available Local Resources equal to the
18 product of 0.93 times the Foundation Level, to 0.05 times the
19 Foundation Level for a school district with Available Local
20 Resources equal to the product of 1.75 times the Foundation
21 Level. The allocation of general State aid for school districts
22 subject to this paragraph 3 shall be the calculated general
23 State aid per pupil figure multiplied by the Average Daily
24 Attendance of the school district.

25 (4) For any school district for which Available Local
26 Resources per pupil equals or exceeds the product of 1.75 times

1 the Foundation Level, the general State aid for the school
2 district shall be calculated as the product of \$218 multiplied
3 by the Average Daily Attendance of the school district.

4 (5) The amount of general State aid allocated to a school
5 district for the 1999-2000 school year meeting the requirements
6 set forth in paragraph (4) of subsection (G) shall be increased
7 by an amount equal to the general State aid that would have
8 been received by the district for the 1998-1999 school year by
9 utilizing the Extension Limitation Equalized Assessed
10 Valuation as calculated in paragraph (4) of subsection (G) less
11 the general State aid allotted for the 1998-1999 school year.
12 This amount shall be deemed a one time increase, and shall not
13 affect any future general State aid allocations.

14 (F) Compilation of Average Daily Attendance.

15 (1) Each school district shall, by July 1 of each year,
16 submit to the State Board of Education, on forms prescribed by
17 the State Board of Education, attendance figures for the school
18 year that began in the preceding calendar year. The attendance
19 information so transmitted shall identify the average daily
20 attendance figures for each month of the school year. Beginning
21 with the general State aid claim form for the 2002-2003 school
22 year, districts shall calculate Average Daily Attendance as
23 provided in subdivisions (a), (b), and (c) of this paragraph
24 (1).

25 (a) In districts that do not hold year-round classes,

1 days of attendance in August shall be added to the month of
2 September and any days of attendance in June shall be added
3 to the month of May.

4 (b) In districts in which all buildings hold year-round
5 classes, days of attendance in July and August shall be
6 added to the month of September and any days of attendance
7 in June shall be added to the month of May.

8 (c) In districts in which some buildings, but not all,
9 hold year-round classes, for the non-year-round buildings,
10 days of attendance in August shall be added to the month of
11 September and any days of attendance in June shall be added
12 to the month of May. The average daily attendance for the
13 year-round buildings shall be computed as provided in
14 subdivision (b) of this paragraph (1). To calculate the
15 Average Daily Attendance for the district, the average
16 daily attendance for the year-round buildings shall be
17 multiplied by the days in session for the non-year-round
18 buildings for each month and added to the monthly
19 attendance of the non-year-round buildings.

20 Except as otherwise provided in this Section, days of
21 attendance by pupils shall be counted only for sessions of not
22 less than 5 clock hours of school work per day under direct
23 supervision of: (i) teachers, or (ii) non-teaching personnel or
24 volunteer personnel when engaging in non-teaching duties and
25 supervising in those instances specified in subsection (a) of
26 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils

1 of legal school age and in kindergarten and grades 1 through
2 12. Days of attendance by pupils through verified participation
3 in an e-learning program approved by the State Board of
4 Education under Section 10-20.56 of the Code shall be
5 considered as full days of attendance for purposes of this
6 Section.

7 Days of attendance by tuition pupils shall be accredited
8 only to the districts that pay the tuition to a recognized
9 school.

10 (2) Days of attendance by pupils of less than 5 clock hours
11 of school shall be subject to the following provisions in the
12 compilation of Average Daily Attendance.

13 (a) Pupils regularly enrolled in a public school for
14 only a part of the school day may be counted on the basis
15 of 1/6 day for every class hour of instruction of 40
16 minutes or more attended pursuant to such enrollment,
17 unless a pupil is enrolled in a block-schedule format of 80
18 minutes or more of instruction, in which case the pupil may
19 be counted on the basis of the proportion of minutes of
20 school work completed each day to the minimum number of
21 minutes that school work is required to be held that day.

22 (b) (Blank).

23 (c) A session of 4 or more clock hours may be counted
24 as a day of attendance upon certification by the regional
25 superintendent, and approved by the State Superintendent
26 of Education to the extent that the district has been

1 forced to use daily multiple sessions.

2 (d) A session of 3 or more clock hours may be counted
3 as a day of attendance (1) when the remainder of the school
4 day or at least 2 hours in the evening of that day is
5 utilized for an in-service training program for teachers,
6 up to a maximum of 5 days per school year, provided a
7 district conducts an in-service training program for
8 teachers in accordance with Section 10-22.39 of this Code;
9 or, in lieu of 4 such days, 2 full days may be used, in
10 which event each such day may be counted as a day required
11 for a legal school calendar pursuant to Section 10-19 of
12 this Code; (1.5) when, of the 5 days allowed under item
13 (1), a maximum of 4 days are used for parent-teacher
14 conferences, or, in lieu of 4 such days, 2 full days are
15 used, in which case each such day may be counted as a
16 calendar day required under Section 10-19 of this Code,
17 provided that the full-day, parent-teacher conference
18 consists of (i) a minimum of 5 clock hours of
19 parent-teacher conferences, (ii) both a minimum of 2 clock
20 hours of parent-teacher conferences held in the evening
21 following a full day of student attendance, as specified in
22 subsection (F)(1)(c), and a minimum of 3 clock hours of
23 parent-teacher conferences held on the day immediately
24 following evening parent-teacher conferences, or (iii)
25 multiple parent-teacher conferences held in the evenings
26 following full days of student attendance, as specified in

1 subsection (F)(1)(c), in which the time used for the
2 parent-teacher conferences is equivalent to a minimum of 5
3 clock hours; and (2) when days in addition to those
4 provided in items (1) and (1.5) are scheduled by a school
5 pursuant to its school improvement plan adopted under
6 Article 34 or its revised or amended school improvement
7 plan adopted under Article 2, provided that (i) such
8 sessions of 3 or more clock hours are scheduled to occur at
9 regular intervals, (ii) the remainder of the school days in
10 which such sessions occur are utilized for in-service
11 training programs or other staff development activities
12 for teachers, and (iii) a sufficient number of minutes of
13 school work under the direct supervision of teachers are
14 added to the school days between such regularly scheduled
15 sessions to accumulate not less than the number of minutes
16 by which such sessions of 3 or more clock hours fall short
17 of 5 clock hours. Any full days used for the purposes of
18 this paragraph shall not be considered for computing
19 average daily attendance. Days scheduled for in-service
20 training programs, staff development activities, or
21 parent-teacher conferences may be scheduled separately for
22 different grade levels and different attendance centers of
23 the district.

24 (e) A session of not less than one clock hour of
25 teaching hospitalized or homebound pupils on-site or by
26 telephone to the classroom may be counted as 1/2 day of

1 attendance, however these pupils must receive 4 or more
2 clock hours of instruction to be counted for a full day of
3 attendance.

4 (f) A session of at least 4 clock hours may be counted
5 as a day of attendance for first grade pupils, and pupils
6 in full day kindergartens, and a session of 2 or more hours
7 may be counted as 1/2 day of attendance by pupils in
8 kindergartens which provide only 1/2 day of attendance.

9 (g) For children with disabilities who are below the
10 age of 6 years and who cannot attend 2 or more clock hours
11 because of their disability or immaturity, a session of not
12 less than one clock hour may be counted as 1/2 day of
13 attendance; however for such children whose educational
14 needs so require a session of 4 or more clock hours may be
15 counted as a full day of attendance.

16 (h) A recognized kindergarten which provides for only
17 1/2 day of attendance by each pupil shall not have more
18 than 1/2 day of attendance counted in any one day. However,
19 kindergartens may count 2 1/2 days of attendance in any 5
20 consecutive school days. When a pupil attends such a
21 kindergarten for 2 half days on any one school day, the
22 pupil shall have the following day as a day absent from
23 school, unless the school district obtains permission in
24 writing from the State Superintendent of Education.
25 Attendance at kindergartens which provide for a full day of
26 attendance by each pupil shall be counted the same as

1 attendance by first grade pupils. Only the first year of
2 attendance in one kindergarten shall be counted, except in
3 case of children who entered the kindergarten in their
4 fifth year whose educational development requires a second
5 year of kindergarten as determined under the rules and
6 regulations of the State Board of Education.

7 (i) On the days when the assessment that includes a
8 college and career ready determination is administered
9 under subsection (c) of Section 2-3.64a-5 of this Code, the
10 day of attendance for a pupil whose school day must be
11 shortened to accommodate required testing procedures may
12 be less than 5 clock hours and shall be counted towards the
13 176 days of actual pupil attendance required under Section
14 10-19 of this Code, provided that a sufficient number of
15 minutes of school work in excess of 5 clock hours are first
16 completed on other school days to compensate for the loss
17 of school work on the examination days.

18 (j) Pupils enrolled in a remote educational program
19 established under Section 10-29 of this Code may be counted
20 on the basis of one-fifth day of attendance for every clock
21 hour of instruction attended in the remote educational
22 program, provided that, in any month, the school district
23 may not claim for a student enrolled in a remote
24 educational program more days of attendance than the
25 maximum number of days of attendance the district can claim

26 (i) for students enrolled in a building holding year-round

1 classes if the student is classified as participating in
2 the remote educational program on a year-round schedule or
3 (ii) for students enrolled in a building not holding
4 year-round classes if the student is not classified as
5 participating in the remote educational program on a
6 year-round schedule.

7 (G) Equalized Assessed Valuation Data.

8 (1) For purposes of the calculation of Available Local
9 Resources required pursuant to subsection (D), the State Board
10 of Education shall secure from the Department of Revenue the
11 value as equalized or assessed by the Department of Revenue of
12 all taxable property of every school district, together with
13 (i) the applicable tax rate used in extending taxes for the
14 funds of the district as of September 30 of the previous year
15 and (ii) the limiting rate for all school districts subject to
16 property tax extension limitations as imposed under the
17 Property Tax Extension Limitation Law.

18 The Department of Revenue shall add to the equalized
19 assessed value of all taxable property of each school district
20 situated entirely or partially within a county that is or was
21 subject to the provisions of Section 15-176 or 15-177 of the
22 Property Tax Code (a) an amount equal to the total amount by
23 which the homestead exemption allowed under Section 15-176 or
24 15-177 of the Property Tax Code for real property situated in
25 that school district exceeds the total amount that would have

1 been allowed in that school district if the maximum reduction
2 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in
3 all other counties in tax year 2003 or (ii) \$5,000 in all
4 counties in tax year 2004 and thereafter and (b) an amount
5 equal to the aggregate amount for the taxable year of all
6 additional exemptions under Section 15-175 of the Property Tax
7 Code for owners with a household income of \$30,000 or less. The
8 county clerk of any county that is or was subject to the
9 provisions of Section 15-176 or 15-177 of the Property Tax Code
10 shall annually calculate and certify to the Department of
11 Revenue for each school district all homestead exemption
12 amounts under Section 15-176 or 15-177 of the Property Tax Code
13 and all amounts of additional exemptions under Section 15-175
14 of the Property Tax Code for owners with a household income of
15 \$30,000 or less. It is the intent of this paragraph that if the
16 general homestead exemption for a parcel of property is
17 determined under Section 15-176 or 15-177 of the Property Tax
18 Code rather than Section 15-175, then the calculation of
19 Available Local Resources shall not be affected by the
20 difference, if any, between the amount of the general homestead
21 exemption allowed for that parcel of property under Section
22 15-176 or 15-177 of the Property Tax Code and the amount that
23 would have been allowed had the general homestead exemption for
24 that parcel of property been determined under Section 15-175 of
25 the Property Tax Code. It is further the intent of this
26 paragraph that if additional exemptions are allowed under

1 Section 15-175 of the Property Tax Code for owners with a
2 household income of less than \$30,000, then the calculation of
3 Available Local Resources shall not be affected by the
4 difference, if any, because of those additional exemptions.

5 This equalized assessed valuation, as adjusted further by
6 the requirements of this subsection, shall be utilized in the
7 calculation of Available Local Resources.

8 (2) The equalized assessed valuation in paragraph (1) shall
9 be adjusted, as applicable, in the following manner:

10 (a) For the purposes of calculating State aid under
11 this Section, with respect to any part of a school district
12 within a redevelopment project area in respect to which a
13 municipality has adopted tax increment allocation
14 financing pursuant to the Tax Increment Allocation
15 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11
16 of the Illinois Municipal Code or the Industrial Jobs
17 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the
18 Illinois Municipal Code, no part of the current equalized
19 assessed valuation of real property located in any such
20 project area which is attributable to an increase above the
21 total initial equalized assessed valuation of such
22 property shall be used as part of the equalized assessed
23 valuation of the district, until such time as all
24 redevelopment project costs have been paid, as provided in
25 Section 11-74.4-8 of the Tax Increment Allocation
26 Redevelopment Act or in Section 11-74.6-35 of the

1 Industrial Jobs Recovery Law. For the purpose of the
2 equalized assessed valuation of the district, the total
3 initial equalized assessed valuation or the current
4 equalized assessed valuation, whichever is lower, shall be
5 used until such time as all redevelopment project costs
6 have been paid.

7 (b) The real property equalized assessed valuation for
8 a school district shall be adjusted by subtracting from the
9 real property value as equalized or assessed by the
10 Department of Revenue for the district an amount computed
11 by dividing the amount of any abatement of taxes under
12 Section 18-170 of the Property Tax Code by 3.00% for a
13 district maintaining grades kindergarten through 12, by
14 2.30% for a district maintaining grades kindergarten
15 through 8, or by 1.05% for a district maintaining grades 9
16 through 12 and adjusted by an amount computed by dividing
17 the amount of any abatement of taxes under subsection (a)
18 of Section 18-165 of the Property Tax Code by the same
19 percentage rates for district type as specified in this
20 subparagraph (b).

21 (3) For the 1999-2000 school year and each school year
22 thereafter, if a school district meets all of the criteria of
23 this subsection (G) (3), the school district's Available Local
24 Resources shall be calculated under subsection (D) using the
25 district's Extension Limitation Equalized Assessed Valuation
26 as calculated under this subsection (G) (3).

1 For purposes of this subsection (G) (3) the following terms
2 shall have the following meanings:

3 "Budget Year": The school year for which general State
4 aid is calculated and awarded under subsection (E).

5 "Base Tax Year": The property tax levy year used to
6 calculate the Budget Year allocation of general State aid.

7 "Preceding Tax Year": The property tax levy year
8 immediately preceding the Base Tax Year.

9 "Base Tax Year's Tax Extension": The product of the
10 equalized assessed valuation utilized by the County Clerk
11 in the Base Tax Year multiplied by the limiting rate as
12 calculated by the County Clerk and defined in the Property
13 Tax Extension Limitation Law.

14 "Preceding Tax Year's Tax Extension": The product of
15 the equalized assessed valuation utilized by the County
16 Clerk in the Preceding Tax Year multiplied by the Operating
17 Tax Rate as defined in subsection (A).

18 "Extension Limitation Ratio": A numerical ratio,
19 certified by the County Clerk, in which the numerator is
20 the Base Tax Year's Tax Extension and the denominator is
21 the Preceding Tax Year's Tax Extension.

22 "Operating Tax Rate": The operating tax rate as defined
23 in subsection (A).

24 If a school district is subject to property tax extension
25 limitations as imposed under the Property Tax Extension
26 Limitation Law, the State Board of Education shall calculate

1 the Extension Limitation Equalized Assessed Valuation of that
2 district. For the 1999-2000 school year, the Extension
3 Limitation Equalized Assessed Valuation of a school district as
4 calculated by the State Board of Education shall be equal to
5 the product of the district's 1996 Equalized Assessed Valuation
6 and the district's Extension Limitation Ratio. Except as
7 otherwise provided in this paragraph for a school district that
8 has approved or does approve an increase in its limiting rate,
9 for the 2000-2001 school year and each school year thereafter,
10 the Extension Limitation Equalized Assessed Valuation of a
11 school district as calculated by the State Board of Education
12 shall be equal to the product of the Equalized Assessed
13 Valuation last used in the calculation of general State aid and
14 the district's Extension Limitation Ratio. If the Extension
15 Limitation Equalized Assessed Valuation of a school district as
16 calculated under this subsection (G)(3) is less than the
17 district's equalized assessed valuation as calculated pursuant
18 to subsections (G)(1) and (G)(2), then for purposes of
19 calculating the district's general State aid for the Budget
20 Year pursuant to subsection (E), that Extension Limitation
21 Equalized Assessed Valuation shall be utilized to calculate the
22 district's Available Local Resources under subsection (D). For
23 the 2009-2010 school year and each school year thereafter, if a
24 school district has approved or does approve an increase in its
25 limiting rate, pursuant to Section 18-190 of the Property Tax
26 Code, affecting the Base Tax Year, the Extension Limitation

1 Equalized Assessed Valuation of the school district, as
2 calculated by the State Board of Education, shall be equal to
3 the product of the Equalized Assessed Valuation last used in
4 the calculation of general State aid times an amount equal to
5 one plus the percentage increase, if any, in the Consumer Price
6 Index for all Urban Consumers for all items published by the
7 United States Department of Labor for the 12-month calendar
8 year preceding the Base Tax Year, plus the Equalized Assessed
9 Valuation of new property, annexed property, and recovered tax
10 increment value and minus the Equalized Assessed Valuation of
11 disconnected property. New property and recovered tax
12 increment value shall have the meanings set forth in the
13 Property Tax Extension Limitation Law.

14 Partial elementary unit districts created in accordance
15 with Article 11E of this Code shall not be eligible for the
16 adjustment in this subsection (G)(3) until the fifth year
17 following the effective date of the reorganization.

18 (3.5) For the 2010-2011 school year and each school year
19 thereafter, if a school district's boundaries span multiple
20 counties, then the Department of Revenue shall send to the
21 State Board of Education, for the purpose of calculating
22 general State aid, the limiting rate and individual rates by
23 purpose for the county that contains the majority of the school
24 district's Equalized Assessed Valuation.

25 (4) For the purposes of calculating general State aid for
26 the 1999-2000 school year only, if a school district

1 experienced a triennial reassessment on the equalized assessed
2 valuation used in calculating its general State financial aid
3 apportionment for the 1998-1999 school year, the State Board of
4 Education shall calculate the Extension Limitation Equalized
5 Assessed Valuation that would have been used to calculate the
6 district's 1998-1999 general State aid. This amount shall equal
7 the product of the equalized assessed valuation used to
8 calculate general State aid for the 1997-1998 school year and
9 the district's Extension Limitation Ratio. If the Extension
10 Limitation Equalized Assessed Valuation of the school district
11 as calculated under this paragraph (4) is less than the
12 district's equalized assessed valuation utilized in
13 calculating the district's 1998-1999 general State aid
14 allocation, then for purposes of calculating the district's
15 general State aid pursuant to paragraph (5) of subsection (E),
16 that Extension Limitation Equalized Assessed Valuation shall
17 be utilized to calculate the district's Available Local
18 Resources.

19 (5) For school districts having a majority of their
20 equalized assessed valuation in any county except Cook, DuPage,
21 Kane, Lake, McHenry, or Will, if the amount of general State
22 aid allocated to the school district for the 1999-2000 school
23 year under the provisions of subsection (E), (H), and (J) of
24 this Section is less than the amount of general State aid
25 allocated to the district for the 1998-1999 school year under
26 these subsections, then the general State aid of the district

1 for the 1999-2000 school year only shall be increased by the
2 difference between these amounts. The total payments made under
3 this paragraph (5) shall not exceed \$14,000,000. Claims shall
4 be prorated if they exceed \$14,000,000.

5 (H) Supplemental General State Aid.

6 (1) In addition to the general State aid a school district
7 is allotted pursuant to subsection (E), qualifying school
8 districts shall receive a grant, paid in conjunction with a
9 district's payments of general State aid, for supplemental
10 general State aid based upon the concentration level of
11 children from low-income households within the school
12 district. Supplemental State aid grants provided for school
13 districts under this subsection shall be appropriated for
14 distribution to school districts as part of the same line item
15 in which the general State financial aid of school districts is
16 appropriated under this Section.

17 (1.5) This paragraph (1.5) applies only to those school
18 years preceding the 2003-2004 school year. For purposes of this
19 subsection (H), the term "Low-Income Concentration Level"
20 shall be the low-income eligible pupil count from the most
21 recently available federal census divided by the Average Daily
22 Attendance of the school district. If, however, (i) the
23 percentage decrease from the 2 most recent federal censuses in
24 the low-income eligible pupil count of a high school district
25 with fewer than 400 students exceeds by 75% or more the

1 percentage change in the total low-income eligible pupil count
2 of contiguous elementary school districts, whose boundaries
3 are coterminous with the high school district, or (ii) a high
4 school district within 2 counties and serving 5 elementary
5 school districts, whose boundaries are coterminous with the
6 high school district, has a percentage decrease from the 2 most
7 recent federal censuses in the low-income eligible pupil count
8 and there is a percentage increase in the total low-income
9 eligible pupil count of a majority of the elementary school
10 districts in excess of 50% from the 2 most recent federal
11 censuses, then the high school district's low-income eligible
12 pupil count from the earlier federal census shall be the number
13 used as the low-income eligible pupil count for the high school
14 district, for purposes of this subsection (H). The changes made
15 to this paragraph (1) by Public Act 92-28 shall apply to
16 supplemental general State aid grants for school years
17 preceding the 2003-2004 school year that are paid in fiscal
18 year 1999 or thereafter and to any State aid payments made in
19 fiscal year 1994 through fiscal year 1998 pursuant to
20 subsection 1(n) of Section 18-8 of this Code (which was
21 repealed on July 1, 1998), and any high school district that is
22 affected by Public Act 92-28 is entitled to a recomputation of
23 its supplemental general State aid grant or State aid paid in
24 any of those fiscal years. This recomputation shall not be
25 affected by any other funding.

26 (1.10) This paragraph (1.10) applies to the 2003-2004

1 school year and each school year thereafter through the
2 2016-2017 school year. For purposes of this subsection (H), the
3 term "Low-Income Concentration Level" shall, for each fiscal
4 year, be the low-income eligible pupil count as of July 1 of
5 the immediately preceding fiscal year (as determined by the
6 Department of Human Services based on the number of pupils who
7 are eligible for at least one of the following low income
8 programs: Medicaid, the Children's Health Insurance Program,
9 TANF, or Food Stamps, excluding pupils who are eligible for
10 services provided by the Department of Children and Family
11 Services, averaged over the 2 immediately preceding fiscal
12 years for fiscal year 2004 and over the 3 immediately preceding
13 fiscal years for each fiscal year thereafter) divided by the
14 Average Daily Attendance of the school district.

15 (2) Supplemental general State aid pursuant to this
16 subsection (H) shall be provided as follows for the 1998-1999,
17 1999-2000, and 2000-2001 school years only:

18 (a) For any school district with a Low Income
19 Concentration Level of at least 20% and less than 35%, the
20 grant for any school year shall be \$800 multiplied by the
21 low income eligible pupil count.

22 (b) For any school district with a Low Income
23 Concentration Level of at least 35% and less than 50%, the
24 grant for the 1998-1999 school year shall be \$1,100
25 multiplied by the low income eligible pupil count.

26 (c) For any school district with a Low Income

1 Concentration Level of at least 50% and less than 60%, the
2 grant for the 1998-99 school year shall be \$1,500
3 multiplied by the low income eligible pupil count.

4 (d) For any school district with a Low Income
5 Concentration Level of 60% or more, the grant for the
6 1998-99 school year shall be \$1,900 multiplied by the low
7 income eligible pupil count.

8 (e) For the 1999-2000 school year, the per pupil amount
9 specified in subparagraphs (b), (c), and (d) immediately
10 above shall be increased to \$1,243, \$1,600, and \$2,000,
11 respectively.

12 (f) For the 2000-2001 school year, the per pupil
13 amounts specified in subparagraphs (b), (c), and (d)
14 immediately above shall be \$1,273, \$1,640, and \$2,050,
15 respectively.

16 (2.5) Supplemental general State aid pursuant to this
17 subsection (H) shall be provided as follows for the 2002-2003
18 school year:

19 (a) For any school district with a Low Income
20 Concentration Level of less than 10%, the grant for each
21 school year shall be \$355 multiplied by the low income
22 eligible pupil count.

23 (b) For any school district with a Low Income
24 Concentration Level of at least 10% and less than 20%, the
25 grant for each school year shall be \$675 multiplied by the
26 low income eligible pupil count.

1 (c) For any school district with a Low Income
2 Concentration Level of at least 20% and less than 35%, the
3 grant for each school year shall be \$1,330 multiplied by
4 the low income eligible pupil count.

5 (d) For any school district with a Low Income
6 Concentration Level of at least 35% and less than 50%, the
7 grant for each school year shall be \$1,362 multiplied by
8 the low income eligible pupil count.

9 (e) For any school district with a Low Income
10 Concentration Level of at least 50% and less than 60%, the
11 grant for each school year shall be \$1,680 multiplied by
12 the low income eligible pupil count.

13 (f) For any school district with a Low Income
14 Concentration Level of 60% or more, the grant for each
15 school year shall be \$2,080 multiplied by the low income
16 eligible pupil count.

17 (2.10) Except as otherwise provided, supplemental general
18 State aid pursuant to this subsection (H) shall be provided as
19 follows for the 2003-2004 school year and each school year
20 thereafter:

21 (a) For any school district with a Low Income
22 Concentration Level of 15% or less, the grant for each
23 school year shall be \$355 multiplied by the low income
24 eligible pupil count.

25 (b) For any school district with a Low Income
26 Concentration Level greater than 15%, the grant for each

1 school year shall be \$294.25 added to the product of \$2,700
2 and the square of the Low Income Concentration Level, all
3 multiplied by the low income eligible pupil count.

4 For the 2003-2004 school year and each school year
5 thereafter through the 2008-2009 school year only, the grant
6 shall be no less than the grant for the 2002-2003 school year.
7 For the 2009-2010 school year only, the grant shall be no less
8 than the grant for the 2002-2003 school year multiplied by
9 0.66. For the 2010-2011 school year only, the grant shall be no
10 less than the grant for the 2002-2003 school year multiplied by
11 0.33. Notwithstanding the provisions of this paragraph to the
12 contrary, if for any school year supplemental general State aid
13 grants are prorated as provided in paragraph (1) of this
14 subsection (H), then the grants under this paragraph shall be
15 prorated.

16 For the 2003-2004 school year only, the grant shall be no
17 greater than the grant received during the 2002-2003 school
18 year added to the product of 0.25 multiplied by the difference
19 between the grant amount calculated under subsection (a) or (b)
20 of this paragraph (2.10), whichever is applicable, and the
21 grant received during the 2002-2003 school year. For the
22 2004-2005 school year only, the grant shall be no greater than
23 the grant received during the 2002-2003 school year added to
24 the product of 0.50 multiplied by the difference between the
25 grant amount calculated under subsection (a) or (b) of this
26 paragraph (2.10), whichever is applicable, and the grant

1 received during the 2002-2003 school year. For the 2005-2006
2 school year only, the grant shall be no greater than the grant
3 received during the 2002-2003 school year added to the product
4 of 0.75 multiplied by the difference between the grant amount
5 calculated under subsection (a) or (b) of this paragraph
6 (2.10), whichever is applicable, and the grant received during
7 the 2002-2003 school year.

8 (3) School districts with an Average Daily Attendance of
9 more than 1,000 and less than 50,000 that qualify for
10 supplemental general State aid pursuant to this subsection
11 shall submit a plan to the State Board of Education prior to
12 October 30 of each year for the use of the funds resulting from
13 this grant of supplemental general State aid for the
14 improvement of instruction in which priority is given to
15 meeting the education needs of disadvantaged children. Such
16 plan shall be submitted in accordance with rules and
17 regulations promulgated by the State Board of Education.

18 (4) School districts with an Average Daily Attendance of
19 50,000 or more that qualify for supplemental general State aid
20 pursuant to this subsection shall be required to distribute
21 from funds available pursuant to this Section, no less than
22 \$261,000,000 in accordance with the following requirements:

23 (a) The required amounts shall be distributed to the
24 attendance centers within the district in proportion to the
25 number of pupils enrolled at each attendance center who are
26 eligible to receive free or reduced-price lunches or

1 breakfasts under the federal Child Nutrition Act of 1966
2 and under the National School Lunch Act during the
3 immediately preceding school year.

4 (b) The distribution of these portions of supplemental
5 and general State aid among attendance centers according to
6 these requirements shall not be compensated for or
7 contravened by adjustments of the total of other funds
8 appropriated to any attendance centers, and the Board of
9 Education shall utilize funding from one or several sources
10 in order to fully implement this provision annually prior
11 to the opening of school.

12 (c) Each attendance center shall be provided by the
13 school district a distribution of noncategorical funds and
14 other categorical funds to which an attendance center is
15 entitled under law in order that the general State aid and
16 supplemental general State aid provided by application of
17 this subsection supplements rather than supplants the
18 noncategorical funds and other categorical funds provided
19 by the school district to the attendance centers.

20 (d) Any funds made available under this subsection that
21 by reason of the provisions of this subsection are not
22 required to be allocated and provided to attendance centers
23 may be used and appropriated by the board of the district
24 for any lawful school purpose.

25 (e) Funds received by an attendance center pursuant to
26 this subsection shall be used by the attendance center at

1 the discretion of the principal and local school council
2 for programs to improve educational opportunities at
3 qualifying schools through the following programs and
4 services: early childhood education, reduced class size or
5 improved adult to student classroom ratio, enrichment
6 programs, remedial assistance, attendance improvement, and
7 other educationally beneficial expenditures which
8 supplement the regular and basic programs as determined by
9 the State Board of Education. Funds provided shall not be
10 expended for any political or lobbying purposes as defined
11 by board rule.

12 (f) Each district subject to the provisions of this
13 subdivision (H) (4) shall submit an acceptable plan to meet
14 the educational needs of disadvantaged children, in
15 compliance with the requirements of this paragraph, to the
16 State Board of Education prior to July 15 of each year.
17 This plan shall be consistent with the decisions of local
18 school councils concerning the school expenditure plans
19 developed in accordance with part 4 of Section 34-2.3. The
20 State Board shall approve or reject the plan within 60 days
21 after its submission. If the plan is rejected, the district
22 shall give written notice of intent to modify the plan
23 within 15 days of the notification of rejection and then
24 submit a modified plan within 30 days after the date of the
25 written notice of intent to modify. Districts may amend
26 approved plans pursuant to rules promulgated by the State

1 Board of Education.

2 Upon notification by the State Board of Education that
3 the district has not submitted a plan prior to July 15 or a
4 modified plan within the time period specified herein, the
5 State aid funds affected by that plan or modified plan
6 shall be withheld by the State Board of Education until a
7 plan or modified plan is submitted.

8 If the district fails to distribute State aid to
9 attendance centers in accordance with an approved plan, the
10 plan for the following year shall allocate funds, in
11 addition to the funds otherwise required by this
12 subsection, to those attendance centers which were
13 underfunded during the previous year in amounts equal to
14 such underfunding.

15 For purposes of determining compliance with this
16 subsection in relation to the requirements of attendance
17 center funding, each district subject to the provisions of
18 this subsection shall submit as a separate document by
19 December 1 of each year a report of expenditure data for
20 the prior year in addition to any modification of its
21 current plan. If it is determined that there has been a
22 failure to comply with the expenditure provisions of this
23 subsection regarding contravention or supplanting, the
24 State Superintendent of Education shall, within 60 days of
25 receipt of the report, notify the district and any affected
26 local school council. The district shall within 45 days of

1 receipt of that notification inform the State
2 Superintendent of Education of the remedial or corrective
3 action to be taken, whether by amendment of the current
4 plan, if feasible, or by adjustment in the plan for the
5 following year. Failure to provide the expenditure report
6 or the notification of remedial or corrective action in a
7 timely manner shall result in a withholding of the affected
8 funds.

9 The State Board of Education shall promulgate rules and
10 regulations to implement the provisions of this
11 subsection. No funds shall be released under this
12 subdivision (H) (4) to any district that has not submitted a
13 plan that has been approved by the State Board of
14 Education.

15 (I) (Blank).

16 (J) (Blank).

17 (K) Grants to Laboratory and Alternative Schools.

18 In calculating the amount to be paid to the governing board
19 of a public university that operates a laboratory school under
20 this Section or to any alternative school that is operated by a
21 regional superintendent of schools, the State Board of
22 Education shall require by rule such reporting requirements as
23 it deems necessary.

1 As used in this Section, "laboratory school" means a public
2 school which is created and operated by a public university and
3 approved by the State Board of Education. The governing board
4 of a public university which receives funds from the State
5 Board under this subsection (K) or subsection (g) of Section
6 18-8.15 of this Code may not increase the number of students
7 enrolled in its laboratory school from a single district, if
8 that district is already sending 50 or more students, except
9 under a mutual agreement between the school board of a
10 student's district of residence and the university which
11 operates the laboratory school. A laboratory school may not
12 have more than 1,000 students, excluding students with
13 disabilities in a special education program.

14 As used in this Section, "alternative school" means a
15 public school which is created and operated by a Regional
16 Superintendent of Schools and approved by the State Board of
17 Education. Such alternative schools may offer courses of
18 instruction for which credit is given in regular school
19 programs, courses to prepare students for the high school
20 equivalency testing program or vocational and occupational
21 training. A regional superintendent of schools may contract
22 with a school district or a public community college district
23 to operate an alternative school. An alternative school serving
24 more than one educational service region may be established by
25 the regional superintendents of schools of the affected
26 educational service regions. An alternative school serving

1 more than one educational service region may be operated under
2 such terms as the regional superintendents of schools of those
3 educational service regions may agree.

4 Each laboratory and alternative school shall file, on forms
5 provided by the State Superintendent of Education, an annual
6 State aid claim which states the Average Daily Attendance of
7 the school's students by month. The best 3 months' Average
8 Daily Attendance shall be computed for each school. The general
9 State aid entitlement shall be computed by multiplying the
10 applicable Average Daily Attendance by the Foundation Level as
11 determined under this Section.

12 (L) Payments, Additional Grants in Aid and Other Requirements.

13 (1) For a school district operating under the financial
14 supervision of an Authority created under Article 34A, the
15 general State aid otherwise payable to that district under this
16 Section, but not the supplemental general State aid, shall be
17 reduced by an amount equal to the budget for the operations of
18 the Authority as certified by the Authority to the State Board
19 of Education, and an amount equal to such reduction shall be
20 paid to the Authority created for such district for its
21 operating expenses in the manner provided in Section 18-11. The
22 remainder of general State school aid for any such district
23 shall be paid in accordance with Article 34A when that Article
24 provides for a disposition other than that provided by this
25 Article.

1 (2) (Blank).

2 (3) Summer school. Summer school payments shall be made as
3 provided in Section 18-4.3.

4 (M) (Blank). ~~Education Funding Advisory Board.~~

5 ~~The Education Funding Advisory Board, hereinafter in this~~
6 ~~subsection (M) referred to as the "Board", is hereby created.~~
7 ~~The Board shall consist of 5 members who are appointed by the~~
8 ~~Governor, by and with the advice and consent of the Senate. The~~
9 ~~members appointed shall include representatives of education,~~
10 ~~business, and the general public. One of the members so~~
11 ~~appointed shall be designated by the Governor at the time the~~
12 ~~appointment is made as the chairperson of the Board. The~~
13 ~~initial members of the Board may be appointed any time after~~
14 ~~the effective date of this amendatory Act of 1997. The regular~~
15 ~~term of each member of the Board shall be for 4 years from the~~
16 ~~third Monday of January of the year in which the term of the~~
17 ~~member's appointment is to commence, except that of the 5~~
18 ~~initial members appointed to serve on the Board, the member who~~
19 ~~is appointed as the chairperson shall serve for a term that~~
20 ~~commences on the date of his or her appointment and expires on~~
21 ~~the third Monday of January, 2002, and the remaining 4 members,~~
22 ~~by lots drawn at the first meeting of the Board that is held~~
23 ~~after all 5 members are appointed, shall determine 2 of their~~
24 ~~number to serve for terms that commence on the date of their~~
25 ~~respective appointments and expire on the third Monday of~~

1 ~~January, 2001, and 2 of their number to serve for terms that~~
2 ~~commence on the date of their respective appointments and~~
3 ~~expire on the third Monday of January, 2000. All members~~
4 ~~appointed to serve on the Board shall serve until their~~
5 ~~respective successors are appointed and confirmed. Vacancies~~
6 ~~shall be filled in the same manner as original appointments. If~~
7 ~~a vacancy in membership occurs at a time when the Senate is not~~
8 ~~in session, the Governor shall make a temporary appointment~~
9 ~~until the next meeting of the Senate, when he or she shall~~
10 ~~appoint, by and with the advice and consent of the Senate, a~~
11 ~~person to fill that membership for the unexpired term. If the~~
12 ~~Senate is not in session when the initial appointments are~~
13 ~~made, those appointments shall be made as in the case of~~
14 ~~vacancies.~~

15 ~~The Education Funding Advisory Board shall be deemed~~
16 ~~established, and the initial members appointed by the Governor~~
17 ~~to serve as members of the Board shall take office, on the date~~
18 ~~that the Governor makes his or her appointment of the fifth~~
19 ~~initial member of the Board, whether those initial members are~~
20 ~~then serving pursuant to appointment and confirmation or~~
21 ~~pursuant to temporary appointments that are made by the~~
22 ~~Governor as in the case of vacancies.~~

23 ~~The State Board of Education shall provide such staff~~
24 ~~assistance to the Education Funding Advisory Board as is~~
25 ~~reasonably required for the proper performance by the Board of~~
26 ~~its responsibilities.~~

1 ~~For school years after the 2000-2001 school year, the~~
2 ~~Education Funding Advisory Board, in consultation with the~~
3 ~~State Board of Education, shall make recommendations as~~
4 ~~provided in this subsection (M) to the General Assembly for the~~
5 ~~foundation level under subdivision (B)(3) of this Section and~~
6 ~~for the supplemental general State aid grant level under~~
7 ~~subsection (H) of this Section for districts with high~~
8 ~~concentrations of children from poverty. The recommended~~
9 ~~foundation level shall be determined based on a methodology~~
10 ~~which incorporates the basic education expenditures of~~
11 ~~low-spending schools exhibiting high academic performance. The~~
12 ~~Education Funding Advisory Board shall make such~~
13 ~~recommendations to the General Assembly on January 1 of odd~~
14 ~~numbered years, beginning January 1, 2001.~~

15 (N) (Blank).

16 (O) References.

17 (1) References in other laws to the various subdivisions of
18 Section 18-8 as that Section existed before its repeal and
19 replacement by this Section 18-8.05 shall be deemed to refer to
20 the corresponding provisions of this Section 18-8.05, to the
21 extent that those references remain applicable.

22 (2) References in other laws to State Chapter 1 funds shall
23 be deemed to refer to the supplemental general State aid
24 provided under subsection (H) of this Section.

1 (P) Public Act 93-838 and Public Act 93-808 make inconsistent
2 changes to this Section. Under Section 6 of the Statute on
3 Statutes there is an irreconcilable conflict between Public Act
4 93-808 and Public Act 93-838. Public Act 93-838, being the last
5 acted upon, is controlling. The text of Public Act 93-838 is
6 the law regardless of the text of Public Act 93-808.

7 (Q) State Fiscal Year 2015 Payments.

8 For payments made for State fiscal year 2015, the State
9 Board of Education shall, for each school district, calculate
10 that district's pro-rata share of a minimum sum of \$13,600,000
11 or additional amounts as needed from the total net General
12 State Aid funding as calculated under this Section that shall
13 be deemed attributable to the provision of special educational
14 facilities and services, as defined in Section 14-1.08 of this
15 Code, in a manner that ensures compliance with maintenance of
16 State financial support requirements under the federal
17 Individuals with Disabilities Education Act. Each school
18 district must use such funds only for the provision of special
19 educational facilities and services, as defined in Section
20 14-1.08 of this Code, and must comply with any expenditure
21 verification procedures adopted by the State Board of
22 Education.

23 (R) State Fiscal Year 2016 Payments.

1 For payments made for State fiscal year 2016, the State
2 Board of Education shall, for each school district, calculate
3 that district's pro rata share of a minimum sum of \$1 or
4 additional amounts as needed from the total net General State
5 Aid funding as calculated under this Section that shall be
6 deemed attributable to the provision of special educational
7 facilities and services, as defined in Section 14-1.08 of this
8 Code, in a manner that ensures compliance with maintenance of
9 State financial support requirements under the federal
10 Individuals with Disabilities Education Act. Each school
11 district must use such funds only for the provision of special
12 educational facilities and services, as defined in Section
13 14-1.08 of this Code, and must comply with any expenditure
14 verification procedures adopted by the State Board of
15 Education.

16 (Source: P.A. 98-972, eff. 8-15-14; 99-2, eff. 3-26-15; 99-194,
17 eff. 7-30-15; 99-523, eff. 6-30-16.)

18 (105 ILCS 5/18-8.10)

19 Sec. 18-8.10. Fast growth grants.

20 (a) If there has been an increase in a school district's
21 student population over the most recent 2 school years of (i)
22 over 1.5% in a district with over 10,000 pupils in average
23 daily attendance (as defined in Section 18-8.05 or 18-8.15 of
24 this Code) or (ii) over 7.5% in any other district, then the
25 district is eligible for a grant under this Section, subject to

1 appropriation.

2 (b) The State Board of Education shall determine a per
3 pupil grant amount for each school district. The total grant
4 amount for a district for any given school year shall equal the
5 per pupil grant amount multiplied by the difference between the
6 number of pupils in average daily attendance for the 2 most
7 recent school years.

8 (c) Funds for grants under this Section must be
9 appropriated to the State Board of Education in a separate line
10 item for this purpose. If the amount appropriated in any fiscal
11 year is insufficient to pay all grants for a school year, then
12 the amount appropriated shall be prorated among eligible
13 districts. As soon as possible after funds have been
14 appropriated to the State Board of Education, the State Board
15 of Education shall distribute the grants to eligible districts.

16 (d) If a school district intentionally reports incorrect
17 average daily attendance numbers to receive a grant under this
18 Section, then the district shall be denied State aid in the
19 same manner as State aid is denied for intentional incorrect
20 reporting of average daily attendance numbers under Section
21 18-8.05 or 18-8.15 of this Code.

22 (Source: P.A. 93-1042, eff. 10-8-04.)

23 (105 ILCS 5/18-8.15 new)

24 Sec. 18-8.15. Evidence-based funding for student success
25 for the 2017-2018 and subsequent school years.

1 (a) General provisions.

2 (1) The purpose of this Section is to ensure that, by
3 June 30, 2027 and beyond, this State has a kindergarten
4 through grade 12 public education system with the capacity
5 to ensure the educational development of all persons to the
6 limits of their capacities in accordance with Section 1 of
7 Article X of the Constitution of the State of Illinois. To
8 accomplish that objective, this Section creates a method of
9 funding public education that is evidence-based; is
10 sufficient to ensure every student receives a meaningful
11 opportunity to learn irrespective of race, ethnicity,
12 sexual orientation, gender, or community-income level; and
13 is sustainable and predictable. When fully funded under
14 this Section, every school shall have the resources, based
15 on what the evidence indicates is needed, to:

16 (A) provide all students with a high quality
17 education that offers the academic, enrichment, social
18 and emotional support, technical, and career-focused
19 programs that will allow them to become competitive
20 workers, responsible parents, productive citizens of
21 this State, and active members of our national
22 democracy;

23 (B) ensure all students receive the education they
24 need to graduate from high school with the skills
25 required to pursue post-secondary education and
26 training for a rewarding career;

1 (C) reduce, with a goal of eliminating, the
2 achievement gap between at-risk and non-at-risk
3 students by raising the performance of at-risk
4 students and not by reducing standards; and

5 (D) ensure this State satisfies its obligation to
6 assume the primary responsibility to fund public
7 education and simultaneously relieve the
8 disproportionate burden placed on local property taxes
9 to fund schools.

10 (2) The evidence-based funding formula under this
11 Section shall be applied to all Organizational Units in
12 this State. The evidence-based funding formula outlined in
13 this Act is based on the formula outlined in Senate Bill 1
14 of the 100th General Assembly, as passed by both
15 legislative chambers. As further defined and described in
16 this Section, there are 4 major components of the
17 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
22 regional wage difference.

23 (B) Second, the model calculates each
24 Organizational Unit's local capacity, or the amount
25 each Organizational Unit is assumed to contribute
26 towards its adequacy target from local resources.

1 (C) Third, the model calculates how much funding
2 the State currently contributes to the Organizational
3 Unit, and adds that to the unit's local capacity to
4 determine the unit's overall current adequacy of
5 funding.

6 (D) Finally, the model's distribution method
7 allocates new State funding to those Organizational
8 Units that are least well-funded, considering both
9 local capacity and State funding, in relation to their
10 adequacy target.

11 (3) An Organizational Unit receiving any funding under
12 this Section may apply those funds to any fund so received
13 for which that Organizational Unit is authorized to make
14 expenditures by law.

15 (4) As used in this Section, the following terms shall
16 have the meanings ascribed in this paragraph (4):

17 "Adequacy Target" is defined in paragraph (1) of
18 subsection (b) of this Section.

19 "Adjusted EAV" is defined in paragraph (4) of
20 subsection (d) of this Section.

21 "Adjusted Local Capacity Target" is defined in
22 paragraph (3) of subsection (c) of this Section.

23 "Adjusted Operating Tax Rate" means a tax rate for all
24 Organizational Units, for which the State Superintendent
25 shall calculate and subtract for the Operating Tax Rate a
26 transportation rate based on total expenses for

1 transportation services under this Code, as reported on the
2 most recent Annual Financial Report in Pupil
3 Transportation Services, function 2550 in both the
4 Education and Transportation funds and functions 4110 and
5 4120 in the Transportation fund, less any corresponding
6 fiscal year State of Illinois scheduled payments excluding
7 net adjustments for prior years for regular, vocational, or
8 special education transportation reimbursement pursuant to
9 Section 29-5 or subsection (b) of Section 14-13.01 of this
10 Code divided by the Adjusted EAV. If an Organizational
11 Unit's corresponding fiscal year State of Illinois
12 scheduled payments excluding net adjustments for prior
13 years for regular, vocational, or special education
14 transportation reimbursement pursuant to Section 29-5 or
15 subsection (b) of Section 14-13.01 of this Code exceed the
16 total transportation expenses, as defined in this
17 paragraph, no transportation rate shall be subtracted from
18 the Operating Tax Rate.

19 "Allocation Rate" is defined in paragraph (3) of
20 subsection (g) of this Section.

21 "Alternative School" means a public school that is
22 created and operated by a regional superintendent of
23 schools and approved by the State Board.

24 "Applicable Tax Rate" is defined in paragraph (1) of
25 subsection (d) of this Section.

26 "Assessment" means any of those benchmark, progress

1 monitoring, formative, diagnostic, and other assessments,
2 in addition to the State accountability assessment, that
3 assist teachers' needs in understanding the skills and
4 meeting the needs of the students they serve.

5 "Assistant principal" means a school administrator
6 duly endorsed to be employed as an assistant principal in
7 this State.

8 "At-risk student" means a student who is at risk of not
9 meeting the Illinois Learning Standards or not graduating
10 from elementary or high school and who demonstrates a need
11 for vocational support or social services beyond that
12 provided by the regular school program. All students
13 included in an Organizational Unit's Low-Income Count, as
14 well as all English learner and disabled students attending
15 the Organizational Unit, shall be considered at-risk
16 students under this Section.

17 "Average Student Enrollment" or "ASE" means, for an
18 Organizational Unit in a given school year, the greater of
19 the average number of students (grades K through 12)
20 reported to the State Board as enrolled in the
21 Organizational Unit on October 1 and March 1, plus the
22 special education pre-kindergarten students with services
23 of at least more than 2 hours a day as reported to the
24 State Board on December 1, in the immediately preceding
25 school year or the average number of students (grades K
26 through 12) reported to the State Board as enrolled in the

1 Organizational Unit on October 1 and March 1, plus the
2 special education pre-kindergarten students with services
3 of at least more than 2 hours a day as reported to the
4 State Board on December 1, for each of the immediately
5 preceding 3 school years. For the purposes of this
6 definition, "enrolled in the Organizational Unit" means
7 the number of students reported to the State Board who are
8 enrolled in schools within the Organizational Unit that the
9 student attends or would attend if not placed or
10 transferred to another school or program to receive needed
11 services. For the purposes of calculating "ASE", all
12 students, grades K through 12, excluding those attending
13 kindergarten for a half day, shall be counted as 1.0. All
14 students attending kindergarten for a half day shall be
15 counted as 0.5, unless in 2017 by June 15 or by March 1 in
16 subsequent years, the school district reports to the State
17 Board of Education the intent to implement full-day
18 kindergarten district-wide for all students, then all
19 students attending kindergarten shall be counted as 1.0.
20 Special education pre-kindergarten students shall be
21 counted as 0.5 each. If the State Board does not collect or
22 has not collected both an October 1 and March 1 enrollment
23 count by grade or a December 1 collection of special
24 education pre-kindergarten students as of the effective
25 date of this amendatory Act of the 100th General Assembly,
26 it shall establish such collection for all future years.

1 For any year where a count by grade level was collected
2 only once, that count shall be used as the single count
3 available for computing a 3-year average ASE. School
4 districts shall submit the data for the ASE calculation to
5 the State Board within 45 days of the dates required in
6 this Section for submission of enrollment data in order for
7 it to be included in the ASE calculation.

8 "Base Funding Guarantee" is defined in paragraph (10)
9 of subsection (g) of this Section.

10 "Base Funding Minimum" is defined in subsection (e) of
11 this Section.

12 "Base Tax Year" means the property tax levy year used
13 to calculate the Budget Year allocation of primary State
14 aid.

15 "Base Tax Year's Extension" means 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 PTELL.

19 "Bilingual Education Allocation" means the amount of
20 an Organizational Unit's final Adequacy Target
21 attributable to bilingual education divided by the
22 Organizational Unit's final Adequacy Target, the product
23 of which shall be multiplied by the amount of new funding
24 received pursuant to this Section. An Organizational
25 Unit's final Adequacy Target attributable to bilingual
26 education shall include all additional investments in

1 English learner students' adequacy elements.

2 "Budget Year" means the school year for which primary
3 State aid is calculated and awarded under this Section.

4 "Central office" means individual administrators and
5 support service personnel charged with managing the
6 instructional programs, business and operations, and
7 security of the Organizational Unit.

8 "Comparable Wage Index" or "CWI" means a regional cost
9 differentiation metric that measures systemic, regional
10 variations in the salaries of college graduates who are not
11 educators. The CWI utilized for this Section shall, for the
12 first 3 years of Evidence-Based Funding implementation, be
13 the CWI initially developed by the National Center for
14 Education Statistics, as most recently updated by Texas A &
15 M University. In the fourth and subsequent years of
16 Evidence-Based Funding implementation, the State
17 Superintendent shall re-determine the CWI using a similar
18 methodology to that identified in the Texas A & M
19 University study, with adjustments made no less frequently
20 than once every 5 years.

21 "Computer technology and equipment" means computers
22 servers, notebooks, network equipment, copiers, printers,
23 instructional software, security software, curriculum
24 management courseware, and other similar materials and
25 equipment.

26 "Core subject" means mathematics; science; reading,

1 English, writing, and language arts; history and social
2 studies; world languages; and subjects taught as Advanced
3 Placement in high schools.

4 "Core teacher" means a regular classroom teacher in
5 elementary schools and teachers of a core subject in middle
6 and high schools.

7 "Core Intervention teacher (tutor)" means a licensed
8 teacher providing one-on-one or small group tutoring to
9 students struggling to meet proficiency in core subjects.

10 "CPPRT" means corporate personal property replacement
11 tax funds paid to an Organizational Unit during the
12 calendar year one year before the calendar year in which a
13 school year begins, pursuant to "An Act in relation to the
14 abolition of ad valorem personal property tax and the
15 replacement of revenues lost thereby, and amending and
16 repealing certain Acts and parts of Acts in connection
17 therewith", certified August 14, 1979, as amended (Public
18 Act 81-1st S.S.-1).

19 "EAV" means equalized assessed valuation as defined in
20 paragraph (2) of subsection (d) of this Section and
21 calculated in accordance with paragraph (3) of subsection
22 (d) of this Section.

23 "ECI" means the Bureau of Labor Statistics' national
24 employment cost index for civilian workers in educational
25 services in elementary and secondary schools on a
26 cumulative basis for the 12-month calendar year preceding

1 the fiscal year of the Evidence-Based Funding calculation.

2 "EIS Data" means the employment information system
3 data maintained by the State Board on educators within
4 Organizational Units.

5 "Employee benefits" means health, dental, and vision
6 insurance offered to employees of an Organizational Unit,
7 the costs associated with statutorily required payment of
8 the normal cost of the Organizational Unit's teacher
9 pensions, Social Security employer contributions, and
10 Illinois Municipal Retirement Fund employer contributions.

11 "English learner" or "EL" means a child included in the
12 definition of "English learners" under Section 14C-2 of
13 this Code participating in a program of transitional
14 bilingual education or a transitional program of
15 instruction meeting the requirements and program
16 application procedures of Article 14C of this Code. For the
17 purposes of collecting the number of EL students enrolled,
18 the same collection and calculation methodology as defined
19 above for "ASE" shall apply to English learners.

20 "Essential Elements" means those elements, resources,
21 and educational programs that have been identified through
22 academic research as necessary to improve student success,
23 improve academic performance, close achievement gaps, and
24 provide for other per student costs related to the delivery
25 and leadership of the Organizational Unit, as well as the
26 maintenance and operations of the unit, and which are

1 specified in paragraph (2) of subsection (b) of this
2 Section.

3 "Evidence-Based Funding" means State funding provided
4 to an Organizational Unit pursuant to this Section.

5 "Extended day" means academic and enrichment programs
6 provided to students outside the regular school day before
7 and after school or during non-instructional times during
8 the school day.

9 "Extension Limitation Ratio" means a numerical ratio
10 in which the numerator is the Base Tax Year's Extension and
11 the denominator is the Preceding Tax Year's Extension.

12 "Final Percent of Adequacy" is defined in paragraph (4)
13 of subsection (f) of this Section.

14 "Final Resources" is defined in paragraph (3) of
15 subsection (f) of this Section.

16 "Full-time equivalent" or "FTE" means the full-time
17 equivalency compensation for staffing the relevant
18 position at an Organizational Unit.

19 "Funding Gap" is defined in paragraph (1) of subsection
20 (g).

21 "Guidance counselor" means a licensed guidance
22 counselor who provides guidance and counseling support for
23 students within an Organizational Unit.

24 "Hybrid District" means a partial elementary unit
25 district created pursuant to Article 11E of this Code.

26 "Instructional assistant" means a core or special

1 education, non-licensed employee who assists a teacher in
2 the classroom and provides academic support to students.

3 "Instructional facilitator" means a qualified teacher
4 or licensed teacher leader who facilitates and coaches
5 continuous improvement in classroom instruction; provides
6 instructional support to teachers in the elements of
7 research-based instruction or demonstrates the alignment
8 of instruction with curriculum standards and assessment
9 tools; develops or coordinates instructional programs or
10 strategies; develops and implements training; chooses
11 standards-based instructional materials; provides teachers
12 with an understanding of current research; serves as a
13 mentor, site coach, curriculum specialist, or lead
14 teacher; or otherwise works with fellow teachers, in
15 collaboration, to use data to improve instructional
16 practice or develop model lessons.

17 "Instructional materials" means relevant instructional
18 materials for student instruction, including, but not
19 limited to, textbooks, consumable workbooks, laboratory
20 equipment, library books, and other similar materials.

21 "Laboratory School" means a public school that is
22 created and operated by a public university and approved by
23 the State Board.

24 "Librarian" means a teacher with an endorsement as a
25 library information specialist or another individual whose
26 primary responsibility is overseeing library resources

1 within an Organizational Unit.

2 "Local Capacity" is defined in paragraph (1) of
3 subsection (c) of this Section.

4 "Local Capacity Percentage" is defined in subparagraph
5 (A) of paragraph (2) of subsection (c) of this Section.

6 "Local Capacity Ratio" is defined in subparagraph (B)
7 of paragraph (2) of subsection (c) of this Section.

8 "Local Capacity Target" is defined in paragraph (2) of
9 subsection (c) of this Section.

10 "Low-Income Count" means, for an Organizational Unit
11 in a fiscal year, the higher of the average number of
12 students for the prior school year or the immediately
13 preceding 3 school years who, as of July 1 of the
14 immediately preceding fiscal year (as determined by the
15 Department of Human Services), are eligible for at least
16 one of the following low income programs: Medicaid, the
17 Children's Health Insurance Program, TANF, or the
18 Supplemental Nutrition Assistance Program, excluding
19 pupils who are eligible for services provided by the
20 Department of Children and Family Services. Until such time
21 that grade level low-income populations become available,
22 grade level low-income populations shall be determined by
23 applying the low-income percentage to total student
24 enrollments by grade level. The low-income percentage is
25 determined by dividing the Low-Income Count by the Average
26 Student Enrollment.

1 "Maintenance and operations" means custodial services,
2 facility and ground maintenance, facility operations,
3 facility security, routine facility repairs, and other
4 similar services and functions.

5 "Minimum Funding Level" is defined in paragraph (9) of
6 subsection (g) of this Section.

7 "New Property Tax Relief Pool Funds" means, for any
8 given fiscal year, all State funds appropriated under
9 Section 2-3.170 of the School Code.

10 "New State Funds" means, for a given school year, all
11 State funds appropriated for Evidence-Based Funding in
12 excess of the amount needed to fund the Base Funding
13 Minimum for all Organizational Units in that school year.

14 "Net State Contribution Target" means, for a given
15 school year, the amount of State funds that would be
16 necessary to fully meet the Adequacy Target of an
17 Operational Unit minus the Preliminary Resources available
18 to each unit.

19 "Nurse" means an individual licensed as a certified
20 school nurse, in accordance with the rules established for
21 nursing services by the State Board, who is an employee of
22 and is available to provide health care-related services
23 for students of an Organizational Unit.

24 "Operating Tax Rate" means the rate utilized in the
25 previous year to extend property taxes for all purposes,
26 except, Bond and Interest, Summer School, Rent, Capital

1 Improvement, and Vocational Education Building purposes.
2 For Hybrid Districts, the Operating Tax Rate shall be the
3 combined elementary and high school rates utilized in the
4 previous year to extend property taxes for all purposes,
5 except, Bond and Interest, Summer School, Rent, Capital
6 Improvement, and Vocational Education Building purposes.

7 "Organizational Unit" means a Laboratory School, an
8 Alternative School, or any public school district that is
9 recognized as such by the State Board and that contains
10 elementary schools typically serving kindergarten through
11 5th grades, middle schools typically serving 6th through
12 8th grades, or high schools typically serving 9th through
13 12th grades. The General Assembly acknowledges that the
14 actual grade levels served by a particular Organizational
15 Unit may vary slightly from what is typical.

16 "Organizational Unit CWI" is determined by calculating
17 the CWI in the region and original county in which an
18 Organizational Unit's primary administrative office is
19 located as set forth in this paragraph, provided that if
20 the Organizational Unit CWI as calculated in accordance
21 with this paragraph is less than 0.9, the Organizational
22 Unit CWI shall be increased to 0.9. Each county's current
23 CWI value shall be adjusted based on the CWI value of that
24 county's neighboring Illinois counties, to create a
25 "weighted adjusted index value". This shall be calculated
26 by summing the CWI values of all of a county's adjacent

1 Illinois counties and dividing by the number of adjacent
2 Illinois counties, then taking the weighted value of the
3 original county's CWI value and the adjacent Illinois
4 county average. To calculate this weighted value, if the
5 number of adjacent Illinois counties is greater than 2, the
6 original county's CWI value will be weighted at 0.25 and
7 the adjacent Illinois county average will be weighted at
8 0.75. If the number of adjacent Illinois counties is 2, the
9 original county's CWI value will be weighted at 0.33 and
10 the adjacent Illinois county average will be weighted at
11 0.66. The greater of the county's current CWI value and its
12 weighted adjusted index value shall be used as the
13 Organizational Unit CWI.

14 "Preceding Tax Year" means the property tax levy year
15 immediately preceding the Base Tax Year.

16 "Preceding Tax Year's Extension" means the product of
17 the equalized assessed valuation utilized by the county
18 clerk in the Preceding Tax Year multiplied by the Operating
19 Tax Rate.

20 "Preliminary Percent of Adequacy" is defined in
21 paragraph (2) of subsection (f) of this Section.

22 "Preliminary Resources" is defined in paragraph (2) of
23 subsection (f) of this Section.

24 "Principal" means a school administrator duly endorsed
25 to be employed as a principal in this State.

26 "Professional development" means training programs for

1 licensed staff in schools, including, but not limited to,
2 programs that assist in implementing new curriculum
3 programs, provide data focused or academic assessment data
4 training to help staff identify a student's weaknesses and
5 strengths, target interventions, improve instruction,
6 encompass instructional strategies for English learner,
7 gifted, or at-risk students, address inclusivity, cultural
8 sensitivity, or implicit bias, or otherwise provide
9 professional support for licensed staff.

10 "Prototypical" means 450 special education
11 pre-kindergarten and kindergarten through grade 5 students
12 for an elementary school, 450 grade 6 through 8 students
13 for a middle school, and 600 grade 9 through 12 students
14 for a high school.

15 "PTELL" means the Property Tax Extension Limitation
16 Law.

17 "PTELL EAV" is defined in paragraph (4) of subsection
18 (d) of this Section.

19 "Pupil support staff" means a nurse, psychologist,
20 social worker, family liaison personnel, or other staff
21 member who provides support to at-risk or struggling
22 students.

23 "Real Receipts" is defined in paragraph (1) of
24 subsection (d) of this Section.

25 "Regionalization Factor" means, for a particular
26 Organizational Unit, the figure derived by dividing the

1 Organizational Unit CWI by the Statewide Weighted CWI.

2 "School site staff" means the primary school secretary
3 and any additional clerical personnel assigned to a school.

4 "Special education" means special educational
5 facilities and services, as defined in Section 14-1.08 of
6 this Code.

7 "Special Education Allocation" means the amount of an
8 Organizational Unit's final Adequacy Target attributable
9 to special education divided by the Organizational Unit's
10 final Adequacy Target, the product of which shall be
11 multiplied by the amount of new funding received pursuant
12 to this Section. An Organizational Unit's final Adequacy
13 Target attributable to special education shall include all
14 special education investment adequacy elements.

15 "Specialist teacher" means a teacher who provides
16 instruction in subject areas not included in core subjects,
17 including, but not limited to, art, music, physical
18 education, health, driver education, career-technical
19 education, and such other subject areas as may be mandated
20 by State law or provided by an Organizational Unit.

21 "Specially Funded Unit" means an Alternative School,
22 safe school, Department of Juvenile Justice school,
23 special education cooperative or entity recognized by the
24 State Board as a special education cooperative,
25 State-approved charter school, or alternative learning
26 opportunities program that received direct funding from

1 the State Board during the 2016-2017 school year through
2 any of the funding sources included within the calculation
3 of the Base Funding Minimum or Glenwood Academy.

4 "Supplemental Grant Funding" means supplemental
5 general State aid funding received by an Organization Unit
6 during the 2016-2017 school year pursuant to subsection (H)
7 of Section 18-8.05 of this Code.

8 "State Adequacy Level" is the sum of the Adequacy
9 Targets of all Organizational Units.

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

11 "State Superintendent" means the State Superintendent
12 of Education.

13 "Statewide Weighted CWI" means a figure determined by
14 multiplying each Organizational Unit CWI times the ASE for
15 that Organizational Unit creating a weighted value,
16 summing all Organizational Unit's weighted values, and
17 dividing by the total ASE of all Organizational Units,
18 thereby creating an average weighted index.

19 "Student activities" means non-credit producing
20 after-school programs, including, but not limited to,
21 clubs, bands, sports, and other activities authorized by
22 the school board of the Organizational Unit.

23 "Substitute teacher" means an individual teacher or
24 teaching assistant who is employed by an Organizational
25 Unit and is temporarily serving the Organizational Unit on
26 a per diem or per period-assignment basis replacing another

1 staff member.

2 "Summer school" means academic and enrichment programs
3 provided to students during the summer months outside of
4 the regular school year.

5 "Supervisory aide" means a non-licensed staff member
6 who helps in supervising students of an Organizational
7 Unit, but does so outside of the classroom, in situations
8 such as, but not limited to, monitoring hallways and
9 playgrounds, supervising lunchrooms, or supervising
10 students when being transported in buses serving the
11 Organizational Unit.

12 "Target Ratio" is defined in paragraph (4) of
13 subsection (g).

14 "Tier 1", "Tier 2", "Tier 3", and "Tier 4" are defined
15 in paragraph (3) of subsection (g).

16 "Tier 1 Aggregate Funding", "Tier 2 Aggregate
17 Funding", "Tier 3 Aggregate Funding", and "Tier 4 Aggregate
18 Funding" are defined in paragraph (1) of subsection (g).

19 (b) Adequacy Target calculation.

20 (1) Each Organizational Unit's Adequacy Target is the
21 sum of the Organizational Unit's cost of providing
22 Essential Elements, as calculated in accordance with this
23 subsection (b), with the salary amounts in the Essential
24 Elements multiplied by a Regionalization Factor calculated
25 pursuant to paragraph (3) of this subsection (b).

26 (2) The Essential Elements are attributable on a pro

1 rata basis related to defined subgroups of the ASE of each
2 Organizational Unit as specified in this paragraph (2),
3 with investments and FTE positions pro rata funded based on
4 ASE counts in excess or less than the thresholds set forth
5 in this paragraph (2). The method for calculating
6 attributable pro rata costs and the defined subgroups
7 thereto are as follows:

8 (A) Core class size investments. Each
9 Organizational Unit shall receive the funding required
10 to support that number of FTE core teacher positions as
11 is needed to keep the respective class sizes of the
12 Organizational Unit to the following maximum numbers:

13 (i) For grades kindergarten through 3, the
14 Organizational Unit shall receive funding required
15 to support one FTE core teacher position for every
16 15 Low-Income Count students in those grades and
17 one FTE core teacher position for every 20
18 non-Low-Income Count students in those grades.

19 (ii) For grades 4 through 12, the
20 Organizational Unit shall receive funding required
21 to support one FTE core teacher position for every
22 20 Low-Income Count students in those grades and
23 one FTE core teacher position for every 25
24 non-Low-Income Count students in those grades.

25 The number of non-Low-Income Count students in a
26 grade shall be determined by subtracting the

1 Low-Income students in that grade from the ASE of the
2 Organizational Unit for that grade.

3 (B) Specialist teacher investments. Each
4 Organizational Unit shall receive the funding needed
5 to cover that number of FTE specialist teacher
6 positions that correspond to the following
7 percentages:

8 (i) if the Organizational Unit operates an
9 elementary or middle school, then 20.00% of the
10 number of the Organizational Unit's core teachers,
11 as determined under subparagraph (A) of this
12 paragraph (2); and

13 (ii) if such Organizational Unit operates a
14 high school, then 33.33% of the number of the
15 Organizational Unit's core teachers.

16 (C) Instructional facilitator investments. Each
17 Organizational Unit shall receive the funding needed
18 to cover one FTE instructional facilitator position
19 for every 200 combined ASE of pre-kindergarten
20 children with disabilities and all kindergarten
21 through grade 12 students of the Organizational Unit.

22 (D) Core intervention teacher (tutor) investments.
23 Each Organizational Unit shall receive the funding
24 needed to cover one FTE teacher position for each
25 prototypical elementary, middle, and high school.

26 (E) Substitute teacher investments. Each

1 Organizational Unit shall receive the funding needed
2 to cover substitute teacher costs that is equal to
3 5.70% of the minimum pupil attendance days required
4 under Section 10-19 of this Code for all full-time
5 equivalent core, specialist, and intervention
6 teachers, school nurses, special education teachers
7 and instructional assistants, instructional
8 facilitators, and summer school and extended-day
9 teacher positions, as determined under this paragraph
10 (2), at a salary rate of 33.33% of the average salary
11 for grade K through 12 teachers and 33.33% of the
12 average salary of each instructional assistant
13 position.

14 (F) Core guidance counselor investments. Each
15 Organizational Unit shall receive the funding needed
16 to cover one FTE guidance counselor for each 450
17 combined ASE of pre-kindergarten children with
18 disabilities and all kindergarten through grade 5
19 students, plus one FTE guidance counselor for each 250
20 grades 6 through 8 ASE middle school students, plus one
21 FTE guidance counselor for each 250 grades 9 through 12
22 ASE high school students.

23 (G) Nurse investments. Each Organizational Unit
24 shall receive the funding needed to cover one FTE nurse
25 for each 750 combined ASE of pre-kindergarten children
26 with disabilities and all kindergarten through grade

1 12 students across all grade levels it serves.

2 (H) Supervisory aide investments. Each
3 Organizational Unit shall receive the funding needed
4 to cover one FTE for each 225 combined ASE of
5 pre-kindergarten children with disabilities and all
6 kindergarten through grade 5 students, plus one FTE for
7 each 225 ASE middle school students, plus one FTE for
8 each 200 ASE high school students.

9 (I) Librarian investments. Each Organizational
10 Unit shall receive the funding needed to cover one FTE
11 librarian for each prototypical elementary school,
12 middle school, and high school and one FTE aide or
13 media technician for every 300 combined ASE of
14 pre-kindergarten children with disabilities and all
15 kindergarten through grade 12 students.

16 (J) Principal investments. Each Organizational
17 Unit shall receive the funding needed to cover one FTE
18 principal position for each prototypical elementary
19 school, plus one FTE principal position for each
20 prototypical middle school, plus one FTE principal
21 position for each prototypical high school.

22 (K) Assistant principal investments. Each
23 Organizational Unit shall receive the funding needed
24 to cover one FTE assistant principal position for each
25 prototypical elementary school, plus one FTE assistant
26 principal position for each prototypical middle

1 school, plus one FTE assistant principal position for
2 each prototypical high school.

3 (L) School site staff investments. Each
4 Organizational Unit shall receive the funding needed
5 for one FTE position for each 225 ASE of
6 pre-kindergarten children with disabilities and all
7 kindergarten through grade 5 students, plus one FTE
8 position for each 225 ASE middle school students, plus
9 one FTE position for each 200 ASE high school students.

10 (M) Gifted investments. Each Organizational Unit
11 shall receive \$40 per kindergarten through grade 12
12 ASE.

13 (N) Professional development investments. Each
14 Organizational Unit shall receive \$125 per student of
15 the combined ASE of pre-kindergarten children with
16 disabilities and all kindergarten through grade 12
17 students for trainers and other professional
18 development-related expenses for supplies and
19 materials.

20 (O) Instructional material investments. Each
21 Organizational Unit shall receive \$190 per student of
22 the combined ASE of pre-kindergarten children with
23 disabilities and all kindergarten through grade 12
24 students to cover instructional material costs.

25 (P) Assessment investments. Each Organizational
26 Unit shall receive \$25 per student of the combined ASE

1 of pre-kindergarten children with disabilities and all
2 kindergarten through grade 12 students student to
3 cover assessment costs.

4 (Q) Computer technology and equipment investments.

5 Each Organizational Unit shall receive \$285.50 per
6 student of the combined ASE of pre-kindergarten
7 children with disabilities and all kindergarten
8 through grade 12 students to cover computer technology
9 and equipment costs. For the 2018-2019 school year and
10 subsequent school years, Tier 1 and Tier 2
11 Organizational Units selected by the State Board
12 through a request for proposals process shall, upon the
13 State Board's approval of an Organizational Unit's
14 one-to-one computing technology plan, receive an
15 additional \$285.50 per student of the combined ASE of
16 pre-kindergarten children with disabilities and all
17 kindergarten through grade 12 students to cover
18 computer technology and equipment costs. The State
19 Board may establish additional requirements for
20 Organizational Unit expenditures of funds received
21 pursuant to this subparagraph (Q). It is the intent of
22 this amendatory Act of the 100th General Assembly that
23 all Tier 1 and Tier 2 districts that apply for the
24 technology grant receive the addition to their
25 Adequacy Target, subject to compliance with the
26 requirements of the State Board.

1 (R) Student activities investments. Each
2 Organizational Unit shall receive the following
3 funding amounts to cover student activities: \$100 per
4 kindergarten through grade 5 ASE student in elementary
5 school, plus \$200 per ASE student in middle school,
6 plus \$675 per ASE student in high school.

7 (S) Maintenance and operations investments. Each
8 Organizational Unit shall receive \$1,038 per student
9 of the combined ASE of pre-kindergarten children with
10 disabilities and all kindergarten through grade 12 for
11 day-to-day maintenance and operations expenditures,
12 including salary, supplies, and materials, as well as
13 purchased services, but excluding employee benefits.
14 The proportion of salary for the application of a
15 Regionalization Factor and the calculation of benefits
16 is equal to \$352.92.

17 (T) Central office investments. Each
18 Organizational Unit shall receive \$742 per student of
19 the combined ASE of pre-kindergarten children with
20 disabilities and all kindergarten through grade 12
21 students to cover central office operations, including
22 administrators and classified personnel charged with
23 managing the instructional programs, business and
24 operations of the school district, and security
25 personnel. The proportion of salary for the
26 application of a Regionalization Factor and the

1 calculation of benefits is equal to \$368.48.

2 (U) Employee benefit investments. Each
3 Organizational Unit shall receive 30% of the total of
4 all salary-calculated elements of the Adequacy Target,
5 excluding substitute teachers and student activities
6 investments, to cover benefit costs. For central
7 office and maintenance and operations investments, the
8 benefit calculation shall be based upon the salary
9 proportion of each investment. If at any time the
10 responsibility for funding the employer normal cost of
11 teacher pensions is assigned to school districts, then
12 that amount certified by the Teachers' Retirement
13 System of the State of Illinois to be paid by the
14 Organizational Unit for the preceding school year
15 shall be added to the benefit investment. For any
16 fiscal year in which a school district organized under
17 Article 34 of this Code is responsible for paying the
18 employer normal cost of teacher pensions, then that
19 amount of its employer normal cost plus the amount for
20 retiree health insurance as certified by the Public
21 School Teachers' Pension and Retirement Fund of
22 Chicago to be paid by the school district for the
23 preceding school year that is statutorily required to
24 cover employer normal costs and the amount for retiree
25 health insurance shall be added to the 30% specified in
26 this subparagraph (U). The Public School Teachers'

1 Pension and Retirement Fund of Chicago shall submit
2 such information as the State Superintendent may
3 require for the calculations set forth in this
4 subparagraph (U).

5 (V) Additional investments in low-income students.
6 In addition to and not in lieu of all other funding
7 under this paragraph (2), each Organizational Unit
8 shall receive funding based on the average teacher
9 salary for grades K through 12 to cover the costs of:

10 (i) one FTE intervention teacher (tutor)
11 position for every 125 Low-Income Count students;

12 (ii) one FTE pupil support staff position for
13 every 125 Low-Income Count students;

14 (iii) one FTE extended day teacher position
15 for every 120 Low-Income Count students; and

16 (iv) one FTE summer school teacher position
17 for every 120 Low-Income Count students.

18 (W) Additional investments in English learner
19 students. In addition to and not in lieu of all other
20 funding under this paragraph (2), each Organizational
21 Unit shall receive funding based on the average teacher
22 salary for grades K through 12 to cover the costs of:

23 (i) one FTE intervention teacher (tutor)
24 position for every 125 English learner students;

25 (ii) one FTE pupil support staff position for
26 every 125 English learner students;

1 (iii) one FTE extended day teacher position
2 for every 120 English learner students;

3 (iv) one FTE summer school teacher position
4 for every 120 English learner students; and

5 (v) one FTE core teacher position for every 100
6 English learner students.

7 (X) Special education investments. Each
8 Organizational Unit shall receive funding based on the
9 average teacher salary for grades K through 12 to cover
10 special education as follows:

11 (i) one FTE teacher position for every 141
12 combined ASE of pre-kindergarten children with
13 disabilities and all kindergarten through grade 12
14 students;

15 (ii) one FTE instructional assistant for every
16 141 combined ASE of pre-kindergarten children with
17 disabilities and all kindergarten through grade 12
18 students; and

19 (iii) one FTE psychologist position for every
20 1,000 combined ASE of pre-kindergarten children
21 with disabilities and all kindergarten through
22 grade 12 students.

23 (3) For calculating the salaries included within the
24 Essential Elements, the State Superintendent shall
25 annually calculate average salaries to the nearest dollar
26 using the employment information system data maintained by

1 the State Board, limited to public schools only and
2 excluding special education and vocational cooperatives,
3 schools operated by the Department of Juvenile Justice, and
4 charter schools, for the following positions:

5 (A) Teacher for grades K through 8.

6 (B) Teacher for grades 9 through 12.

7 (C) Teacher for grades K through 12.

8 (D) Guidance counselor for grades K through 8.

9 (E) Guidance counselor for grades 9 through 12.

10 (F) Guidance counselor for grades K through 12.

11 (G) Social worker.

12 (H) Psychologist.

13 (I) Librarian.

14 (J) Nurse.

15 (K) Principal.

16 (L) Assistant principal.

17 For the purposes of this paragraph (3), "teacher"
18 includes core teachers, specialist and elective teachers,
19 instructional facilitators, tutors, special education
20 teachers, pupil support staff teachers, English learner
21 teachers, extended-day teachers, and summer school
22 teachers. Where specific grade data is not required for the
23 Essential Elements, the average salary for corresponding
24 positions shall apply. For substitute teachers, the
25 average teacher salary for grades K through 12 shall apply.

26 For calculating the salaries included within the

1 Essential Elements for positions not included within EIS
2 Data, the following salaries shall be used in the first
3 year of implementation of Evidence-Based Funding:

4 (i) school site staff, \$30,000; and

5 (ii) non-instructional assistant, instructional
6 assistant, library aide, library media tech, or
7 supervisory aide: \$25,000.

8 In the second and subsequent years of implementation of
9 Evidence-Based Funding, the amounts in items (i) and (ii)
10 of this paragraph (3) shall annually increase by the ECI.

11 The salary amounts for the Essential Elements
12 determined pursuant to subparagraphs (A) through (L), (S)
13 and (T), and (V) through (X) of paragraph (2) of subsection
14 (b) of this Section shall be multiplied by a
15 Regionalization Factor.

16 (c) Local capacity calculation.

17 (1) Each Organizational Unit's Local Capacity
18 represents an amount of funding it is assumed to contribute
19 toward its Adequacy Target for purposes of the
20 Evidence-Based Funding formula calculation. "Local
21 Capacity" means either (i) the Organizational Unit's Local
22 Capacity Target as calculated in accordance with paragraph
23 (2) of this subsection (c) if its Real Receipts are equal
24 to or less than its Local Capacity Target or (ii) the
25 Organizational Unit's Adjusted Local Capacity, as
26 calculated in accordance with paragraph (3) of this

1 subsection (c) if Real Receipts are more than its Local
2 Capacity Target.

3 (2) "Local Capacity Target" means, for an
4 Organizational Unit, that dollar amount that is obtained by
5 multiplying its Adequacy Target by its Local Capacity
6 Ratio.

7 (A) An Organizational Unit's Local Capacity
8 Percentage is the conversion of the Organizational
9 Unit's Local Capacity Ratio, as such ratio is
10 determined in accordance with subparagraph (B) of this
11 paragraph (2), into a normal curve equivalent score to
12 determine each Organizational Unit's relative position
13 to all other Organizational Units in this State. The
14 calculation of Local Capacity Percentage is described
15 in subparagraph (C) of this paragraph (2).

16 (B) An Organizational Unit's Local Capacity Ratio
17 in a given year is the percentage obtained by dividing
18 its Adjusted EAV or PTELL EAV, whichever is less, by
19 its Adequacy Target, with the resulting ratio further
20 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
26 multiplied by 9/13;

1 (iii) for Organizational Units serving grades
2 9 through 12, the Local Capacity Ratio shall be
3 multiplied by 4/13; and

4 (iv) for an Organizational Unit with a
5 different grade configuration than those specified
6 in items (i) through (iii) of this subparagraph
7 (B), the State Superintendent shall determine a
8 comparable adjustment 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
12 Organizational Unit's relative position to all other
13 Organizational Units in this State. The Local Capacity
14 Percentage normal curve equivalent score for each
15 Organizational Unit shall be calculated using the
16 standard normal distribution of the score in relation
17 to the weighted mean and weighted standard deviation
18 and Local Capacity Ratios of all Organizational Units.
19 If the value assigned to any Organizational Unit is in
20 excess of 90%, the value shall be adjusted to 90%. For
21 Laboratory Schools, the Local Capacity Percentage
22 shall be set at 10% in recognition of the absence of
23 EAV and resources from the public university that are
24 allocated to the Laboratory School. The weighted mean
25 for the Local Capacity Percentage shall be determined
26 by multiplying each Organizational Unit's Local

1 Capacity Ratio times the ASE for the unit creating a
2 weighted value, summing the weighted values of all
3 Organizational Units, and dividing by the total ASE of
4 all Organizational Units. The weighted standard
5 deviation shall be determined by taking the square root
6 of the weighted variance of all Organizational Units'
7 Local Capacity Ratio, where the variance is calculated
8 by squaring the difference between each unit's Local
9 Capacity Ratio and the weighted mean, then multiplying
10 the variance for each unit times the ASE for the unit
11 to create a weighted variance for each unit, then
12 summing all units' weighted variance and dividing by
13 the total ASE of all units.

14 (D) For any Organizational Unit, the
15 Organizational Unit's Adjusted Local Capacity Target
16 shall be reduced by either (i) the school board's
17 remaining contribution pursuant to paragraph (ii) of
18 subsection (b-4) of Section 16-158 of the Illinois
19 Pension Code in a given year, or (ii) the board of
20 education's remaining contribution pursuant to
21 paragraph (iv) of subsection (b) of Section 17-129 of
22 the Illinois Pension Code absent the employer normal
23 cost portion of the required contribution and amount
24 allowed pursuant to subdivision (3) of Section
25 17-142.1 of the Illinois Pension Code in a given year.
26 In the preceding sentence, item (i) shall be certified

1 to the State Board of Education by the Teachers'
2 Retirement System of the State of Illinois and item
3 (ii) shall be certified to the State Board of Education
4 by the Public School Teachers' Pension and Retirement
5 Fund of the City of Chicago.

6 (3) If an Organizational Unit's Real Receipts are more
7 than its Local Capacity Target, then its Local Capacity
8 shall equal an Adjusted Local Capacity Target as calculated
9 in accordance with this paragraph (3). The Adjusted Local
10 Capacity Target is calculated as the sum of the
11 Organizational Unit's Local Capacity Target and its Real
12 Receipts Adjustment. The Real Receipts Adjustment equals
13 the Organizational Unit's Real Receipts less its Local
14 Capacity Target, with the resulting figure multiplied by
15 the Local Capacity Percentage.

16 As used in this paragraph (3), "Real Percent of
17 Adequacy" means the sum of an Organizational Unit's Real
18 Receipts, CPPRT, and Base Funding Minimum, with the
19 resulting figure divided by the Organizational Unit's
20 Adequacy Target.

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
24 product of its Applicable Tax Rate and its Adjusted EAV. An
25 Organizational Unit's Applicable Tax Rate is its Adjusted
26 Operating Tax Rate for property within the Organizational

1 Unit.

2 (2) The State Superintendent shall calculate the
3 Equalized Assessed Valuation, or EAV, of all taxable
4 property of each Organizational Unit as of September 30 of
5 the previous year in accordance with paragraph (3) of this
6 subsection (d). The State Superintendent shall then
7 determine the Adjusted EAV of each Organizational Unit in
8 accordance with paragraph (4) of this subsection (d), which
9 Adjusted EAV figure shall be used for the purposes of
10 calculating Local Capacity.

11 (3) To calculate Real Receipts and EAV, the Department
12 of Revenue shall supply to the State Superintendent the
13 value as equalized or assessed by the Department of Revenue
14 of all taxable property of every Organizational Unit,
15 together with (i) the applicable tax rate used in extending
16 taxes for the funds of the Organizational Unit as of
17 September 30 of the previous year and (ii) the limiting
18 rate for all Organizational Units subject to property tax
19 extension limitations as imposed under PTELL.

20 (A) The Department of Revenue shall add to the
21 equalized assessed value of all taxable property of
22 each Organizational Unit situated entirely or
23 partially within a county that is or was subject to the
24 provisions of Section 15-176 or 15-177 of the Property
25 Tax Code (i) an amount equal to the total amount by
26 which the homestead exemption allowed under Section

1 15-176 or 15-177 of the Property Tax Code for real
2 property situated in that Organizational Unit exceeds
3 the total amount that would have been allowed in that
4 Organizational Unit if the maximum reduction under
5 Section 15-176 was (I) \$4,500 in Cook County or \$3,500
6 in all other counties in tax year 2003 or (II) \$5,000
7 in all counties in tax year 2004 and thereafter and
8 (ii) an amount equal to the aggregate amount for the
9 taxable year of all additional exemptions under
10 Section 15-175 of the Property Tax Code for owners with
11 a household income of \$30,000 or less. The county clerk
12 of any county that is or was subject to the provisions
13 of Section 15-176 or 15-177 of the Property Tax Code
14 shall annually calculate and certify to the Department
15 of Revenue for each Organizational Unit all homestead
16 exemption amounts under Section 15-176 or 15-177 of the
17 Property Tax Code and all amounts of additional
18 exemptions under Section 15-175 of the Property Tax
19 Code for owners with a household income of \$30,000 or
20 less. It is the intent of this subparagraph (A) that if
21 the general homestead exemption for a parcel of
22 property is determined under Section 15-176 or 15-177
23 of the Property Tax Code rather than Section 15-175,
24 then the calculation of EAV shall not be affected by
25 the difference, if any, between the amount of the
26 general homestead exemption allowed for that parcel of

1 property under Section 15-176 or 15-177 of the Property
2 Tax Code and the amount that would have been allowed
3 had the general homestead exemption for that parcel of
4 property been determined under Section 15-175 of the
5 Property Tax Code. It is further the intent of this
6 subparagraph (A) that if additional exemptions are
7 allowed under Section 15-175 of the Property Tax Code
8 for owners with a household income of less than
9 \$30,000, then the calculation of EAV shall not be
10 affected by the difference, if any, because of those
11 additional exemptions.

12 (B) With respect to any part of an Organizational
13 Unit within a redevelopment project area in respect to
14 which a municipality has adopted tax increment
15 allocation financing pursuant to the Tax Increment
16 Allocation Redevelopment Act, Division 74.4 of the
17 Illinois Municipal Code, or the Industrial Jobs
18 Recovery Law, Division 74.6 of the Illinois Municipal
19 Code, no part of the current EAV of real property
20 located in any such project area which is attributable
21 to an increase above the total initial EAV of such
22 property shall be used as part of the EAV of the
23 Organizational Unit, until such time as all
24 redevelopment project costs have been paid, as
25 provided in Section 11-74.4-8 of the Tax Increment
26 Allocation Redevelopment Act or in Section 11-74.6-35

1 of the Industrial Jobs Recovery Law. For the purpose of
2 the EAV of the Organizational Unit, the total initial
3 EAV or the current EAV, whichever is lower, shall be
4 used until such time as all redevelopment project costs
5 have been paid.

6 (C) For Organizational Units that are Hybrid
7 Districts, the State Superintendent shall use the
8 lesser of the equalized assessed valuation for
9 property within the partial elementary unit district
10 for elementary purposes, as defined in Article 11E of
11 this Code, or the equalized assessed valuation for
12 property within the partial elementary unit district
13 for high school purposes, as defined in Article 11E of
14 this Code.

15 (4) An Organizational Unit's Adjusted EAV shall be the
16 average of its EAV over the immediately preceding 3 years
17 or its EAV in the immediately preceding year if the EAV in
18 the immediately preceding year has declined by 10% or more
19 compared to the 3-year average. In the event of
20 Organizational Unit reorganization, consolidation, or
21 annexation, the Organizational Unit's Adjusted EAV for the
22 first 3 years after such change shall be as follows: the
23 most current EAV shall be used in the first year, the
24 average of a 2-year EAV or its EAV in the immediately
25 preceding year if the EAV declines by 10% or more compared
26 to the 2-year average for the second year, and a 3-year

1 average EAV or its EAV in the immediately preceding year if
2 the adjusted EAV declines by 10% or more compared to the
3 3-year average for the third year.

4 "PTELL EAV" means a figure calculated by the State
5 Board for Organizational Units subject to PTELL as
6 described in this paragraph (4) for the purposes of
7 calculating an Organizational Unit's Local Capacity Ratio.
8 Except as otherwise provided in this paragraph (4), for an
9 Organizational Unit that has approved or does approve an
10 increase in its limiting rate, the PTELL EAV of an
11 Organizational Unit shall be equal to the product of the
12 equalized assessed valuation last used in the calculation
13 of general State aid under Section 18-8.05 of this Code or
14 Evidence-Based Funding under this Section and the
15 Organizational Unit's Extension Limitation Ratio. If an
16 Organizational Unit has approved or does approve an
17 increase in its limiting rate, pursuant to Section 18-190
18 of the Property Tax Code, affecting the Base Tax Year, the
19 PTELL EAV shall be equal to the product of the equalized
20 assessed valuation last used in the calculation of general
21 State aid under Section 18-8.05 of this Code or
22 Evidence-Based Funding under this Section multiplied by an
23 amount equal to one plus the percentage increase, if any,
24 in the Consumer Price Index for All Urban Consumers for all
25 items published by the United States Department of Labor
26 for the 12-month calendar year preceding the Base Tax Year,

1 plus the equalized assessed valuation of new property,
2 annexed property, and recovered tax increment value and
3 minus the equalized assessed valuation of disconnected
4 property.

5 As used in this paragraph (4), "new property" and
6 "recovered tax increment value" shall have the meanings set
7 forth in the Property Tax Extension Limitation Law.

8 (e) Base Funding Minimum calculation.

9 (1) For the 2017-2018 school year, the Base Funding
10 Minimum of an Organizational Unit, other than a Specially
11 Funded Unit, shall be the amount of State funds distributed
12 to the Organizational Unit during the 2016-2017 school year
13 prior to any adjustments and specified appropriation
14 amounts described in this paragraph (1) from the following
15 Sections, as calculated by the State Superintendent:
16 Section 18-8.05 of this Code (general State aid); Section 5
17 of Article 224 of Public Act 99-524 (equity grants);
18 Section 14-7.02b of this Code (funding for children
19 requiring special education services); Section 14-13.01 of
20 this Code (special education facilities and staffing),
21 except for reimbursement of the cost of transportation
22 pursuant to Section 14-13.01; Section 14C-12 of this Code
23 (English learners); and Section 18-4.3 of this Code (summer
24 school), based on an appropriation level of \$13,121,600.
25 For a school district organized under Article 34 of this
26 Code, the Base Funding Minimum also includes (i) the funds

1 allocated to the school district pursuant to Section 1D-1
2 of this Code attributable to funding programs authorized by
3 the Sections of this Code listed in the preceding sentence;
4 and (ii) the difference between (I) the funds allocated to
5 the school district pursuant to Section 1D-1 of this Code
6 attributable to the funding programs authorized by Section
7 14-7.02 (non-public special education reimbursement),
8 subsection (b) of Section 14-13.01 (special education
9 transportation), Section 29-5 (transportation), Section
10 2-3.80 (agricultural education), Section 2-3.66 (truants'
11 alternative education), Section 2-3.62 (educational
12 service centers), and Section 14-7.03 (special education -
13 orphanage) of this Code and Section 15 of the Childhood
14 Hunger Relief Act (free breakfast program) and (II) the
15 school district's actual expenditures for its non-public
16 special education, special education transportation,
17 transportation programs, agricultural education, truants'
18 alternative education, services that would otherwise be
19 performed by a regional office of education, special
20 education orphanage expenditures, and free breakfast, as
21 most recently calculated and reported pursuant to
22 subsection (f) of Section 1D-1 of this Code. For Specially
23 Funded Units, the Base Funding Minimum shall be the total
24 amount of State funds allotted to the Specially Funded Unit
25 during the 2016-2017 school year. The Base Funding Minimum
26 for Glenwood Academy shall be \$625,500.

1 (2) For the 2018-2019 and subsequent school years, the
2 Base Funding Minimum of Organizational Units and Specially
3 Funded Units shall be the sum of (i) the amount of
4 Evidence-Based Funding for the prior school year and (ii)
5 the Base Funding Minimum for the prior school year.

6 (f) Percent of Adequacy and Final Resources calculation.

7 (1) The Evidence-Based Funding formula establishes a
8 Percent of Adequacy for each Organizational Unit in order
9 to place such units into tiers for the purposes of the
10 funding distribution system described in subsection (g) of
11 this Section. Initially, an Organizational Unit's
12 Preliminary Resources and Preliminary Percent of Adequacy
13 are calculated pursuant to paragraph (2) of this subsection
14 (f). Then, an Organizational Unit's Final Resources and
15 Final Percent of Adequacy are calculated to account for the
16 Organizational Unit's poverty concentration levels
17 pursuant to paragraphs (3) and (4) of this subsection (f).

18 (2) An Organizational Unit's Preliminary Resources are
19 equal to the sum of its Local Capacity Target, CPPRT, and
20 Base Funding Minimum. An Organizational Unit's Preliminary
21 Percent of Adequacy is the lesser of (i) its Preliminary
22 Resources divided by its Adequacy Target or (ii) 100%.

23 (3) Except for Specially Funded Units, an
24 Organizational Unit's Final Resources are equal the sum of
25 its Local Capacity, CPPRT, and Adjusted Base Funding
26 Minimum. The Base Funding Minimum of each Specially Funded

1 Unit shall serve as its Final Resources, except that the
2 Base Funding Minimum for State-approved charter schools
3 shall not include any portion of general State aid
4 allocated in the prior year based on the per capita tuition
5 charge times the charter school enrollment.

6 (4) An Organizational Unit's Final Percent of Adequacy
7 is its Final Resources divided by its Adequacy Target. An
8 Organizational Unit's Adjusted Base Funding Minimum is
9 equal to its Base Funding Minimum less its Supplemental
10 Grant Funding, with the resulting figure added to the
11 product of its Supplemental Grant Funding and Preliminary
12 Percent of Adequacy.

13 (g) Evidence-Based Funding formula distribution system.

14 (1) In each school year under the Evidence-Based
15 Funding formula, each Organizational Unit receives funding
16 equal to the sum of its Base Funding Minimum and the unit's
17 allocation of New State Funds determined pursuant to this
18 subsection (g). To allocate New State Funds, the
19 Evidence-Based Funding formula distribution system first
20 places all Organizational Units into one of 4 tiers in
21 accordance with paragraph (3) of this subsection (g), based
22 on the Organizational Unit's Final Percent of Adequacy. New
23 State Funds are allocated to each of the 4 tiers as
24 follows: Tier 1 Aggregate Funding equals 50% of all New
25 State Funds, Tier 2 Aggregate Funding equals 49% of all New
26 State Funds, Tier 3 Aggregate Funding equals 0.9% of all

1 New State Funds, and Tier 4 Aggregate Funding equals 0.1%
2 of all New State Funds. Each Organizational Unit within
3 Tier 1 or Tier 2 receives an allocation of New State Funds
4 equal to its tier Funding Gap, as defined in the following
5 sentence, multiplied by the tier's Allocation Rate
6 determined pursuant to paragraph (4) of this subsection
7 (g). For Tier 1, an Organizational Unit's Funding Gap
8 equals the tier's Target Ratio, as specified in paragraph
9 (5) of this subsection (g), multiplied by the
10 Organizational Unit's Adequacy Target, with the resulting
11 amount reduced by the Organizational Unit's Final
12 Resources. For Tier 2, an Organizational Unit's Funding Gap
13 equals the tier's Target Ratio, as described in paragraph
14 (5) of this subsection (g), multiplied by the
15 Organizational Unit's Adequacy Target, with the resulting
16 amount reduced by the Organizational Unit's Final
17 Resources and its Tier 1 funding allocation. To determine
18 the Organizational Unit's Funding Gap, the resulting
19 amount is then multiplied by a factor equal to one minus
20 the Organizational Unit's Local Capacity Target
21 percentage. Each Organizational Unit within Tier 3 or Tier
22 4 receives an allocation of New State Funds equal to the
23 product of its Adequacy Target and the tier's Allocation
24 Rate, as specified in paragraph (4) of this subsection (g).

25 (2) To ensure equitable distribution of dollars for all
26 Tier 2 Organizational Units, no Tier 2 Organizational Unit

1 shall receive fewer dollars per ASE than any Tier 3
2 Organizational Unit. Each Tier 2 and Tier 3 Organizational
3 Unit shall have its funding allocation divided by its ASE.
4 Any Tier 2 Organizational Unit with a funding allocation
5 per ASE below the greatest Tier 3 allocation per ASE shall
6 get a funding allocation equal to the greatest Tier 3
7 funding allocation per ASE multiplied by the
8 Organizational Unit's ASE. Each Tier 2 Organizational
9 Unit's Tier 2 funding allocation shall be multiplied by the
10 percentage calculated by dividing the original Tier 2
11 Aggregate Funding by the sum of all Tier 2 Organizational
12 Unit's Tier 2 funding allocation after adjusting
13 districts' funding below Tier 3 levels.

14 (3) Organizational Units are placed into one of 4 tiers
15 as follows:

16 (A) Tier 1 consists of all Organizational Units,
17 except for Specially Funded Units, with a Percent of
18 Adequacy less than the Tier 1 Target Ratio. The Tier 1
19 Target Ratio is the ratio level that allows for Tier 1
20 Aggregate Funding to be distributed, with the Tier 1
21 Allocation Rate determined pursuant to paragraph (4)
22 of this subsection (g).

23 (B) Tier 2 consists of all Tier 1 Units and all
24 other Organizational Units, except for Specially
25 Funded Units, with a Percent of Adequacy of less than
26 0.90.

1 (C) Tier 3 consists of all Organizational Units,
2 except for Specially Funded Units, with a Percent of
3 Adequacy of at least 0.90 and less than 1.0.

4 (D) Tier 4 consists of all Organizational Units
5 with a Percent of Adequacy of at least 1.0 and
6 Specially Funded Units, excluding Glenwood Academy.

7 (4) The Allocation Rates for Tiers 1 through 4 is
8 determined as follows:

9 (A) The Tier 1 Allocation Rate is 30%.

10 (B) The Tier 2 Allocation Rate is the result of the
11 following equation: Tier 2 Aggregate Funding, divided
12 by the sum of the Funding Gaps for all Tier 2
13 Organizational Units, unless the result of such
14 equation is higher than 1.0. If the result of such
15 equation is higher than 1.0, then the Tier 2 Allocation
16 Rate is 1.0.

17 (C) The Tier 3 Allocation Rate is the result of the
18 following equation: Tier 3 Aggregate Funding, divided
19 by the sum of the Adequacy Targets of all Tier 3
20 Organizational Units.

21 (D) The Tier 4 Allocation Rate is the result of the
22 following equation: Tier 4 Aggregate Funding, divided
23 by the sum of the Adequacy Targets of all Tier 4
24 Organizational Units.

25 (5) A tier's Target Ratio is determined as follows:

26 (A) The Tier 1 Target Ratio is the ratio level that

1 allows for Tier 1 Aggregate Funding to be distributed
2 with the Tier 1 Allocation Rate.

3 (B) The Tier 2 Target Ratio is 0.90.

4 (C) The Tier 3 Target Ratio is 1.0.

5 (6) If, at any point, the Tier 1 Target Ratio is
6 greater than 90%, than all Tier 1 funding shall be
7 allocated to Tier 2 and no Tier 1 Organizational Unit's
8 funding may be identified.

9 (7) In the event that all Tier 2 Organizational Units
10 receive funding at the Tier 2 Target Ratio level, any
11 remaining New State Funds shall be allocated to Tier 3 and
12 Tier 4 Organizational Units.

13 (8) If any Specially Funded Units, excluding Glenwood
14 Academy, recognized by the State Board do not qualify for
15 direct funding following the implementation of this
16 amendatory Act of the 100th General Assembly from any of
17 the funding sources included within the definition of Base
18 Funding Minimum, the unqualified portion of the Base
19 Funding Minimum shall be transferred to one or more
20 appropriate Organizational Units as determined by the
21 State Superintendent based on the prior year ASE of the
22 Organizational Units.

23 (9) The Minimum Funding Level is intended to establish
24 a target for State funding that will keep pace with
25 inflation and continue to advance equity through the
26 Evidence-Based Funding formula. The target for State

1 funding of New Property Tax Relief Pool Funds is
2 \$50,000,000 for State fiscal year 2019 and subsequent State
3 fiscal years. The Minimum Funding Level is equal to
4 \$350,000,000. In addition to any New State Funds, no more
5 than \$50,000,000 New Property Tax Relief Pool Funds may be
6 counted towards the Minimum Funding Level. If the sum of
7 New State Funds and applicable New Property Tax Relief Pool
8 Funds are less than the Minimum Funding Level, than funding
9 for tiers shall be reduced in the following manner:

10 (A) First, Tier 4 funding shall be reduced by an
11 amount equal to the difference between the Minimum
12 Funding Level and New State Funds until such time as
13 Tier 4 funding is exhausted.

14 (B) Next, Tier 3 funding shall be reduced by an
15 amount equal to the difference between the Minimum
16 Funding Level and New State Funds and the reduction in
17 Tier 4 funding until such time as Tier 3 funding is
18 exhausted.

19 (C) Next, Tier 2 funding shall be reduced by an
20 amount equal to the difference between the Minimum
21 Funding level and new State Funds and the reduction
22 Tier 4 and Tier 3.

23 (D) Finally, Tier 1 funding shall be reduced by an
24 amount equal to the difference between the Minimum
25 Funding level and New State Funds and the reduction in
26 Tier 2, 3, and 4 funding. In addition, the Allocation

1 Rate for Tier 1 shall be reduced to a percentage equal
2 to 50%, multiplied by the result of New State Funds
3 divided by the Minimum Funding Level.

4 (9.5) For State fiscal year 2019 and subsequent State
5 fiscal years, if New State Funds exceed \$300,000,000, then
6 any amount in excess of \$300,000,000 shall be dedicated for
7 purposes of Section 2-3.170 of this Code up to a maximum of
8 \$50,000,000.

9 (10) In the event of a decrease in the amount of the
10 appropriation for this Section in any fiscal year after
11 implementation of this Section, the Organizational Units
12 receiving Tier 1 and Tier 2 funding, as determined under
13 paragraph (3) of this subsection (g), shall be held
14 harmless by establishing a Base Funding Guarantee equal to
15 the per pupil kindergarten through grade 12 funding
16 received in accordance with this Section in the prior
17 fiscal year. Reductions shall be made to the Base Funding
18 Minimum of Organizational Units in Tier 3 and Tier 4 on a
19 per pupil basis equivalent to the total number of the ASE
20 in Tier 3-funded and Tier 4-funded Organizational Units
21 divided by the total reduction in State funding. The Base
22 Funding Minimum as reduced shall continue to be applied to
23 Tier 3 and Tier 4 Organizational Units and adjusted by the
24 relative formula when increases in appropriations for this
25 Section resume. In no event may State funding reductions to
26 Organizational Units in Tier 3 or Tier 4 exceed an amount

1 that would be less than the Base Funding Minimum
2 established in the first year of implementation of this
3 Section. If additional reductions are required, all school
4 districts shall receive a reduction by a per pupil amount
5 equal to the aggregate additional appropriation reduction
6 divided by the total ASE of all Organizational Units.

7 (11) The State Superintendent shall make minor
8 adjustments to the distribution formula set forth in this
9 subsection (g) to account for the rounding of percentages
10 to the nearest tenth of a percentage and dollar amounts to
11 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
16 funding obligations created under this Section.

17 (2) The State Superintendent shall calculate the
18 Adequacy Target for each Organizational Unit and Net State
19 Contribution Target for each Organizational Unit under
20 this Section. The State Superintendent shall also certify
21 the actual amounts of the New State Funds payable for each
22 eligible Organizational Unit based on the equitable
23 distribution calculation to the unit's treasurer, as soon
24 as possible after such amounts are calculated, including
25 any applicable adjusted charge-off increase. No
26 Evidence-Based Funding shall be distributed within an

1 Organizational Unit without the approval of the unit's
2 school board.

3 (3) Annually, the State Superintendent shall calculate
4 and report to each Organizational Unit the unit's aggregate
5 financial adequacy amount, which shall be the sum of the
6 Adequacy Target for each Organizational Unit. The State
7 Superintendent shall calculate and report separately for
8 each Organizational Unit the unit's total State funds
9 allocated for its students with disabilities. The State
10 Superintendent shall calculate and report separately for
11 each Organizational Unit the amount of funding and
12 applicable FTE calculated for each Essential Element of the
13 unit's Adequacy Target.

14 (4) Annually, the State Superintendent shall calculate
15 and report to each Organizational Unit the amount the unit
16 must expend on special education and bilingual education
17 pursuant to the unit's Base Funding Minimum, Special
18 Education Allocation, and Bilingual Education Allocation.

19 (5) Moneys distributed under this Section shall be
20 calculated on a school year basis, but paid on a fiscal
21 year basis, with payments beginning in August and extending
22 through June. Unless otherwise provided, the moneys
23 appropriated for each fiscal year shall be distributed in
24 22 equal payments at least 2 times monthly to each
25 Organizational Unit. The State Board shall publish a yearly
26 distribution schedule at its meeting in June. If moneys

1 appropriated for any fiscal year are distributed other than
2 monthly, the distribution shall be on the same basis for
3 each Organizational Unit.

4 (6) Any school district that fails, for any given
5 school year, to maintain school as required by law or to
6 maintain a recognized school is not eligible to receive
7 Evidence-Based Funding. In case of non-recognition of one
8 or more attendance centers in a school district otherwise
9 operating recognized schools, the claim of the district
10 shall be reduced in the proportion that the enrollment in
11 the attendance center or centers bears to the enrollment of
12 the school district. "Recognized school" means any public
13 school that meets the standards for recognition by the
14 State Board. A school district or attendance center not
15 having recognition status at the end of a school term is
16 entitled to receive State aid payments due upon a legal
17 claim that was filed while it was recognized.

18 (7) School district claims filed under this Section are
19 subject to Sections 18-9 and 18-12 of this Code, except as
20 otherwise provided in this Section.

21 (8) Each fiscal year, the State Superintendent shall
22 calculate for each Organizational Unit an amount of its
23 Base Funding Minimum and Evidence-Based Funding that shall
24 be deemed attributable to the provision of special
25 educational facilities and services, as defined in Section
26 14-1.08 of this Code, in a manner that ensures compliance

1 with maintenance of State financial support requirements
2 under the federal Individuals with Disabilities Education
3 Act. An Organizational Unit must use such funds only for
4 the provision of special educational facilities and
5 services, as defined in Section 14-1.08 of this Code, and
6 must comply with any expenditure verification procedures
7 adopted by the State Board.

8 (9) All Organizational Units in this State must submit
9 annual spending plans by the end of September of each year
10 to the State Board as part of the annual budget process,
11 which shall describe how each Organizational Unit will
12 utilize the Base Minimum Funding and Evidence-Based
13 funding it receives from this State under this Section with
14 specific identification of the intended utilization of
15 Low-Income, English learner, and special education
16 resources. Additionally, the annual spending plans of each
17 Organizational Unit shall describe how the Organizational
18 Unit expects to achieve student growth and how the
19 Organizational Unit will achieve State education goals, as
20 defined by the State Board. The State Superintendent may,
21 from time to time, identify additional requisites for
22 Organizational Units to satisfy when compiling the annual
23 spending plans required under this subsection (h). The
24 format and scope of annual spending plans shall be
25 developed by the State Superintendent in conjunction with
26 the Professional Review Panel.

1 (10) No later than January 1, 2018, the State
2 Superintendent shall develop a 5-year strategic plan for
3 all Organizational Units to help in planning for adequacy
4 funding under this Section. The State Superintendent shall
5 submit the plan to the Governor and the General Assembly,
6 as provided in Section 3.1 of the General Assembly
7 Organization Act. The plan shall include recommendations
8 for:

9 (A) a framework for collaborative, professional,
10 innovative, and 21st century learning environments
11 using the Evidence-Based Funding model;

12 (B) ways to prepare and support this State's
13 educators for successful instructional careers;

14 (C) application and enhancement of the current
15 financial accountability measures, the approved State
16 plan to comply with the federal Every Student Succeeds
17 Act, and the Illinois Balanced Accountability Measures
18 in relation to student growth and elements of the
19 Evidence-Based Funding model; and

20 (D) implementation of an effective school adequacy
21 funding system based on projected and recommended
22 funding levels from the General Assembly.

23 (i) Professional Review Panel.

24 (1) A Professional Review Panel is created to study and
25 review the implementation and effect of the Evidence-Based
26 Funding model under this Section and to recommend continual

1 recalibration and future study topics and modifications to
2 the Evidence-Based Funding model. The Panel shall elect a
3 chairperson and vice chairperson by a majority vote of the
4 Panel and shall advance recommendations based on a majority
5 vote of the Panel. A minority opinion may also accompany
6 any recommendation of the majority of the Panel. The Panel
7 shall be appointed by the State Superintendent, except as
8 otherwise provided in paragraph (2) of this subsection (i)
9 and include the following members:

10 (A) Two appointees that represent district
11 superintendents, recommended by a statewide
12 organization that represents district superintendents.

13 (B) Two appointees that represent school boards,
14 recommended by a statewide organization that
15 represents school boards.

16 (C) Two appointees from districts that represent
17 school business officials, recommended by a statewide
18 organization that represents school business
19 officials.

20 (D) Two appointees that represent school
21 principals, recommended by a statewide organization
22 that represents school principals.

23 (E) Two appointees that represent teachers,
24 recommended by a statewide organization that
25 represents teachers.

26 (F) Two appointees that represent teachers,

1 recommended by another statewide organization that
2 represents teachers.

3 (G) Two appointees that represent regional
4 superintendents of schools, recommended by
5 organizations that represent regional superintendents.

6 (H) Two independent experts selected solely by the
7 State Superintendent.

8 (I) Two independent experts recommended by public
9 universities in this State.

10 (J) One member recommended by a statewide
11 organization that represents parents.

12 (K) Two representatives recommended by collective
13 impact organizations that represent major metropolitan
14 areas or geographic areas in Illinois.

15 (L) One member from a statewide organization
16 focused on research-based education policy to support
17 a school system that prepares all students for college,
18 a career, and democratic citizenship.

19 (M) One representative from a school district
20 organized under Article 34 of this Code.

21 The State Superintendent shall ensure that the
22 membership of the Panel includes representatives from
23 school districts and communities reflecting the
24 geographic, socio-economic, racial, and ethnic diversity
25 of this State. The State Superintendent shall additionally
26 ensure that the membership of the Panel includes

1 representatives with expertise in bilingual education and
2 special education. Staff from the State Board shall staff
3 the Panel.

4 (2) In addition to those Panel members appointed by the
5 State Superintendent, 4 members of the General Assembly
6 shall be appointed as follows: one member of the House of
7 Representatives appointed by the Speaker of the House of
8 Representatives, one member of the Senate appointed by the
9 President of the Senate, one member of the House of
10 Representatives appointed by the Minority Leader of the
11 House of Representatives, and one member of the Senate
12 appointed by the Minority Leader of the Senate. There shall
13 be one additional member appointed by the Governor. All
14 members appointed by legislative leaders or the Governor
15 shall be non-voting, ex officio members.

16 (3) On an annual basis, the State Superintendent shall
17 recalibrate the following per pupil elements of the
18 Adequacy Target and applied to the formulas, based on the
19 Panel's study of average expenses as reported in the most
20 recent annual financial report:

21 (A) gifted under subparagraph (M) of paragraph (2)
22 of subsection (b) of this Section;

23 (B) instructional materials under subparagraph (O)
24 of paragraph (2) of subsection (b) of this Section;

25 (C) assessment under subparagraph (P) of paragraph
26 (2) of subsection (b) of this Section;

1 (D) student activities under subparagraph (R) of
2 paragraph (2) of subsection (b) of this Section;

3 (E) maintenance and operations under subparagraph
4 (S) of paragraph (2) of subsection (b) of this Section;
5 and

6 (F) central office under subparagraph (T) of
7 paragraph (2) of subsection (b) of this Section.

8 (4) On a periodic basis, the Panel shall study all the
9 following elements and make recommendations to the State
10 Board, the General Assembly, and the Governor for
11 modification of this Section:

12 (A) The format and scope of annual spending plans
13 referenced in paragraph (9) of subsection (h) of this
14 Section.

15 (B) The Comparable Wage Index under this Section,
16 to be studied by the Panel and reestablished by the
17 State Superintendent every 5 years.

18 (C) Maintenance and operations. Within 5 years
19 after the implementation of this Section, the Panel
20 shall make recommendations for the further study of
21 maintenance and operations costs, including capital
22 maintenance costs, and recommend any additional
23 reporting data required from Organizational Units.

24 (D) "At-risk student" definition. Within 5 years
25 after the implementation of this Section, the Panel
26 shall make recommendations for the further study and

1 determination of an "at-risk student" definition.
2 Within 5 years after the implementation of this
3 Section, the Panel shall evaluate and make
4 recommendations regarding adequate funding for poverty
5 concentration under the Evidence-Based Funding model.

6 (E) Benefits. Within 5 years after the
7 implementation of this Section, the Panel shall make
8 recommendations for further study of benefit costs.

9 (F) Technology. The per pupil target for
10 technology shall be reviewed every 3 years to determine
11 whether current allocations are sufficient to develop
12 21st century learning in all classrooms in this State
13 and supporting a one-to-one technological device
14 program in each school. Recommendations shall be made
15 no later than 3 years after the implementation of this
16 Section.

17 (G) Local Capacity Target. Within 3 years after the
18 implementation of this Section, the Panel shall make
19 recommendations for any additional data desired to
20 analyze possible modifications to the Local Capacity
21 Target, to be based on measures in addition to solely
22 EAV and to be completed within 5 years after
23 implementation of this Section.

24 (H) Funding for Alternative Schools, Laboratory
25 Schools, safe schools, and alternative learning
26 opportunities programs. By the beginning of the

1 2021-2022 school year, the Panel shall study and make
2 recommendations regarding the funding levels for
3 Alternative Schools, Laboratory Schools, safe schools,
4 and alternative learning opportunities programs in
5 this State.

6 (I) Funding for college and career acceleration
7 strategies. By the beginning of the 2021-2022 school
8 year, the Panel shall study and make recommendations
9 regarding funding levels to support college and career
10 acceleration strategies in high school that have been
11 demonstrated to result in improved secondary and
12 postsecondary outcomes, including Advanced Placement,
13 dual-credit opportunities, and college and career
14 pathway systems.

15 (J) Special education investments. By the
16 beginning of the 2021-2022 school year, the Panel shall
17 study and make recommendations on whether and how to
18 account for disability types within the special
19 education funding category.

20 (K) Early childhood investments. In collaboration
21 with the Illinois Early Learning Council, the Panel
22 shall include an analysis of what level of Preschool
23 for All Children funding would be necessary to serve
24 all children ages 0 through 5 years in the
25 highest-priority service tier, as specified in
26 paragraph (4.5) of subsection (a) of Section 2-3.71 of

1 this Code, and an analysis of the potential cost
2 savings that that level of Preschool for All Children
3 investment would have on the kindergarten through
4 grade 12 system.

5 (5) Within 5 years after the implementation of this
6 Section, the Panel shall complete an evaluative study of
7 the entire Evidence-Based Funding model, including an
8 assessment of whether or not the formula is achieving State
9 goals. The Panel shall report to the State Board, the
10 General Assembly, and the Governor on the findings of the
11 study.

12 (6) Within 3 years after the implementation of this
13 Section, the Panel shall evaluate and provide
14 recommendations to the Governor and the General Assembly on
15 the hold-harmless provisions of this Section found in the
16 Base Funding Minimum.

17 (j) References. Beginning July 1, 2017, references in other
18 laws to general State aid funds or calculations under Section
19 18-8.05 of this Code shall be deemed to be references to
20 evidence-based model formula funds or calculations under this
21 Section.

22 (105 ILCS 5/18-9) (from Ch. 122, par. 18-9)

23 Sec. 18-9. Requirement for special equalization and
24 supplementary State aid. If property comprising an aggregate
25 assessed valuation equal to 6% or more of the total assessed

1 valuation of all taxable property in a school district is owned
2 by a person or corporation that is the subject of bankruptcy
3 proceedings or that has been adjudged bankrupt and, as a result
4 thereof, has not paid taxes on the property, then the district
5 may amend its general State aid or evidence-based funding claim
6 (i) back to the inception of the bankruptcy, not to exceed 6
7 years, in which time those taxes were not paid and (ii) for
8 each succeeding year that those taxes remain unpaid, by adding
9 to the claim an amount determined by multiplying the assessed
10 valuation of the property on which taxes have not been paid due
11 to the bankruptcy by the lesser of the total tax rate for the
12 district for the tax year for which the taxes are unpaid or the
13 applicable rate used in calculating the district's general
14 State aid under paragraph (3) of subsection (D) of Section
15 18-8.05 of this Code or evidence-based funding under Section
16 18-8.15 of this Code, as applicable. If at any time a district
17 that receives additional State aid under this Section receives
18 tax revenue from the property for the years that taxes were not
19 paid, the district's next claim for State aid shall be reduced
20 in an amount equal to the taxes paid on the property, not to
21 exceed the additional State aid received under this Section.
22 Claims under this Section shall be filed on forms prescribed by
23 the State Superintendent of Education, and the State
24 Superintendent of Education, upon receipt of a claim, shall
25 adjust the claim in accordance with the provisions of this
26 Section. Supplementary State aid for each succeeding year under

1 this Section shall be paid beginning with the first general
2 State aid or evidence-based funding claim paid after the
3 district has filed a completed claim in accordance with this
4 Section.

5 (Source: P.A. 95-496, eff. 8-28-07.)

6 (105 ILCS 5/18-12) (from Ch. 122, par. 18-12)

7 Sec. 18-12. Dates for filing State aid claims. The school
8 board of each school district, a regional office of education,
9 a laboratory school, or a State-authorized charter school shall
10 require teachers, principals, or superintendents to furnish
11 from records kept by them such data as it needs in preparing
12 and certifying to the State Superintendent of Education its
13 report of claims provided in Section 18-8.05 of this Code. The
14 claim shall be based on the latest available equalized assessed
15 valuation and tax rates, as provided in Section 18-8.05 or
16 18-8.15, shall use the average daily attendance as determined
17 by the method outlined in Section 18-8.05 or 18-8.15, and shall
18 be certified and filed with the State Superintendent of
19 Education by June 21 for districts and State-authorized charter
20 schools with an official school calendar end date before June
21 15 or within 2 weeks following the official school calendar end
22 date for districts, regional offices of education, laboratory
23 schools, or State-authorized charter schools with a school year
24 end date of June 15 or later. Failure to so file by these
25 deadlines constitutes a forfeiture of the right to receive

1 payment by the State until such claim is filed. The State
2 Superintendent of Education shall voucher for payment those
3 claims to the State Comptroller as provided in Section 18-11.

4 Except as otherwise provided in this Section, if any school
5 district fails to provide the minimum school term specified in
6 Section 10-19, the State aid claim for that year shall be
7 reduced by the State Superintendent of Education in an amount
8 equivalent to 1/176 or .56818% for each day less than the
9 number of days required by this Code.

10 If the State Superintendent of Education determines that
11 the failure to provide the minimum school term was occasioned
12 by an act or acts of God, or was occasioned by conditions
13 beyond the control of the school district which posed a
14 hazardous threat to the health and safety of pupils, the State
15 aid claim need not be reduced.

16 If a school district is precluded from providing the
17 minimum hours of instruction required for a full day of
18 attendance due to an adverse weather condition or a condition
19 beyond the control of the school district that poses a
20 hazardous threat to the health and safety of students, then the
21 partial day of attendance may be counted if (i) the school
22 district has provided at least one hour of instruction prior to
23 the closure of the school district, (ii) a school building has
24 provided at least one hour of instruction prior to the closure
25 of the school building, or (iii) the normal start time of the
26 school district is delayed.

1 If, prior to providing any instruction, a school district
2 must close one or more but not all school buildings after
3 consultation with a local emergency response agency or due to a
4 condition beyond the control of the school district, then the
5 school district may claim attendance for up to 2 school days
6 based on the average attendance of the 3 school days
7 immediately preceding the closure of the affected school
8 building or, if approved by the State Board of Education,
9 utilize the provisions of an e-learning program for the
10 affected school building as prescribed in Section 10-20.56 of
11 this Code. The partial or no day of attendance described in
12 this Section and the reasons therefore shall be certified
13 within a month of the closing or delayed start by the school
14 district superintendent to the regional superintendent of
15 schools for forwarding to the State Superintendent of Education
16 for approval.

17 Other than the utilization of any e-learning days as
18 prescribed in Section 10-20.56 of this Code, no exception to
19 the requirement of providing a minimum school term may be
20 approved by the State Superintendent of Education pursuant to
21 this Section unless a school district has first used all
22 emergency days provided for in its regular calendar.

23 If the State Superintendent of Education declares that an
24 energy shortage exists during any part of the school year for
25 the State or a designated portion of the State, a district may
26 operate the school attendance centers within the district 4

1 days of the week during the time of the shortage by extending
2 each existing school day by one clock hour of school work, and
3 the State aid claim shall not be reduced, nor shall the
4 employees of that district suffer any reduction in salary or
5 benefits as a result thereof. A district may operate all
6 attendance centers on this revised schedule, or may apply the
7 schedule to selected attendance centers, taking into
8 consideration such factors as pupil transportation schedules
9 and patterns and sources of energy for individual attendance
10 centers.

11 Electronically submitted State aid claims shall be
12 submitted by duly authorized district individuals over a secure
13 network that is password protected. The electronic submission
14 of a State aid claim must be accompanied with an affirmation
15 that all of the provisions of Sections 18-8.05, 10-22.5, and
16 24-4 of this Code are met in all respects.

17 (Source: P.A. 99-194, eff. 7-30-15; 99-657, eff. 7-28-16.)

18 (105 ILCS 5/26-16)

19 Sec. 26-16. Graduation incentives program.

20 (a) The General Assembly finds that it is critical to
21 provide options for children to succeed in school. The purpose
22 of this Section is to provide incentives for and encourage all
23 Illinois students who have experienced or are experiencing
24 difficulty in the traditional education system to enroll in
25 alternative programs.

1 (b) Any student who is below the age of 20 years is
2 eligible to enroll in a graduation incentives program if he or
3 she:

4 (1) is considered a dropout pursuant to Section 26-2a
5 of this Code;

6 (2) has been suspended or expelled pursuant to Section
7 10-22.6 or 34-19 of this Code;

8 (3) is pregnant or is a parent;

9 (4) has been assessed as chemically dependent; or

10 (5) is enrolled in a bilingual education or LEP
11 program.

12 (c) The following programs qualify as graduation
13 incentives programs for students meeting the criteria
14 established in this Section:

15 (1) Any public elementary or secondary education
16 graduation incentives program established by a school
17 district or by a regional office of education.

18 (2) Any alternative learning opportunities program
19 established pursuant to Article 13B of this Code.

20 (3) Vocational or job training courses approved by the
21 State Superintendent of Education that are available
22 through the Illinois public community college system.
23 Students may apply for reimbursement of 50% of tuition
24 costs for one course per semester or a maximum of 3 courses
25 per school year. Subject to available funds, students may
26 apply for reimbursement of up to 100% of tuition costs upon

1 a showing of employment within 6 months after completion of
2 a vocational or job training program. The qualifications
3 for reimbursement shall be established by the State
4 Superintendent of Education by rule.

5 (4) Job and career programs approved by the State
6 Superintendent of Education that are available through
7 Illinois-accredited private business and vocational
8 schools. Subject to available funds, pupils may apply for
9 reimbursement of up to 100% of tuition costs upon a showing
10 of employment within 6 months after completion of a job or
11 career program. The State Superintendent of Education
12 shall establish, by rule, the qualifications for
13 reimbursement, criteria for determining reimbursement
14 amounts, and limits on reimbursement.

15 (5) Adult education courses that offer preparation for
16 high school equivalency testing.

17 (d) Graduation incentives programs established by school
18 districts are entitled to claim general State aid and
19 evidence-based funding, subject to Sections 13B-50, 13B-50.5,
20 and 13B-50.10 of this Code. Graduation incentives programs
21 operated by regional offices of education are entitled to
22 receive general State aid and evidence-based funding at the
23 foundation level of support per pupil enrolled. A school
24 district must ensure that its graduation incentives program
25 receives supplemental general State aid, transportation
26 reimbursements, and special education resources, if

1 appropriate, for students enrolled in the program.

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

3 (105 ILCS 5/27-6) (from Ch. 122, par. 27-6)

4 Sec. 27-6. Courses in physical education required; special
5 activities.

6 (a) Pupils enrolled in the public schools and State
7 universities engaged in preparing teachers shall be required to
8 engage ~~daily~~ during the school day, except on block scheduled
9 days for those public schools engaged in block scheduling, in
10 courses of physical education for such periods as are
11 compatible with the optimum growth and developmental needs of
12 individuals at the various age levels except when appropriate
13 excuses are submitted to the school by a pupil's parent or
14 guardian or by a person licensed under the Medical Practice Act
15 of 1987 and except as provided in subsection (b) of this
16 Section. A school board may determine the schedule or frequency
17 of physical education courses, provided that a pupil engages in
18 a course of physical education for a minimum of 3 days per
19 5-day week.

20 Special activities in physical education shall be provided
21 for pupils whose physical or emotional condition, as determined
22 by a person licensed under the Medical Practice Act of 1987,
23 prevents their participation in the courses provided for normal
24 children.

25 (b) A school board is authorized to excuse pupils enrolled

1 in grades 11 and 12 from engaging in physical education courses
2 if those pupils request to be excused for any of the following
3 reasons: (1) for ongoing participation in an interscholastic
4 athletic program; (2) to enroll in academic classes which are
5 required for admission to an institution of higher learning,
6 provided that failure to take such classes will result in the
7 pupil being denied admission to the institution of his or her
8 choice; or (3) to enroll in academic classes which are required
9 for graduation from high school, provided that failure to take
10 such classes will result in the pupil being unable to graduate.
11 A school board may also excuse pupils in grades 9 through 12
12 enrolled in a marching band program for credit from engaging in
13 physical education courses if those pupils request to be
14 excused for ongoing participation in such marching band
15 program. A school board may also, on a case-by-case basis,
16 excuse pupils in grades 7 through 12 who participate in an
17 interscholastic or extracurricular athletic program from
18 engaging in physical education courses. In addition, a pupil in
19 any of grades 3 through 12 who is eligible for special
20 education may be excused if the pupil's parent or guardian
21 agrees that the pupil must utilize the time set aside for
22 physical education to receive special education support and
23 services or, if there is no agreement, the individualized
24 education program team for the pupil determines that the pupil
25 must utilize the time set aside for physical education to
26 receive special education support and services, which

1 agreement or determination must be made a part of the
2 individualized education program. However, a pupil requiring
3 adapted physical education must receive that service in
4 accordance with the individualized education program developed
5 for the pupil. If requested, a school board is authorized to
6 excuse a pupil from engaging in a physical education course if
7 the pupil has an individualized educational program under
8 Article 14 of this Code, is participating in an adaptive
9 athletic program outside of the school setting, and documents
10 such participation as determined by the school board. A school
11 board may also excuse pupils in grades 9 through 12 enrolled in
12 a Reserve Officer's Training Corps (ROTC) program sponsored by
13 the school district from engaging in physical education
14 courses. School boards which choose to exercise this authority
15 shall establish a policy to excuse pupils on an individual
16 basis.

17 (c) The provisions of this Section are subject to the
18 provisions of Section 27-22.05.

19 (Source: P.A. 98-116, eff. 7-29-13.)

20 (105 ILCS 5/27-7) (from Ch. 122, par. 27-7)

21 Sec. 27-7. Physical education course of study. A physical
22 education course of study shall include a developmentally
23 planned and sequential curriculum that fosters the development
24 of movement skills, enhances health-related fitness, increases
25 students' knowledge, offers direct opportunities to learn how

1 to work cooperatively in a group setting, and encourages
2 healthy habits and attitudes for a healthy lifestyle. A
3 physical education course of study shall provide students with
4 an opportunity for an appropriate amount of ~~daily~~ physical
5 activity. A physical education course of study must be part of
6 the regular school curriculum and not extra-curricular in
7 nature or organization.

8 The State Board of Education shall prepare and make
9 available guidelines for the various grades and types of
10 schools in order to make effective the purposes set forth in
11 this Section and the requirements provided in Section 27-6, and
12 shall see that the general provisions and intent of Sections
13 27-5 to 27-9, inclusive, are enforced.

14 (Source: P.A. 94-189, eff. 7-12-05; 94-200, eff. 7-12-05.)

15 (105 ILCS 5/27-8.1) (from Ch. 122, par. 27-8.1)

16 Sec. 27-8.1. Health examinations and immunizations.

17 (1) In compliance with rules and regulations which the
18 Department of Public Health shall promulgate, and except as
19 hereinafter provided, all children in Illinois shall have a
20 health examination as follows: within one year prior to
21 entering kindergarten or the first grade of any public,
22 private, or parochial elementary school; upon entering the
23 sixth and ninth grades of any public, private, or parochial
24 school; prior to entrance into any public, private, or
25 parochial nursery school; and, irrespective of grade,

1 immediately prior to or upon entrance into any public, private,
2 or parochial school or nursery school, each child shall present
3 proof of having been examined in accordance with this Section
4 and the rules and regulations promulgated hereunder. Any child
5 who received a health examination within one year prior to
6 entering the fifth grade for the 2007-2008 school year is not
7 required to receive an additional health examination in order
8 to comply with the provisions of Public Act 95-422 when he or
9 she attends school for the 2008-2009 school year, unless the
10 child is attending school for the first time as provided in
11 this paragraph.

12 A tuberculosis skin test screening shall be included as a
13 required part of each health examination included under this
14 Section if the child resides in an area designated by the
15 Department of Public Health as having a high incidence of
16 tuberculosis. Additional health examinations of pupils,
17 including eye examinations, may be required when deemed
18 necessary by school authorities. Parents are encouraged to have
19 their children undergo eye examinations at the same points in
20 time required for health examinations.

21 (1.5) In compliance with rules adopted by the Department of
22 Public Health and except as otherwise provided in this Section,
23 all children in kindergarten and the second and sixth grades of
24 any public, private, or parochial school shall have a dental
25 examination. Each of these children shall present proof of
26 having been examined by a dentist in accordance with this

1 Section and rules adopted under this Section before May 15th of
2 the school year. If a child in the second or sixth grade fails
3 to present proof by May 15th, the school may hold the child's
4 report card until one of the following occurs: (i) the child
5 presents proof of a completed dental examination or (ii) the
6 child presents proof that a dental examination will take place
7 within 60 days after May 15th. The Department of Public Health
8 shall establish, by rule, a waiver for children who show an
9 undue burden or a lack of access to a dentist. Each public,
10 private, and parochial school must give notice of this dental
11 examination requirement to the parents and guardians of
12 students at least 60 days before May 15th of each school year.

13 (1.10) Except as otherwise provided in this Section, all
14 children enrolling in kindergarten in a public, private, or
15 parochial school on or after the effective date of this
16 amendatory Act of the 95th General Assembly and any student
17 enrolling for the first time in a public, private, or parochial
18 school on or after the effective date of this amendatory Act of
19 the 95th General Assembly shall have an eye examination. Each
20 of these children shall present proof of having been examined
21 by a physician licensed to practice medicine in all of its
22 branches or a licensed optometrist within the previous year, in
23 accordance with this Section and rules adopted under this
24 Section, before October 15th of the school year. If the child
25 fails to present proof by October 15th, the school may hold the
26 child's report card until one of the following occurs: (i) the

1 child presents proof of a completed eye examination or (ii) the
2 child presents proof that an eye examination will take place
3 within 60 days after October 15th. The Department of Public
4 Health shall establish, by rule, a waiver for children who show
5 an undue burden or a lack of access to a physician licensed to
6 practice medicine in all of its branches who provides eye
7 examinations or to a licensed optometrist. Each public,
8 private, and parochial school must give notice of this eye
9 examination requirement to the parents and guardians of
10 students in compliance with rules of the Department of Public
11 Health. Nothing in this Section shall be construed to allow a
12 school to exclude a child from attending because of a parent's
13 or guardian's failure to obtain an eye examination for the
14 child.

15 (2) The Department of Public Health shall promulgate rules
16 and regulations specifying the examinations and procedures
17 that constitute a health examination, which shall include an
18 age-appropriate developmental screening, an age-appropriate
19 social and emotional screening, and the collection of data
20 relating to obesity (including at a minimum, date of birth,
21 gender, height, weight, blood pressure, and date of exam), and
22 a dental examination and may recommend by rule that certain
23 additional examinations be performed. The rules and
24 regulations of the Department of Public Health shall specify
25 that a tuberculosis skin test screening shall be included as a
26 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. With respect to the developmental screening and
4 the social and emotional screening, the Department of Public
5 Health must develop rules and appropriate revisions to the
6 Child Health Examination form in conjunction with a statewide
7 organization representing school boards; a statewide
8 organization representing pediatricians; statewide
9 organizations representing individuals holding Illinois
10 educator licenses with school support personnel endorsements,
11 including school social workers, school psychologists, and
12 school nurses; a statewide organization representing
13 children's mental health experts; a statewide organization
14 representing school principals; the Director of Healthcare and
15 Family Services or his or her designee, the State
16 Superintendent of Education or his or her designee; and
17 representatives of other appropriate State agencies and, at a
18 minimum, must recommend the use of validated screening tools
19 appropriate to the child's age or grade, and, with regard to
20 the social and emotional screening, require recording only
21 whether or not the screening was completed. The rules shall
22 take into consideration the screening recommendations of the
23 American Academy of Pediatrics and must be consistent with the
24 State Board of Education's social and emotional learning
25 standards. The Department of Public Health shall specify that a
26 diabetes screening as defined by rule shall be included as a

1 required part of each health examination. Diabetes testing is
2 not required.

3 Physicians licensed to practice medicine in all of its
4 branches, licensed advanced practice nurses, or licensed
5 physician assistants shall be responsible for the performance
6 of the health examinations, other than dental examinations, eye
7 examinations, and vision and hearing screening, and shall sign
8 all report forms required by subsection (4) of this Section
9 that pertain to those portions of the health examination for
10 which the physician, advanced practice nurse, or physician
11 assistant is responsible. If a registered nurse performs any
12 part of a health examination, then a physician licensed to
13 practice medicine in all of its branches must review and sign
14 all required report forms. Licensed dentists shall perform all
15 dental examinations and shall sign all report forms required by
16 subsection (4) of this Section that pertain to the dental
17 examinations. Physicians licensed to practice medicine in all
18 its branches or licensed optometrists shall perform all eye
19 examinations required by this Section and shall sign all report
20 forms required by subsection (4) of this Section that pertain
21 to the eye examination. For purposes of this Section, an eye
22 examination shall at a minimum include history, visual acuity,
23 subjective refraction to best visual acuity near and far,
24 internal and external examination, and a glaucoma evaluation,
25 as well as any other tests or observations that in the
26 professional judgment of the doctor are necessary. Vision and

1 hearing screening tests, which shall not be considered
2 examinations as that term is used in this Section, shall be
3 conducted in accordance with rules and regulations of the
4 Department of Public Health, and by individuals whom the
5 Department of Public Health has certified. In these rules and
6 regulations, the Department of Public Health shall require that
7 individuals conducting vision screening tests give a child's
8 parent or guardian written notification, before the vision
9 screening is conducted, that states, "Vision screening is not a
10 substitute for a complete eye and vision evaluation by an eye
11 doctor. Your child is not required to undergo this vision
12 screening if an optometrist or ophthalmologist has completed
13 and signed a report form indicating that an examination has
14 been administered within the previous 12 months."

15 (2.5) With respect to the developmental screening and the
16 social and emotional screening portion of the health
17 examination, each child may present proof of having been
18 screened in accordance with this Section and the rules adopted
19 under this Section before October 15th of the school year. With
20 regard to the social and emotional screening only, the
21 examining health care provider shall only record whether or not
22 the screening was completed. If the child fails to present
23 proof of the developmental screening or the social and
24 emotional screening portions of the health examination by
25 October 15th of the school year, qualified school support
26 personnel may, with a parent's or guardian's consent, offer the

1 developmental screening or the social and emotional screening
2 to the child. Each public, private, and parochial school must
3 give notice of the developmental screening and social and
4 emotional screening requirements to the parents and guardians
5 of students in compliance with the rules of the Department of
6 Public Health. Nothing in this Section shall be construed to
7 allow a school to exclude a child from attending because of a
8 parent's or guardian's failure to obtain a developmental
9 screening or a social and emotional screening for the child.
10 Once a developmental screening or a social and emotional
11 screening is completed and proof has been presented to the
12 school, the school may, with a parent's or guardian's consent,
13 make available appropriate school personnel to work with the
14 parent or guardian, the child, and the provider who signed the
15 screening form to obtain any appropriate evaluations and
16 services as indicated on the form and in other information and
17 documentation provided by the parents, guardians, or provider.

18 (3) Every child shall, at or about the same time as he or
19 she receives a health examination required by subsection (1) of
20 this Section, present to the local school proof of having
21 received such immunizations against preventable communicable
22 diseases as the Department of Public Health shall require by
23 rules and regulations promulgated pursuant to this Section and
24 the Communicable Disease Prevention Act.

25 (4) The individuals conducting the health examination,
26 dental examination, or eye examination shall record the fact of

1 having conducted the examination, and such additional
2 information as required, including for a health examination
3 data relating to obesity (including at a minimum, date of
4 birth, gender, height, weight, blood pressure, and date of
5 exam), on uniform forms which the Department of Public Health
6 and the State Board of Education shall prescribe for statewide
7 use. The examiner shall summarize on the report form any
8 condition that he or she suspects indicates a need for special
9 services, including for a health examination factors relating
10 to obesity. The duty to summarize on the report form does not
11 apply to social and emotional screenings. The confidentiality
12 of the information and records relating to the developmental
13 screening and the social and emotional screening shall be
14 determined by the statutes, rules, and professional ethics
15 governing the type of provider conducting the screening. The
16 individuals confirming the administration of required
17 immunizations shall record as indicated on the form that the
18 immunizations were administered.

19 (5) If a child does not submit proof of having had either
20 the health examination or the immunization as required, then
21 the child shall be examined or receive the immunization, as the
22 case may be, and present proof by October 15 of the current
23 school year, or by an earlier date of the current school year
24 established by a school district. To establish a date before
25 October 15 of the current school year for the health
26 examination or immunization as required, a school district must

1 give notice of the requirements of this Section 60 days prior
2 to the earlier established date. If for medical reasons one or
3 more of the required immunizations must be given after October
4 15 of the current school year, or after an earlier established
5 date of the current school year, then the child shall present,
6 by October 15, or by the earlier established date, a schedule
7 for the administration of the immunizations and a statement of
8 the medical reasons causing the delay, both the schedule and
9 the statement being issued by the physician, advanced practice
10 nurse, physician assistant, registered nurse, or local health
11 department that will be responsible for administration of the
12 remaining required immunizations. If a child does not comply by
13 October 15, or by the earlier established date of the current
14 school year, with the requirements of this subsection, then the
15 local school authority shall exclude that child from school
16 until such time as the child presents proof of having had the
17 health examination as required and presents proof of having
18 received those required immunizations which are medically
19 possible to receive immediately. During a child's exclusion
20 from school for noncompliance with this subsection, the child's
21 parents or legal guardian shall be considered in violation of
22 Section 26-1 and subject to any penalty imposed by Section
23 26-10. This subsection (5) does not apply to dental
24 examinations, eye examinations, and the developmental
25 screening and the social and emotional screening portions of
26 the health examination. If the student is an out-of-state

1 transfer student and does not have the proof required under
2 this subsection (5) before October 15 of the current year or
3 whatever date is set by the school district, then he or she may
4 only attend classes (i) if he or she has proof that an
5 appointment for the required vaccinations has been scheduled
6 with a party authorized to submit proof of the required
7 vaccinations. If the proof of vaccination required under this
8 subsection (5) is not submitted within 30 days after the
9 student is permitted to attend classes, then the student is not
10 to be permitted to attend classes until proof of the
11 vaccinations has been properly submitted. No school district or
12 employee of a school district shall be held liable for any
13 injury or illness to another person that results from admitting
14 an out-of-state transfer student to class that has an
15 appointment scheduled pursuant to this subsection (5).

16 (6) Every school shall report to the State Board of
17 Education by November 15, in the manner which that agency shall
18 require, the number of children who have received the necessary
19 immunizations and the health examination (other than a dental
20 examination or eye examination) as required, indicating, of
21 those who have not received the immunizations and examination
22 as required, the number of children who are exempt from health
23 examination and immunization requirements on religious or
24 medical grounds as provided in subsection (8). On or before
25 December 1 of each year, every public school district and
26 registered nonpublic school shall make publicly available the

1 immunization data they are required to submit to the State
2 Board of Education by November 15. The immunization data made
3 publicly available must be identical to the data the school
4 district or school has reported to the State Board of
5 Education.

6 Every school shall report to the State Board of Education
7 by June 30, in the manner that the State Board requires, the
8 number of children who have received the required dental
9 examination, indicating, of those who have not received the
10 required dental examination, the number of children who are
11 exempt from the dental examination on religious grounds as
12 provided in subsection (8) of this Section and the number of
13 children who have received a waiver under subsection (1.5) of
14 this Section.

15 Every school shall report to the State Board of Education
16 by June 30, in the manner that the State Board requires, the
17 number of children who have received the required eye
18 examination, indicating, of those who have not received the
19 required eye examination, the number of children who are exempt
20 from the eye examination as provided in subsection (8) of this
21 Section, the number of children who have received a waiver
22 under subsection (1.10) of this Section, and the total number
23 of children in noncompliance with the eye examination
24 requirement.

25 The reported information under this subsection (6) shall be
26 provided to the Department of Public Health by the State Board

1 of Education.

2 (7) Upon determining that the number of pupils who are
3 required to be in compliance with subsection (5) of this
4 Section is below 90% of the number of pupils enrolled in the
5 school district, 10% of each State aid payment made pursuant to
6 Section 18-8.05 or 18-8.15 to the school district for such year
7 may be withheld by the State Board of Education until the
8 number of students in compliance with subsection (5) is the
9 applicable specified percentage or higher.

10 (8) Children of parents or legal guardians who object to
11 health, dental, or eye examinations or any part thereof, to
12 immunizations, or to vision and hearing screening tests on
13 religious grounds shall not be required to undergo the
14 examinations, tests, or immunizations to which they so object
15 if such parents or legal guardians present to the appropriate
16 local school authority a signed Certificate of Religious
17 Exemption detailing the grounds for objection and the specific
18 immunizations, tests, or examinations to which they object. The
19 grounds for objection must set forth the specific religious
20 belief that conflicts with the examination, test,
21 immunization, or other medical intervention. The signed
22 certificate shall also reflect the parent's or legal guardian's
23 understanding of the school's exclusion policies in the case of
24 a vaccine-preventable disease outbreak or exposure. The
25 certificate must also be signed by the authorized examining
26 health care provider responsible for the performance of the

1 child's health examination confirming that the provider
2 provided education to the parent or legal guardian on the
3 benefits of immunization and the health risks to the student
4 and to the community of the communicable diseases for which
5 immunization is required in this State. However, the health
6 care provider's signature on the certificate reflects only that
7 education was provided and does not allow a health care
8 provider grounds to determine a religious exemption. Those
9 receiving immunizations required under this Code shall be
10 provided with the relevant vaccine information statements that
11 are required to be disseminated by the federal National
12 Childhood Vaccine Injury Act of 1986, which may contain
13 information on circumstances when a vaccine should not be
14 administered, prior to administering a vaccine. A healthcare
15 provider may consider including without limitation the
16 nationally accepted recommendations from federal agencies such
17 as the Advisory Committee on Immunization Practices, the
18 information outlined in the relevant vaccine information
19 statement, and vaccine package inserts, along with the
20 healthcare provider's clinical judgment, to determine whether
21 any child may be more susceptible to experiencing an adverse
22 vaccine reaction than the general population, and, if so, the
23 healthcare provider may exempt the child from an immunization
24 or adopt an individualized immunization schedule. The
25 Certificate of Religious Exemption shall be created by the
26 Department of Public Health and shall be made available and

1 used by parents and legal guardians by the beginning of the
2 2015-2016 school year. Parents or legal guardians must submit
3 the Certificate of Religious Exemption to their local school
4 authority prior to entering kindergarten, sixth grade, and
5 ninth grade for each child for which they are requesting an
6 exemption. The religious objection stated need not be directed
7 by the tenets of an established religious organization.
8 However, general philosophical or moral reluctance to allow
9 physical examinations, eye examinations, immunizations, vision
10 and hearing screenings, or dental examinations does not provide
11 a sufficient basis for an exception to statutory requirements.
12 The local school authority is responsible for determining if
13 the content of the Certificate of Religious Exemption
14 constitutes a valid religious objection. The local school
15 authority shall inform the parent or legal guardian of
16 exclusion procedures, in accordance with the Department's
17 rules under Part 690 of Title 77 of the Illinois Administrative
18 Code, at the time the objection is presented.

19 If the physical condition of the child is such that any one
20 or more of the immunizing agents should not be administered,
21 the examining physician, advanced practice nurse, or physician
22 assistant responsible for the performance of the health
23 examination shall endorse that fact upon the health examination
24 form.

25 Exempting a child from the health, dental, or eye
26 examination does not exempt the child from participation in the

1 program of physical education training provided in Sections
2 27-5 through 27-7 of this Code.

3 (9) For the purposes of this Section, "nursery schools"
4 means those nursery schools operated by elementary school
5 systems or secondary level school units or institutions of
6 higher learning.

7 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;
8 99-249, eff. 8-3-15; 99-642, eff. 7-28-16; 99-927, eff.
9 6-1-17.)

10 (105 ILCS 5/27-24.2) (from Ch. 122, par. 27-24.2)

11 Sec. 27-24.2. Safety education; driver education course.
12 Instruction shall be given in safety education in each of
13 grades one through 8, equivalent to one class period each week,
14 and any school district which maintains grades 9 through 12
15 shall offer a driver education course in any such school which
16 it operates. Its curriculum shall include content dealing with
17 Chapters 11, 12, 13, 15, and 16 of the Illinois Vehicle Code,
18 the rules adopted pursuant to those Chapters insofar as they
19 pertain to the operation of motor vehicles, and the portions of
20 the Litter Control Act relating to the operation of motor
21 vehicles. The course of instruction given in grades 10 through
22 12 shall include an emphasis on the development of knowledge,
23 attitudes, habits, and skills necessary for the safe operation
24 of motor vehicles, including motorcycles insofar as they can be
25 taught in the classroom, and instruction on distracted driving

1 as a major traffic safety issue. In addition, the course shall
2 include instruction on special hazards existing at and required
3 safety and driving precautions that must be observed at
4 emergency situations, highway construction and maintenance
5 zones, and railroad crossings and the approaches thereto.
6 Beginning with the 2017-2018 school year, the course shall also
7 include instruction concerning law enforcement procedures for
8 traffic stops, including a demonstration of the proper actions
9 to be taken during a traffic stop and appropriate interactions
10 with law enforcement. The course of instruction required of
11 each eligible student at the high school level shall consist of
12 a minimum of 30 clock hours of classroom instruction and a
13 minimum of 6 clock hours of individual behind-the-wheel
14 instruction in a dual control car on public roadways taught by
15 a driver education instructor endorsed by the State Board of
16 Education. Both the classroom instruction part and the practice
17 driving part of such driver education course shall be open to a
18 resident or non-resident student attending a non-public school
19 in the district wherein the course is offered. Each student
20 attending any public or non-public high school in the district
21 must receive a passing grade in at least 8 courses during the
22 previous 2 semesters prior to enrolling in a driver education
23 course, or the student shall not be permitted to enroll in the
24 course; provided that the local superintendent of schools (with
25 respect to a student attending a public high school in the
26 district) or chief school administrator (with respect to a

1 student attending a non-public high school in the district) may
2 waive the requirement if the superintendent or chief school
3 administrator, as the case may be, deems it to be in the best
4 interest of the student. A student may be allowed to commence
5 the classroom instruction part of such driver education course
6 prior to reaching age 15 if such student then will be eligible
7 to complete the entire course within 12 months after being
8 allowed to commence such classroom instruction.

9 A school district may offer a driver education course in a
10 school by contracting with a commercial driver training school
11 to provide both the classroom instruction part and the practice
12 driving part or either one without having to request a
13 modification or waiver of administrative rules of the State
14 Board of Education if the school district approves the action
15 during a public hearing on whether to enter into a contract
16 with a commercial driver training school. The public hearing
17 shall be held at a regular or special school board meeting
18 prior to entering into such a contract. If a school district
19 chooses to approve a contract with a commercial driver training
20 school, then the district must provide evidence to the State
21 Board of Education that the commercial driver training school
22 with which it will contract holds a license issued by the
23 Secretary of State under Article IV of Chapter 6 of the
24 Illinois Vehicle Code and that each instructor employed by the
25 commercial driver training school to provide instruction to
26 students served by the school district holds a valid teaching

1 license issued under the requirements of this Code and rules of
2 the State Board of Education. Such evidence must include, but
3 need not be limited to, a list of each instructor assigned to
4 teach students served by the school district, which list shall
5 include the instructor's name, personal identification number
6 as required by the State Board of Education, birth date, and
7 driver's license number. Once the contract is entered into, the
8 school district shall notify the State Board of Education of
9 any changes in the personnel providing instruction either (i)
10 within 15 calendar days after an instructor leaves the program
11 or (ii) before a new instructor is hired. Such notification
12 shall include the instructor's name, personal identification
13 number as required by the State Board of Education, birth date,
14 and driver's license number. If the school district maintains
15 an Internet website, then the district shall post a copy of the
16 final contract between the district and the commercial driver
17 training school on the district's Internet website. If no
18 Internet website exists, then the school district shall make
19 available the contract upon request. A record of all materials
20 in relation to the contract must be maintained by the school
21 district and made available to parents and guardians upon
22 request. The instructor's date of birth and driver's license
23 number and any other personally identifying information as
24 deemed by the federal Driver's Privacy Protection Act of 1994
25 must be redacted from any public materials.

26 Such a course may be commenced immediately after the

1 completion of a prior course. Teachers of such courses shall
2 meet the licensure ~~certification~~ requirements of this Code Act
3 and regulations of the State Board as to qualifications.

4 Subject to rules of the State Board of Education, the
5 school district may charge a reasonable fee, not to exceed \$50,
6 to students who participate in the course, unless a student is
7 unable to pay for such a course, in which event the fee for
8 such a student must be waived. However, the district may
9 increase this fee to an amount not to exceed \$250 by school
10 board resolution following a public hearing on the increase,
11 which increased fee must be waived for students who participate
12 in the course and are unable to pay for the course. The total
13 amount from driver education fees and reimbursement from the
14 State for driver education must not exceed the total cost of
15 the driver education program in any year and must be deposited
16 into the school district's driver education fund as a separate
17 line item budget entry. All moneys deposited into the school
18 district's driver education fund must be used solely for the
19 funding of a high school driver education program approved by
20 the State Board of Education that uses driver education
21 instructors endorsed by the State Board of Education.

22 (Source: P.A. 99-642, eff. 7-28-16; 99-720, eff. 1-1-17.)

23 (105 ILCS 5/27A-9)

24 Sec. 27A-9. Term of charter; renewal.

25 (a) For charters granted before January 1, 2017 (the

1 effective date of Public Act 99-840) ~~this amendatory Act of the~~
2 ~~99th General Assembly~~, a charter may be granted for a period
3 not less than 5 and not more than 10 school years. For charters
4 granted on or after January 1, 2017 (the effective date of
5 Public Act 99-840) ~~this amendatory Act of the 99th General~~
6 ~~Assembly~~, a charter shall be granted for a period of 5 school
7 years. For charters renewed before January 1, 2017 (the
8 effective date of Public Act 99-840) ~~this amendatory Act of the~~
9 ~~99th General Assembly~~, a charter may be renewed in incremental
10 periods not to exceed 5 school years. For charters renewed on
11 or after January 1, 2017 (the effective date of Public Act
12 99-840) ~~this amendatory Act of the 99th General Assembly~~, a
13 charter may be renewed in incremental periods not to exceed 10
14 school years; however, the Commission may renew a charter only
15 in incremental periods not to exceed 5 years. Authorizers shall
16 ensure that every charter granted on or after January 1, 2017
17 (the effective date of Public Act 99-840) ~~this amendatory Act~~
18 ~~of the 99th General Assembly~~ includes standards and goals for
19 academic, organizational, and financial performance. A charter
20 must meet all standards and goals for academic, organizational,
21 and financial performance set forth by the authorizer in order
22 to be renewed for a term in excess of 5 years but not more than
23 10 years. If an authorizer fails to establish standards and
24 goals, a charter shall not be renewed for a term in excess of 5
25 years. Nothing contained in this Section shall require an
26 authorizer to grant a full 10-year renewal term to any

1 particular charter school, but an authorizer may award a full
2 10-year renewal term to charter schools that have a
3 demonstrated track record of improving student performance.

4 (b) A charter school renewal proposal submitted to the
5 local school board or the Commission, as the chartering entity,
6 shall contain:

7 (1) A report on the progress of the charter school in
8 achieving the goals, objectives, pupil performance
9 standards, content standards, and other terms of the
10 initial approved charter proposal; and

11 (2) A financial statement that discloses the costs of
12 administration, instruction, and other spending categories
13 for the charter school that is understandable to the
14 general public and that will allow comparison of those
15 costs to other schools or other comparable organizations,
16 in a format required by the State Board.

17 (c) A charter may be revoked or not renewed if the local
18 school board or the Commission, as the chartering entity,
19 clearly demonstrates that the charter school did any of the
20 following, or otherwise failed to comply with the requirements
21 of this law:

22 (1) Committed a material violation of any of the
23 conditions, standards, or procedures set forth in the
24 charter.

25 (2) Failed to meet or make reasonable progress toward
26 achievement of the content standards or pupil performance

1 standards identified in the charter.

2 (3) Failed to meet generally accepted standards of
3 fiscal management.

4 (4) Violated any provision of law from which the
5 charter school was not exempted.

6 In the case of revocation, the local school board or the
7 Commission, as the chartering entity, shall notify the charter
8 school in writing of the reason why the charter is subject to
9 revocation. The charter school shall submit a written plan to
10 the local school board or the Commission, whichever is
11 applicable, to rectify the problem. The plan shall include a
12 timeline for implementation, which shall not exceed 2 years or
13 the date of the charter's expiration, whichever is earlier. If
14 the local school board or the Commission, as the chartering
15 entity, finds that the charter school has failed to implement
16 the plan of remediation and adhere to the timeline, then the
17 chartering entity shall revoke the charter. Except in
18 situations of an emergency where the health, safety, or
19 education of the charter school's students is at risk, the
20 revocation shall take place at the end of a school year.
21 Nothing in Public Act 96-105 ~~this amendatory Act of the 96th~~
22 ~~General Assembly~~ shall be construed to prohibit an
23 implementation timetable that is less than 2 years in duration.

24 (d) (Blank).

25 (e) Notice of a local school board's decision to deny,
26 revoke, or not ~~to~~ renew a charter shall be provided to the

1 Commission and the State Board. The Commission may reverse a
2 local board's decision if the Commission finds that the charter
3 school or charter school proposal (i) is in compliance with
4 this Article, and (ii) is in the best interests of the students
5 it is designed to serve. The Commission may condition the
6 granting of an appeal on the acceptance by the charter school
7 of funding in an amount less than that requested in the
8 proposal submitted to the local school board. Final decisions
9 of the Commission shall be subject to judicial review under the
10 Administrative Review Law.

11 (f) Notwithstanding other provisions of this Article, if
12 the Commission on appeal reverses a local board's decision or
13 if a charter school is approved by referendum, the Commission
14 shall act as the authorized chartering entity for the charter
15 school. The Commission shall approve the charter and shall
16 perform all functions under this Article otherwise performed by
17 the local school board. The State Board shall determine whether
18 the charter proposal approved by the Commission is consistent
19 with the provisions of this Article and, if the approved
20 proposal complies, certify the proposal pursuant to this
21 Article. The State Board shall report the aggregate number of
22 charter school pupils resident in a school district to that
23 district and shall notify the district of the amount of funding
24 to be paid by the State Board to the charter school enrolling
25 such students. The Commission shall require the charter school
26 to maintain accurate records of daily attendance that shall be

1 deemed sufficient to file claims under Section 18-8.05 or
2 18-8.15 notwithstanding any other requirements of that Section
3 regarding hours of instruction and teacher certification. The
4 State Board shall withhold from funds otherwise due the
5 district the funds authorized by this Article to be paid to the
6 charter school and shall pay such amounts to the charter
7 school.

8 (g) For charter schools authorized by the Commission, the
9 Commission shall quarterly certify to the State Board the
10 student enrollment for each of its charter schools.

11 (h) For charter schools authorized by the Commission, the
12 State Board shall pay directly to a charter school any federal
13 or State aid attributable to a student with a disability
14 attending the school.

15 (Source: P.A. 98-739, eff. 7-16-14; 99-840, eff. 1-1-17;
16 revised 10-27-16.)

17 (105 ILCS 5/27A-11)

18 Sec. 27A-11. Local financing.

19 (a) For purposes of the School Code, pupils enrolled in a
20 charter school shall be included in the pupil enrollment of the
21 school district within which the pupil resides. Each charter
22 school (i) shall determine the school district in which each
23 pupil who is enrolled in the charter school resides, (ii) shall
24 report the aggregate number of pupils resident of a school
25 district who are enrolled in the charter school to the school

1 district in which those pupils reside, and (iii) shall maintain
2 accurate records of daily attendance that shall be deemed
3 sufficient to file claims under Section 18-8 or 18-8.15
4 notwithstanding any other requirements of that Section
5 regarding hours of instruction and teacher certification.

6 (b) Except for a charter school established by referendum
7 under Section 27A-6.5, as part of a charter school contract,
8 the charter school and the local school board shall agree on
9 funding and any services to be provided by the school district
10 to the charter school. Agreed funding that a charter school is
11 to receive from the local school board for a school year shall
12 be paid in equal quarterly installments with the payment of the
13 installment for the first quarter being made not later than
14 July 1, unless the charter establishes a different payment
15 schedule. However, if a charter school dismisses a pupil from
16 the charter school after receiving a quarterly payment, the
17 charter school shall return to the school district, on a
18 quarterly basis, the prorated portion of public funding
19 provided for the education of that pupil for the time the
20 student is not enrolled at the charter school. Likewise, if a
21 pupil transfers to a charter school between quarterly payments,
22 the school district shall provide, on a quarterly basis, a
23 prorated portion of the public funding to the charter school to
24 provide for the education of that pupil.

25 All services centrally or otherwise provided by the school
26 district including, but not limited to, rent, food services,

1 custodial services, maintenance, curriculum, media services,
2 libraries, transportation, and warehousing shall be subject to
3 negotiation between a charter school and the local school board
4 and paid for out of the revenues negotiated pursuant to this
5 subsection (b); provided that the local school board shall not
6 attempt, by negotiation or otherwise, to obligate a charter
7 school to provide pupil transportation for pupils for whom a
8 district is not required to provide transportation under the
9 criteria set forth in subsection (a) (13) of Section 27A-7.

10 In no event shall the funding be less than 97% ~~75%~~ or more
11 than 103% ~~125%~~ of the school district's per capita student
12 tuition multiplied by the number of students residing in the
13 district who are enrolled in the charter school.

14 It is the intent of the General Assembly that funding and
15 service agreements under this subsection (b) shall be neither a
16 financial incentive nor a financial disincentive to the
17 establishment of a charter school.

18 The charter school may set and collect reasonable fees.
19 Fees collected from students enrolled at a charter school shall
20 be retained by the charter school.

21 (c) Notwithstanding subsection (b) of this Section, the
22 proportionate share of State and federal resources generated by
23 students with disabilities or staff serving them shall be
24 directed to charter schools enrolling those students by their
25 school districts or administrative units. The proportionate
26 share of moneys generated under other federal or State

1 categorical aid programs shall be directed to charter schools
2 serving students eligible for that aid.

3 (d) The governing body of a charter school is authorized to
4 accept gifts, donations, or grants of any kind made to the
5 charter school and to expend or use gifts, donations, or grants
6 in accordance with the conditions prescribed by the donor;
7 however, a gift, donation, or grant may not be accepted by the
8 governing body if it is subject to any condition contrary to
9 applicable law or contrary to the terms of the contract between
10 the charter school and the local school board. Charter schools
11 shall be encouraged to solicit and utilize community volunteer
12 speakers and other instructional resources when providing
13 instruction on the Holocaust and other historical events.

14 (e) (Blank).

15 (f) The Commission shall provide technical assistance to
16 persons and groups preparing or revising charter applications.

17 (g) At the non-renewal or revocation of its charter, each
18 charter school shall refund to the local board of education all
19 unspent funds.

20 (h) A charter school is authorized to incur temporary,
21 short term debt to pay operating expenses in anticipation of
22 receipt of funds from the local school board.

23 (Source: P.A. 98-640, eff. 6-9-14; 98-739, eff. 7-16-14; 99-78,
24 eff. 7-20-15.)

25 (105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

1 Sec. 29-5. Reimbursement by State for transportation. Any
2 school district, maintaining a school, transporting resident
3 pupils to another school district's vocational program,
4 offered through a joint agreement approved by the State Board
5 of Education, as provided in Section 10-22.22 or transporting
6 its resident pupils to a school which meets the standards for
7 recognition as established by the State Board of Education
8 which provides transportation meeting the standards of safety,
9 comfort, convenience, efficiency and operation prescribed by
10 the State Board of Education for resident pupils in
11 kindergarten or any of grades 1 through 12 who: (a) reside at
12 least 1 1/2 miles as measured by the customary route of travel,
13 from the school attended; or (b) reside in areas where
14 conditions are such that walking constitutes a hazard to the
15 safety of the child when determined under Section 29-3; and (c)
16 are transported to the school attended from pick-up points at
17 the beginning of the school day and back again at the close of
18 the school day or transported to and from their assigned
19 attendance centers during the school day, shall be reimbursed
20 by the State as hereinafter provided in this Section.

21 The State will pay the cost of transporting eligible pupils
22 less the prior year assessed valuation in a dual school
23 district maintaining secondary grades 9 to 12 inclusive times a
24 qualifying rate of .05%; in elementary school districts
25 maintaining grades K to 8 times a qualifying rate of .06%; and
26 in unit districts maintaining grades K to 12, including

1 optional elementary unit districts and combined high school -
2 unit districts, times a qualifying rate of .07%; provided that
3 for optional elementary unit districts and combined high school
4 - unit districts, prior year assessed valuation for high school
5 purposes, as defined in Article 11E of this Code, must be used.
6 To be eligible to receive reimbursement in excess of 4/5 of the
7 cost to transport eligible pupils, a school district shall have
8 a Transportation Fund tax rate of at least .12%. If a school
9 district does not have a .12% Transportation Fund tax rate, the
10 amount of its claim in excess of 4/5 of the cost of
11 transporting pupils shall be reduced by the sum arrived at by
12 subtracting the Transportation Fund tax rate from .12% and
13 multiplying that amount by the district's prior year ~~districts~~
14 equalized or assessed valuation, provided, that in no case
15 shall said reduction result in reimbursement of less than 4/5
16 of the cost to transport eligible pupils.

17 The minimum amount to be received by a district is \$16
18 times the number of eligible pupils transported.

19 When calculating the reimbursement for transportation
20 costs, the State Board of Education may not deduct the number
21 of pupils enrolled in early education programs from the number
22 of pupils eligible for reimbursement if the pupils enrolled in
23 the early education programs are transported at the same time
24 as other eligible pupils.

25 Any such district transporting resident pupils during the
26 school day to an area vocational school or another school

1 district's vocational program more than 1 1/2 miles from the
2 school attended, as provided in Sections 10-22.20a and
3 10-22.22, shall be reimbursed by the State for 4/5 of the cost
4 of transporting eligible pupils.

5 School day means that period of time which the pupil is
6 required to be in attendance for instructional purposes.

7 If a pupil is at a location within the school district
8 other than his residence for child care purposes at the time
9 for transportation to school, that location may be considered
10 for purposes of determining the 1 1/2 miles from the school
11 attended.

12 Claims for reimbursement that include children who attend
13 any school other than a public school shall show the number of
14 such children transported.

15 Claims for reimbursement under this Section shall not be
16 paid for the transportation of pupils for whom transportation
17 costs are claimed for payment under other Sections of this Act.

18 The allowable direct cost of transporting pupils for
19 regular, vocational, and special education pupil
20 transportation shall be limited to the sum of the cost of
21 physical examinations required for employment as a school bus
22 driver; the salaries of full or part-time drivers and school
23 bus maintenance personnel; employee benefits excluding
24 Illinois municipal retirement payments, social security
25 payments, unemployment insurance payments and workers'
26 compensation insurance premiums; expenditures to independent

1 carriers who operate school buses; payments to other school
2 districts for pupil transportation services; pre-approved
3 contractual expenditures for computerized bus scheduling; the
4 cost of gasoline, oil, tires, and other supplies necessary for
5 the operation of school buses; the cost of converting buses'
6 gasoline engines to more fuel efficient engines or to engines
7 which use alternative energy sources; the cost of travel to
8 meetings and workshops conducted by the regional
9 superintendent or the State Superintendent of Education
10 pursuant to the standards established by the Secretary of State
11 under Section 6-106 of the Illinois Vehicle Code to improve the
12 driving skills of school bus drivers; the cost of maintenance
13 of school buses including parts and materials used;
14 expenditures for leasing transportation vehicles, except
15 interest and service charges; the cost of insurance and
16 licenses for transportation vehicles; expenditures for the
17 rental of transportation equipment; plus a depreciation
18 allowance of 20% for 5 years for school buses and vehicles
19 approved for transporting pupils to and from school and a
20 depreciation allowance of 10% for 10 years for other
21 transportation equipment so used. Each school year, if a school
22 district has made expenditures to the Regional Transportation
23 Authority or any of its service boards, a mass transit
24 district, or an urban transportation district under an
25 intergovernmental agreement with the district to provide for
26 the transportation of pupils and if the public transit carrier

1 received direct payment for services or passes from a school
2 district within its service area during the 2000-2001 school
3 year, then the allowable direct cost of transporting pupils for
4 regular, vocational, and special education pupil
5 transportation shall also include the expenditures that the
6 district has made to the public transit carrier. In addition to
7 the above allowable costs school districts shall also claim all
8 transportation supervisory salary costs, including Illinois
9 municipal retirement payments, and all transportation related
10 building and building maintenance costs without limitation.

11 Special education allowable costs shall also include
12 expenditures for the salaries of attendants or aides for that
13 portion of the time they assist special education pupils while
14 in transit and expenditures for parents and public carriers for
15 transporting special education pupils when pre-approved by the
16 State Superintendent of Education.

17 Indirect costs shall be included in the reimbursement claim
18 for districts which own and operate their own school buses.
19 Such indirect costs shall include administrative costs, or any
20 costs attributable to transporting pupils from their
21 attendance centers to another school building for
22 instructional purposes. No school district which owns and
23 operates its own school buses may claim reimbursement for
24 indirect costs which exceed 5% of the total allowable direct
25 costs for pupil transportation.

26 The State Board of Education shall prescribe uniform

1 regulations for determining the above standards and shall
2 prescribe forms of cost accounting and standards of determining
3 reasonable depreciation. Such depreciation shall include the
4 cost of equipping school buses with the safety features
5 required by law or by the rules, regulations and standards
6 promulgated by the State Board of Education, and the Department
7 of Transportation for the safety and construction of school
8 buses provided, however, any equipment cost reimbursed by the
9 Department of Transportation for equipping school buses with
10 such safety equipment shall be deducted from the allowable cost
11 in the computation of reimbursement under this Section in the
12 same percentage as the cost of the equipment is depreciated.

13 On or before August 15, annually, the chief school
14 administrator for the district shall certify to the State
15 Superintendent of Education the district's claim for
16 reimbursement for the school year ending on June 30 next
17 preceding. The State Superintendent of Education shall check
18 and approve the claims and prepare the vouchers showing the
19 amounts due for district reimbursement claims. Each fiscal
20 year, the State Superintendent of Education shall prepare and
21 transmit the first 3 vouchers to the Comptroller on the 30th
22 day of September, December and March, respectively, and the
23 final voucher, no later than June 20.

24 If the amount appropriated for transportation
25 reimbursement is insufficient to fund total claims for any
26 fiscal year, the State Board of Education shall reduce each

1 school district's allowable costs and flat grant amount
2 proportionately to make total adjusted claims equal the total
3 amount appropriated.

4 For purposes of calculating claims for reimbursement under
5 this Section for any school year beginning July 1, 1998, or
6 thereafter, the equalized assessed valuation for a school
7 district used to compute reimbursement shall be computed in the
8 same manner as it is computed under paragraph (2) of subsection
9 (G) of Section 18-8.05.

10 All reimbursements received from the State shall be
11 deposited into the district's transportation fund or into the
12 fund from which the allowable expenditures were made.

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 14-13.01 of this Code may
16 classify all or a portion of the funds that it receives in a
17 particular fiscal year or from general State aid pursuant to
18 Section 18-8.05 of this Code as funds received in connection
19 with any funding program for which it is entitled to receive
20 funds from the State in that fiscal year (including, without
21 limitation, any funding program referenced in this Section),
22 regardless of the source or timing of the receipt. The district
23 may not classify more funds as funds received in connection
24 with the funding program than the district is entitled to
25 receive in that fiscal year for that program. Any
26 classification by a district must be made by a resolution of

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

19 Any school district with a population of not more than
20 500,000 must deposit all funds received under this Article into
21 the transportation fund and use those funds for the provision
22 of transportation services.

23 (Source: P.A. 95-903, eff. 8-25-08; 96-1264, eff. 1-1-11.)

24 (105 ILCS 5/34-2.3) (from Ch. 122, par. 34-2.3)

25 Sec. 34-2.3. Local school councils - Powers and duties.

1 Each local school council shall have and exercise, consistent
2 with the provisions of this Article and the powers and duties
3 of the board of education, the following powers and duties:

4 1. (A) To annually evaluate the performance of the
5 principal of the attendance center using a Board approved
6 principal evaluation form, which shall include the evaluation
7 of (i) student academic improvement, as defined by the school
8 improvement plan, (ii) student absenteeism rates at the school,
9 (iii) instructional leadership, (iv) the effective
10 implementation of programs, policies, or strategies to improve
11 student academic achievement, (v) school management, and (vi)
12 any other factors deemed relevant by the local school council,
13 including, without limitation, the principal's communication
14 skills and ability to create and maintain a student-centered
15 learning environment, to develop opportunities for
16 professional development, and to encourage parental
17 involvement and community partnerships to achieve school
18 improvement;

19 (B) to determine in the manner provided by subsection (c)
20 of Section 34-2.2 and subdivision 1.5 of this Section whether
21 the performance contract of the principal shall be renewed; and

22 (C) to directly select, in the manner provided by
23 subsection (c) of Section 34-2.2, a new principal (including a
24 new principal to fill a vacancy) -- without submitting any list
25 of candidates for that position to the general superintendent
26 as provided in paragraph 2 of this Section -- to serve under a

1 4 year performance contract; provided that (i) the
2 determination of whether the principal's performance contract
3 is to be renewed, based upon the evaluation required by
4 subdivision 1.5 of this Section, shall be made no later than
5 150 days prior to the expiration of the current
6 performance-based contract of the principal, (ii) in cases
7 where such performance contract is not renewed -- a direct
8 selection of a new principal -- to serve under a 4 year
9 performance contract shall be made by the local school council
10 no later than 45 days prior to the expiration of the current
11 performance contract of the principal, and (iii) a selection by
12 the local school council of a new principal to fill a vacancy
13 under a 4 year performance contract shall be made within 90
14 days after the date such vacancy occurs. A Council shall be
15 required, if requested by the principal, to provide in writing
16 the reasons for the council's not renewing the principal's
17 contract.

18 1.5. The local school council's determination of whether to
19 renew the principal's contract shall be based on an evaluation
20 to assess the educational and administrative progress made at
21 the school during the principal's current performance-based
22 contract. The local school council shall base its evaluation on
23 (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
26 implementation of programs, policies, or strategies to improve

1 student academic achievement, (v) school management, and (vi)
2 any other factors deemed relevant by the local school council,
3 including, without limitation, the principal's communication
4 skills and ability to create and maintain a student-centered
5 learning environment, to develop opportunities for
6 professional development, and to encourage parental
7 involvement and community partnerships to achieve school
8 improvement. If a local school council fails to renew the
9 performance contract of a principal rated by the general
10 superintendent, or his or her designee, in the previous years'
11 evaluations as meeting or exceeding expectations, the
12 principal, within 15 days after the local school council's
13 decision not to renew the contract, may request a review of the
14 local school council's principal non-retention decision by a
15 hearing officer appointed by the American Arbitration
16 Association. A local school council member or members or the
17 general superintendent may support the principal's request for
18 review. During the period of the hearing officer's review of
19 the local school council's decision on whether or not to retain
20 the principal, the local school council shall maintain all
21 authority to search for and contract with a person to serve as
22 interim or acting principal, or as the principal of the
23 attendance center under a 4-year performance contract,
24 provided that any performance contract entered into by the
25 local school council shall be voidable or modified in
26 accordance with the decision of the hearing officer. The

1 principal may request review only once while at that attendance
2 center. If a local school council renews the contract of a
3 principal who failed to obtain a rating of "meets" or "exceeds
4 expectations" in the general superintendent's evaluation for
5 the previous year, the general superintendent, within 15 days
6 after the local school council's decision to renew the
7 contract, may request a review of the local school council's
8 principal retention decision by a hearing officer appointed by
9 the American Arbitration Association. The general
10 superintendent may request a review only once for that
11 principal at that attendance center. All requests to review the
12 retention or non-retention of a principal shall be submitted to
13 the general superintendent, who shall, in turn, forward such
14 requests, within 14 days of receipt, to the American
15 Arbitration Association. The general superintendent shall send
16 a contemporaneous copy of the request that was forwarded to the
17 American Arbitration Association to the principal and to each
18 local school council member and shall inform the local school
19 council of its rights and responsibilities under the
20 arbitration process, including the local school council's
21 right to representation and the manner and process by which the
22 Board shall pay the costs of the council's representation. If
23 the local school council retains the principal and the general
24 superintendent requests a review of the retention decision, the
25 local school council and the general superintendent shall be
26 considered parties to the arbitration, a hearing officer shall

1 be chosen between those 2 parties pursuant to procedures
2 promulgated by the State Board of Education, and the principal
3 may retain counsel and participate in the arbitration. If the
4 local school council does not retain the principal and the
5 principal requests a review of the retention decision, the
6 local school council and the principal shall be considered
7 parties to the arbitration and a hearing officer shall be
8 chosen between those 2 parties pursuant to procedures
9 promulgated by the State Board of Education. The hearing shall
10 begin (i) within 45 days after the initial request for review
11 is submitted by the principal to the general superintendent or
12 (ii) if the initial request for review is made by the general
13 superintendent, within 45 days after that request is mailed to
14 the American Arbitration Association. The hearing officer
15 shall render a decision within 45 days after the hearing begins
16 and within 90 days after the initial request for review. The
17 Board shall contract with the American Arbitration Association
18 for all of the hearing officer's reasonable and necessary
19 costs. In addition, the Board shall pay any reasonable costs
20 incurred by a local school council for representation before a
21 hearing officer.

22 1.10. The hearing officer shall conduct a hearing, which
23 shall include (i) a review of the principal's performance,
24 evaluations, and other evidence of the principal's service at
25 the school, (ii) reasons provided by the local school council
26 for its decision, and (iii) documentation evidencing views of

1 interested persons, including, without limitation, students,
2 parents, local school council members, school faculty and
3 staff, the principal, the general superintendent or his or her
4 designee, and members of the community. The burden of proof in
5 establishing that the local school council's decision was
6 arbitrary and capricious shall be on the party requesting the
7 arbitration, and this party shall sustain the burden by a
8 preponderance of the evidence. The hearing officer shall set
9 the local school council decision aside if that decision, in
10 light of the record developed at the hearing, is arbitrary and
11 capricious. The decision of the hearing officer may not be
12 appealed to the Board or the State Board of Education. If the
13 hearing officer decides that the principal shall be retained,
14 the retention period shall not exceed 2 years.

15 2. In the event (i) the local school council does not renew
16 the performance contract of the principal, or the principal
17 fails to receive a satisfactory rating as provided in
18 subsection (h) of Section 34-8.3, or the principal is removed
19 for cause during the term of his or her performance contract in
20 the manner provided by Section 34-85, or a vacancy in the
21 position of principal otherwise occurs prior to the expiration
22 of the term of a principal's performance contract, and (ii) the
23 local school council fails to directly select a new principal
24 to serve under a 4 year performance contract, the local school
25 council in such event shall submit to the general
26 superintendent a list of 3 candidates -- listed in the local

1 school council's order of preference -- for the position of
2 principal, one of which shall be selected by the general
3 superintendent to serve as principal of the attendance center.
4 If the general superintendent fails or refuses to select one of
5 the candidates on the list to serve as principal within 30 days
6 after being furnished with the candidate list, the general
7 superintendent shall select and place a principal on an interim
8 basis (i) for a period not to exceed one year or (ii) until the
9 local school council selects a new principal with 7 affirmative
10 votes as provided in subsection (c) of Section 34-2.2,
11 whichever occurs first. If the local school council fails or
12 refuses to select and appoint a new principal, as specified by
13 subsection (c) of Section 34-2.2, the general superintendent
14 may select and appoint a new principal on an interim basis for
15 an additional year or until a new contract principal is
16 selected by the local school council. There shall be no
17 discrimination on the basis of race, sex, creed, color or
18 disability unrelated to ability to perform in connection with
19 the submission of candidates for, and the selection of a
20 candidate to serve as principal of an attendance center. No
21 person shall be directly selected, listed as a candidate for,
22 or selected to serve as principal of an attendance center (i)
23 if such person has been removed for cause from employment by
24 the Board or (ii) if such person does not hold a valid
25 administrative certificate issued or exchanged under Article
26 21 and endorsed as required by that Article for the position of

1 principal. A principal whose performance contract is not
2 renewed as provided under subsection (c) of Section 34-2.2 may
3 nevertheless, if otherwise qualified and certified as herein
4 provided and if he or she has received a satisfactory rating as
5 provided in subsection (h) of Section 34-8.3, be included by a
6 local school council as one of the 3 candidates listed in order
7 of preference on any candidate list from which one person is to
8 be selected to serve as principal of the attendance center
9 under a new performance contract. The initial candidate list
10 required to be submitted by a local school council to the
11 general superintendent in cases where the local school council
12 does not renew the performance contract of its principal and
13 does not directly select a new principal to serve under a 4
14 year performance contract shall be submitted not later than 30
15 days prior to the expiration of the current performance
16 contract. In cases where the local school council fails or
17 refuses to submit the candidate list to the general
18 superintendent no later than 30 days prior to the expiration of
19 the incumbent principal's contract, the general superintendent
20 may appoint a principal on an interim basis for a period not to
21 exceed one year, during which time the local school council
22 shall be able to select a new principal with 7 affirmative
23 votes as provided in subsection (c) of Section 34-2.2. In cases
24 where a principal is removed for cause or a vacancy otherwise
25 occurs in the position of principal and the vacancy is not
26 filled by direct selection by the local school council, the

1 candidate list shall be submitted by the local school council
2 to the general superintendent within 90 days after the date
3 such removal or vacancy occurs. In cases where the local school
4 council fails or refuses to submit the candidate list to the
5 general superintendent within 90 days after the date of the
6 vacancy, the general superintendent may appoint a principal on
7 an interim basis for a period of one year, during which time
8 the local school council shall be able to select a new
9 principal with 7 affirmative votes as provided in subsection
10 (c) of Section 34-2.2.

11 2.5. Whenever a vacancy in the office of a principal occurs
12 for any reason, the vacancy shall be filled in the manner
13 provided by this Section by the selection of a new principal to
14 serve under a 4 year performance contract.

15 3. To establish additional criteria to be included as part
16 of the performance contract of its principal, provided that
17 such additional criteria shall not discriminate on the basis of
18 race, sex, creed, color or disability unrelated to ability to
19 perform, and shall not be inconsistent with the uniform 4 year
20 performance contract for principals developed by the board as
21 provided in Section 34-8.1 of the School Code or with other
22 provisions of this Article governing the authority and
23 responsibility of principals.

24 4. To approve the expenditure plan prepared by the
25 principal with respect to all funds allocated and distributed
26 to the attendance center by the Board. The expenditure plan

1 shall be administered by the principal. Notwithstanding any
2 other provision of this Act or any other law, any expenditure
3 plan approved and administered under this Section 34-2.3 shall
4 be consistent with and subject to the terms of any contract for
5 services with a third party entered into by the Chicago School
6 Reform Board of Trustees or the board under this Act.

7 Via a supermajority vote of 7 members of the local school
8 council or 8 members of a high school local school council, the
9 Council may transfer allocations pursuant to Section 34-2.3
10 within funds; provided that such a transfer is consistent with
11 applicable law and collective bargaining agreements.

12 Beginning in fiscal year 1991 and in each fiscal year
13 thereafter, the Board may reserve up to 1% of its total fiscal
14 year budget for distribution on a prioritized basis to schools
15 throughout the school system in order to assure adequate
16 programs to meet the needs of special student populations as
17 determined by the Board. This distribution shall take into
18 account the needs catalogued in the Systemwide Plan and the
19 various local school improvement plans of the local school
20 councils. Information about these centrally funded programs
21 shall be distributed to the local school councils so that their
22 subsequent planning and programming will account for these
23 provisions.

24 Beginning in fiscal year 1991 and in each fiscal year
25 thereafter, from other amounts available in the applicable
26 fiscal year budget, the board shall allocate a lump sum amount

1 to each local school based upon such formula as the board shall
2 determine taking into account the special needs of the student
3 body. The local school principal shall develop an expenditure
4 plan in consultation with the local school council, the
5 professional personnel leadership committee and with all other
6 school personnel, which reflects the priorities and activities
7 as described in the school's local school improvement plan and
8 is consistent with applicable law and collective bargaining
9 agreements and with board policies and standards; however, the
10 local school council shall have the right to request waivers of
11 board policy from the board of education and waivers of
12 employee collective bargaining agreements pursuant to Section
13 34-8.1a.

14 The expenditure plan developed by the principal with
15 respect to amounts available from the fund for prioritized
16 special needs programs and the allocated lump sum amount must
17 be approved by the local school council.

18 The lump sum allocation shall take into account the
19 following principles:

- 20 a. Teachers: Each school shall be allocated funds equal
21 to the amount appropriated in the previous school year for
22 compensation for teachers (regular grades kindergarten
23 through 12th grade) plus whatever increases in
24 compensation have been negotiated contractually or through
25 longevity as provided in the negotiated agreement.
26 Adjustments shall be made due to layoff or reduction in

1 force, lack of funds or work, change in subject
2 requirements, enrollment changes, or contracts with third
3 parties for the performance of services or to rectify any
4 inconsistencies with system-wide allocation formulas or
5 for other legitimate reasons.

6 b. Other personnel: Funds for other teacher
7 certificated and uncertificated personnel paid through
8 non-categorical funds shall be provided according to
9 system-wide formulas based on student enrollment and the
10 special needs of the school as determined by the Board.

11 c. Non-compensation items: Appropriations for all
12 non-compensation items shall be based on system-wide
13 formulas based on student enrollment and on the special
14 needs of the school or factors related to the physical
15 plant, including but not limited to textbooks, electronic
16 textbooks and the technological equipment necessary to
17 gain access to and use electronic textbooks, supplies,
18 electricity, equipment, and routine maintenance.

19 d. Funds for categorical programs: Schools shall
20 receive personnel and funds based on, and shall use such
21 personnel and funds in accordance with State and Federal
22 requirements applicable to each categorical program
23 provided to meet the special needs of the student body
24 (including but not limited to, Federal Chapter I,
25 Bilingual, and Special Education).

26 d.1. Funds for State Title I: Each school shall receive

1 funds based on State and Board requirements applicable to
2 each State Title I pupil provided to meet the special needs
3 of the student body. Each school shall receive the
4 proportion of funds as provided in Section 18-8 or 18-8.15
5 to which they are entitled. These funds shall be spent only
6 with the budgetary approval of the Local School Council as
7 provided in Section 34-2.3.

8 e. The Local School Council shall have the right to
9 request the principal to close positions and open new ones
10 consistent with the provisions of the local school
11 improvement plan provided that these decisions are
12 consistent with applicable law and collective bargaining
13 agreements. If a position is closed, pursuant to this
14 paragraph, the local school shall have for its use the
15 system-wide average compensation for the closed position.

16 f. Operating within existing laws and collective
17 bargaining agreements, the local school council shall have
18 the right to direct the principal to shift expenditures
19 within funds.

20 g. (Blank).

21 Any funds unexpended at the end of the fiscal year shall be
22 available to the board of education for use as part of its
23 budget for the following fiscal year.

24 5. To make recommendations to the principal concerning
25 textbook selection and concerning curriculum developed
26 pursuant to the school improvement plan which is consistent

1 with systemwide curriculum objectives in accordance with
2 Sections 34-8 and 34-18 of the School Code and in conformity
3 with the collective bargaining agreement.

4 6. To advise the principal concerning the attendance and
5 disciplinary policies for the attendance center, subject to the
6 provisions of this Article and Article 26, and consistent with
7 the uniform system of discipline established by the board
8 pursuant to Section 34-19.

9 7. To approve a school improvement plan developed as
10 provided in Section 34-2.4. The process and schedule for plan
11 development shall be publicized to the entire school community,
12 and the community shall be afforded the opportunity to make
13 recommendations concerning the plan. At least twice a year the
14 principal and local school council shall report publicly on
15 progress and problems with respect to plan implementation.

16 8. To evaluate the allocation of teaching resources and
17 other certificated and uncertificated staff to the attendance
18 center to determine whether such allocation is consistent with
19 and in furtherance of instructional objectives and school
20 programs reflective of the school improvement plan adopted for
21 the attendance center; and to make recommendations to the
22 board, the general superintendent and the principal concerning
23 any reallocation of teaching resources or other staff whenever
24 the council determines that any such reallocation is
25 appropriate because the qualifications of any existing staff at
26 the attendance center do not adequately match or support

1 instructional objectives or school programs which reflect the
2 school improvement plan.

3 9. To make recommendations to the principal and the general
4 superintendent concerning their respective appointments, after
5 August 31, 1989, and in the manner provided by Section 34-8 and
6 Section 34-8.1, of persons to fill any vacant, additional or
7 newly created positions for teachers at the attendance center
8 or at attendance centers which include the attendance center
9 served by the local school council.

10 10. To request of the Board the manner in which training
11 and assistance shall be provided to the local school council.
12 Pursuant to Board guidelines a local school council is
13 authorized to direct the Board of Education to contract with
14 personnel or not-for-profit organizations not associated with
15 the school district to train or assist council members. If
16 training or assistance is provided by contract with personnel
17 or organizations not associated with the school district, the
18 period of training or assistance shall not exceed 30 hours
19 during a given school year; person shall not be employed on a
20 continuous basis longer than said period and shall not have
21 been employed by the Chicago Board of Education within the
22 preceding six months. Council members shall receive training in
23 at least the following areas:

- 24 1. school budgets;
25 2. educational theory pertinent to the attendance
26 center's particular needs, including the development of

1 the school improvement plan and the principal's
2 performance contract; and

3 3. personnel selection.

4 Council members shall, to the greatest extent possible,
5 complete such training within 90 days of election.

6 11. In accordance with systemwide guidelines contained in
7 the System-Wide Educational Reform Goals and Objectives Plan,
8 criteria for evaluation of performance shall be established for
9 local school councils and local school council members. If a
10 local school council persists in noncompliance with systemwide
11 requirements, the Board may impose sanctions and take necessary
12 corrective action, consistent with Section 34-8.3.

13 12. Each local school council shall comply with the Open
14 Meetings Act and the Freedom of Information Act. Each local
15 school council shall issue and transmit to its school community
16 a detailed annual report accounting for its activities
17 programmatically and financially. Each local school council
18 shall convene at least 2 well-publicized meetings annually with
19 its entire school community. These meetings shall include
20 presentation of the proposed local school improvement plan, of
21 the proposed school expenditure plan, and the annual report,
22 and shall provide an opportunity for public comment.

23 13. Each local school council is encouraged to involve
24 additional non-voting members of the school community in
25 facilitating the council's exercise of its responsibilities.

26 14. The local school council may adopt a school uniform or

1 dress code policy that governs the attendance center and that
2 is necessary to maintain the orderly process of a school
3 function or prevent endangerment of student health or safety,
4 consistent with the policies and rules of the Board of
5 Education. A school uniform or dress code policy adopted by a
6 local school council: (i) shall not be applied in such manner
7 as to discipline or deny attendance to a transfer student or
8 any other student for noncompliance with that policy during
9 such period of time as is reasonably necessary to enable the
10 student to acquire a school uniform or otherwise comply with
11 the dress code policy that is in effect at the attendance
12 center into which the student's enrollment is transferred; and
13 (ii) shall include criteria and procedures under which the
14 local school council will accommodate the needs of or otherwise
15 provide appropriate resources to assist a student from an
16 indigent family in complying with an applicable school uniform
17 or dress code policy. A student whose parents or legal
18 guardians object on religious grounds to the student's
19 compliance with an applicable school uniform or dress code
20 policy shall not be required to comply with that policy if the
21 student's parents or legal guardians present to the local
22 school council a signed statement of objection detailing the
23 grounds for the objection.

24 15. All decisions made and actions taken by the local
25 school council in the exercise of its powers and duties shall
26 comply with State and federal laws, all applicable collective

1 bargaining agreements, court orders and rules properly
2 promulgated by the Board.

3 15a. To grant, in accordance with board rules and policies,
4 the use of assembly halls and classrooms when not otherwise
5 needed, including lighting, heat, and attendants, for public
6 lectures, concerts, and other educational and social
7 activities.

8 15b. To approve, in accordance with board rules and
9 policies, receipts and expenditures for all internal accounts
10 of the attendance center, and to approve all fund-raising
11 activities by nonschool organizations that use the school
12 building.

13 16. (Blank).

14 17. Names and addresses of local school council members
15 shall be a matter of public record.

16 (Source: P.A. 96-1403, eff. 7-29-10.)

17 (105 ILCS 5/34-18) (from Ch. 122, par. 34-18)

18 Sec. 34-18. Powers of the board. The board shall exercise
19 general supervision and jurisdiction over the public education
20 and the public school system of the city, and, except as
21 otherwise provided by this Article, shall have power:

22 1. To make suitable provision for the establishment and
23 maintenance throughout the year or for such portion thereof
24 as it may direct, not less than 9 months, of schools of all
25 grades and kinds, including normal schools, high schools,

1 night schools, schools for defectives and delinquents,
2 parental and truant schools, schools for the blind, the
3 deaf and persons with physical disabilities, schools or
4 classes in manual training, constructural and vocational
5 teaching, domestic arts and physical culture, vocation and
6 extension schools and lecture courses, and all other
7 educational courses and facilities, including
8 establishing, equipping, maintaining and operating
9 playgrounds and recreational programs, when such programs
10 are conducted in, adjacent to, or connected with any public
11 school under the general supervision and jurisdiction of
12 the board; provided that the calendar for the school term
13 and any changes must be submitted to and approved by the
14 State Board of Education before the calendar or changes may
15 take effect, and provided that in allocating funds from
16 year to year for the operation of all attendance centers
17 within the district, the board shall ensure that
18 supplemental general State aid or supplemental grant funds
19 are allocated and applied in accordance with Section 18-8,
20 ~~or~~ 18-8.05, or 18-8.15. To admit to such schools without
21 charge foreign exchange students who are participants in an
22 organized exchange student program which is authorized by
23 the board. The board shall permit all students to enroll in
24 apprenticeship programs in trade schools operated by the
25 board, whether those programs are union-sponsored or not.
26 No student shall be refused admission into or be excluded

1 from any course of instruction offered in the common
2 schools by reason of that student's sex. No student shall
3 be denied equal access to physical education and
4 interscholastic athletic programs supported from school
5 district funds or denied participation in comparable
6 physical education and athletic programs solely by reason
7 of the student's sex. Equal access to programs supported
8 from school district funds and comparable programs will be
9 defined in rules promulgated by the State Board of
10 Education in consultation with the Illinois High School
11 Association. Notwithstanding any other provision of this
12 Article, neither the board of education nor any local
13 school council or other school official shall recommend
14 that children with disabilities be placed into regular
15 education classrooms unless those children with
16 disabilities are provided with supplementary services to
17 assist them so that they benefit from the regular classroom
18 instruction and are included on the teacher's regular
19 education class register;

20 2. To furnish lunches to pupils, to make a reasonable
21 charge therefor, and to use school funds for the payment of
22 such expenses as the board may determine are necessary in
23 conducting the school lunch program;

24 3. To co-operate with the circuit court;

25 4. To make arrangements with the public or quasi-public
26 libraries and museums for the use of their facilities by

1 teachers and pupils of the public schools;

2 5. To employ dentists and prescribe their duties for
3 the purpose of treating the pupils in the schools, but
4 accepting such treatment shall be optional with parents or
5 guardians;

6 6. To grant the use of assembly halls and classrooms
7 when not otherwise needed, including light, heat, and
8 attendants, for free public lectures, concerts, and other
9 educational and social interests, free of charge, under
10 such provisions and control as the principal of the
11 affected attendance center may prescribe;

12 7. To apportion the pupils to the several schools;
13 provided that no pupil shall be excluded from or segregated
14 in any such school on account of his color, race, sex, or
15 nationality. The board shall take into consideration the
16 prevention of segregation and the elimination of
17 separation of children in public schools because of color,
18 race, sex, or nationality. Except that children may be
19 committed to or attend parental and social adjustment
20 schools established and maintained either for boys or girls
21 only. All records pertaining to the creation, alteration or
22 revision of attendance areas shall be open to the public.
23 Nothing herein shall limit the board's authority to
24 establish multi-area attendance centers or other student
25 assignment systems for desegregation purposes or
26 otherwise, and to apportion the pupils to the several

1 schools. Furthermore, beginning in school year 1994-95,
2 pursuant to a board plan adopted by October 1, 1993, the
3 board shall offer, commencing on a phased-in basis, the
4 opportunity for families within the school district to
5 apply for enrollment of their children in any attendance
6 center within the school district which does not have
7 selective admission requirements approved by the board.
8 The appropriate geographical area in which such open
9 enrollment may be exercised shall be determined by the
10 board of education. Such children may be admitted to any
11 such attendance center on a space available basis after all
12 children residing within such attendance center's area
13 have been accommodated. If the number of applicants from
14 outside the attendance area exceed the space available,
15 then successful applicants shall be selected by lottery.
16 The board of education's open enrollment plan must include
17 provisions that allow low income students to have access to
18 transportation needed to exercise school choice. Open
19 enrollment shall be in compliance with the provisions of
20 the Consent Decree and Desegregation Plan cited in Section
21 34-1.01;

22 8. To approve programs and policies for providing
23 transportation services to students. Nothing herein shall
24 be construed to permit or empower the State Board of
25 Education to order, mandate, or require busing or other
26 transportation of pupils for the purpose of achieving

1 racial balance in any school;

2 9. Subject to the limitations in this Article, to
3 establish and approve system-wide curriculum objectives
4 and standards, including graduation standards, which
5 reflect the multi-cultural diversity in the city and are
6 consistent with State law, provided that for all purposes
7 of this Article courses or proficiency in American Sign
8 Language shall be deemed to constitute courses or
9 proficiency in a foreign language; and to employ principals
10 and teachers, appointed as provided in this Article, and
11 fix their compensation. The board shall prepare such
12 reports related to minimal competency testing as may be
13 requested by the State Board of Education, and in addition
14 shall monitor and approve special education and bilingual
15 education programs and policies within the district to
16 assure that appropriate services are provided in
17 accordance with applicable State and federal laws to
18 children requiring services and education in those areas;

19 10. To employ non-teaching personnel or utilize
20 volunteer personnel for: (i) non-teaching duties not
21 requiring instructional judgment or evaluation of pupils,
22 including library duties; and (ii) supervising study
23 halls, long distance teaching reception areas used
24 incident to instructional programs transmitted by
25 electronic media such as computers, video, and audio,
26 detention and discipline areas, and school-sponsored

1 extracurricular activities. The board may further utilize
2 volunteer non-certificated personnel or employ
3 non-certificated personnel to assist in the instruction of
4 pupils under the immediate supervision of a teacher holding
5 a valid certificate, directly engaged in teaching subject
6 matter or conducting activities; provided that the teacher
7 shall be continuously aware of the non-certificated
8 persons' activities and shall be able to control or modify
9 them. The general superintendent shall determine
10 qualifications of such personnel and shall prescribe rules
11 for determining the duties and activities to be assigned to
12 such personnel;

13 10.5. To utilize volunteer personnel from a regional
14 School Crisis Assistance Team (S.C.A.T.), created as part
15 of the Safe to Learn Program established pursuant to
16 Section 25 of the Illinois Violence Prevention Act of 1995,
17 to provide assistance to schools in times of violence or
18 other traumatic incidents within a school community by
19 providing crisis intervention services to lessen the
20 effects of emotional trauma on individuals and the
21 community; the School Crisis Assistance Team Steering
22 Committee shall determine the qualifications for
23 volunteers;

24 11. To provide television studio facilities in not to
25 exceed one school building and to provide programs for
26 educational purposes, provided, however, that the board

1 shall not construct, acquire, operate, or maintain a
2 television transmitter; to grant the use of its studio
3 facilities to a licensed television station located in the
4 school district; and to maintain and operate not to exceed
5 one school radio transmitting station and provide programs
6 for educational purposes;

7 12. To offer, if deemed appropriate, outdoor education
8 courses, including field trips within the State of
9 Illinois, or adjacent states, and to use school educational
10 funds for the expense of the said outdoor educational
11 programs, whether within the school district or not;

12 13. During that period of the calendar year not
13 embraced within the regular school term, to provide and
14 conduct courses in subject matters normally embraced in the
15 program of the schools during the regular school term and
16 to give regular school credit for satisfactory completion
17 by the student of such courses as may be approved for
18 credit by the State Board of Education;

19 14. To insure against any loss or liability of the
20 board, the former School Board Nominating Commission,
21 Local School Councils, the Chicago Schools Academic
22 Accountability Council, or the former Subdistrict Councils
23 or of any member, officer, agent or employee thereof,
24 resulting from alleged violations of civil rights arising
25 from incidents occurring on or after September 5, 1967 or
26 from the wrongful or negligent act or omission of any such

1 person whether occurring within or without the school
2 premises, provided the officer, agent or employee was, at
3 the time of the alleged violation of civil rights or
4 wrongful act or omission, acting within the scope of his
5 employment or under direction of the board, the former
6 School Board Nominating Commission, the Chicago Schools
7 Academic Accountability Council, Local School Councils, or
8 the former Subdistrict Councils; and to provide for or
9 participate in insurance plans for its officers and
10 employees, including but not limited to retirement
11 annuities, medical, surgical and hospitalization benefits
12 in such types and amounts as may be determined by the
13 board; provided, however, that the board shall contract for
14 such insurance only with an insurance company authorized to
15 do business in this State. Such insurance may include
16 provision for employees who rely on treatment by prayer or
17 spiritual means alone for healing, in accordance with the
18 tenets and practice of a recognized religious
19 denomination;

20 15. To contract with the corporate authorities of any
21 municipality or the county board of any county, as the case
22 may be, to provide for the regulation of traffic in parking
23 areas of property used for school purposes, in such manner
24 as is provided by Section 11-209 of The Illinois Vehicle
25 Code, approved September 29, 1969, as amended;

26 16. (a) To provide, on an equal basis, access to a high

1 school campus and student directory information to the
2 official recruiting representatives of the armed forces of
3 Illinois and the United States for the purposes of
4 informing students of the educational and career
5 opportunities available in the military if the board has
6 provided such access to persons or groups whose purpose is
7 to acquaint students with educational or occupational
8 opportunities available to them. The board is not required
9 to give greater notice regarding the right of access to
10 recruiting representatives than is given to other persons
11 and groups. In this paragraph 16, "directory information"
12 means a high school student's name, address, and telephone
13 number.

14 (b) If a student or his or her parent or guardian
15 submits a signed, written request to the high school before
16 the end of the student's sophomore year (or if the student
17 is a transfer student, by another time set by the high
18 school) that indicates that the student or his or her
19 parent or guardian does not want the student's directory
20 information to be provided to official recruiting
21 representatives under subsection (a) of this Section, the
22 high school may not provide access to the student's
23 directory information to these recruiting representatives.
24 The high school shall notify its students and their parents
25 or guardians of the provisions of this subsection (b).

26 (c) A high school may require official recruiting

1 representatives of the armed forces of Illinois and the
2 United States to pay a fee for copying and mailing a
3 student's directory information in an amount that is not
4 more than the actual costs incurred by the high school.

5 (d) Information received by an official recruiting
6 representative under this Section may be used only to
7 provide information to students concerning educational and
8 career opportunities available in the military and may not
9 be released to a person who is not involved in recruiting
10 students for the armed forces of Illinois or the United
11 States;

12 17. (a) To sell or market any computer program
13 developed by an employee of the school district, provided
14 that such employee developed the computer program as a
15 direct result of his or her duties with the school district
16 or through the utilization of the school district resources
17 or facilities. The employee who developed the computer
18 program shall be entitled to share in the proceeds of such
19 sale or marketing of the computer program. The distribution
20 of such proceeds between the employee and the school
21 district shall be as agreed upon by the employee and the
22 school district, except that neither the employee nor the
23 school district may receive more than 90% of such proceeds.
24 The negotiation for an employee who is represented by an
25 exclusive bargaining representative may be conducted by
26 such bargaining representative at the employee's request.

1 (b) For the purpose of this paragraph 17:

2 (1) "Computer" means an internally programmed,
3 general purpose digital device capable of
4 automatically accepting data, processing data and
5 supplying the results of the operation.

6 (2) "Computer program" means a series of coded
7 instructions or statements in a form acceptable to a
8 computer, which causes the computer to process data in
9 order to achieve a certain result.

10 (3) "Proceeds" means profits derived from
11 marketing or sale of a product after deducting the
12 expenses of developing and marketing such product;

13 18. To delegate to the general superintendent of
14 schools, by resolution, the authority to approve contracts
15 and expenditures in amounts of \$10,000 or less;

16 19. Upon the written request of an employee, to
17 withhold from the compensation of that employee any dues,
18 payments or contributions payable by such employee to any
19 labor organization as defined in the Illinois Educational
20 Labor Relations Act. Under such arrangement, an amount
21 shall be withheld from each regular payroll period which is
22 equal to the pro rata share of the annual dues plus any
23 payments or contributions, and the board shall transmit
24 such withholdings to the specified labor organization
25 within 10 working days from the time of the withholding;

26 19a. Upon receipt of notice from the comptroller of a

1 municipality with a population of 500,000 or more, a county
2 with a population of 3,000,000 or more, the Cook County
3 Forest Preserve District, the Chicago Park District, the
4 Metropolitan Water Reclamation District, the Chicago
5 Transit Authority, or a housing authority of a municipality
6 with a population of 500,000 or more that a debt is due and
7 owing the municipality, the county, the Cook County Forest
8 Preserve District, the Chicago Park District, the
9 Metropolitan Water Reclamation District, the Chicago
10 Transit Authority, or the housing authority by an employee
11 of the Chicago Board of Education, to withhold, from the
12 compensation of that employee, the amount of the debt that
13 is due and owing and pay the amount withheld to the
14 municipality, the county, the Cook County Forest Preserve
15 District, the Chicago Park District, the Metropolitan
16 Water Reclamation District, the Chicago Transit Authority,
17 or the housing authority; provided, however, that the
18 amount deducted from any one salary or wage payment shall
19 not exceed 25% of the net amount of the payment. Before the
20 Board deducts any amount from any salary or wage of an
21 employee under this paragraph, the municipality, the
22 county, the Cook County Forest Preserve District, the
23 Chicago Park District, the Metropolitan Water Reclamation
24 District, the Chicago Transit Authority, or the housing
25 authority shall certify that (i) the employee has been
26 afforded an opportunity for a hearing to dispute the debt

1 that is due and owing the municipality, the county, the
2 Cook County Forest Preserve District, the Chicago Park
3 District, the Metropolitan Water Reclamation District, the
4 Chicago Transit Authority, or the housing authority and
5 (ii) the employee has received notice of a wage deduction
6 order and has been afforded an opportunity for a hearing to
7 object to the order. For purposes of this paragraph, "net
8 amount" means that part of the salary or wage payment
9 remaining after the deduction of any amounts required by
10 law to be deducted and "debt due and owing" means (i) a
11 specified sum of money owed to the municipality, the
12 county, the Cook County Forest Preserve District, the
13 Chicago Park District, the Metropolitan Water Reclamation
14 District, the Chicago Transit Authority, or the housing
15 authority for services, work, or goods, after the period
16 granted for payment has expired, or (ii) a specified sum of
17 money owed to the municipality, the county, the Cook County
18 Forest Preserve District, the Chicago Park District, the
19 Metropolitan Water Reclamation District, the Chicago
20 Transit Authority, or the housing authority pursuant to a
21 court order or order of an administrative hearing officer
22 after the exhaustion of, or the failure to exhaust,
23 judicial review;

24 20. The board is encouraged to employ a sufficient
25 number of certified school counselors to maintain a
26 student/counselor ratio of 250 to 1 by July 1, 1990. Each

1 counselor shall spend at least 75% of his work time in
2 direct contact with students and shall maintain a record of
3 such time;

4 21. To make available to students vocational and career
5 counseling and to establish 5 special career counseling
6 days for students and parents. On these days
7 representatives of local businesses and industries shall
8 be invited to the school campus and shall inform students
9 of career opportunities available to them in the various
10 businesses and industries. Special consideration shall be
11 given to counseling minority students as to career
12 opportunities available to them in various fields. For the
13 purposes of this paragraph, minority student means a person
14 who is any of the following:

15 (a) American Indian or Alaska Native (a person having
16 origins in any of the original peoples of North and South
17 America, including Central America, and who maintains
18 tribal affiliation or community attachment).

19 (b) Asian (a person having origins in any of the
20 original peoples of the Far East, Southeast Asia, or the
21 Indian subcontinent, including, but not limited to,
22 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,
23 the Philippine Islands, Thailand, and Vietnam).

24 (c) Black or African American (a person having origins
25 in any of the black racial groups of Africa). Terms such as
26 "Haitian" or "Negro" can be used in addition to "Black or

1 African American".

2 (d) Hispanic or Latino (a person of Cuban, Mexican,
3 Puerto Rican, South or Central American, or other Spanish
4 culture or origin, regardless of race).

5 (e) Native Hawaiian or Other Pacific Islander (a person
6 having origins in any of the original peoples of Hawaii,
7 Guam, Samoa, or other Pacific Islands).

8 Counseling days shall not be in lieu of regular school
9 days;

10 22. To report to the State Board of Education the
11 annual student dropout rate and number of students who
12 graduate from, transfer from or otherwise leave bilingual
13 programs;

14 23. Except as otherwise provided in the Abused and
15 Neglected Child Reporting Act or other applicable State or
16 federal law, to permit school officials to withhold, from
17 any person, information on the whereabouts of any child
18 removed from school premises when the child has been taken
19 into protective custody as a victim of suspected child
20 abuse. School officials shall direct such person to the
21 Department of Children and Family Services, or to the local
22 law enforcement agency if appropriate;

23 24. To develop a policy, based on the current state of
24 existing school facilities, projected enrollment and
25 efficient utilization of available resources, for capital
26 improvement of schools and school buildings within the

1 district, addressing in that policy both the relative
2 priority for major repairs, renovations and additions to
3 school facilities, and the advisability or necessity of
4 building new school facilities or closing existing schools
5 to meet current or projected demographic patterns within
6 the district;

7 25. To make available to the students in every high
8 school attendance center the ability to take all courses
9 necessary to comply with the Board of Higher Education's
10 college entrance criteria effective in 1993;

11 26. To encourage mid-career changes into the teaching
12 profession, whereby qualified professionals become
13 certified teachers, by allowing credit for professional
14 employment in related fields when determining point of
15 entry on teacher pay scale;

16 27. To provide or contract out training programs for
17 administrative personnel and principals with revised or
18 expanded duties pursuant to this Act in order to assure
19 they have the knowledge and skills to perform their duties;

20 28. To establish a fund for the prioritized special
21 needs programs, and to allocate such funds and other lump
22 sum amounts to each attendance center in a manner
23 consistent with the provisions of part 4 of Section 34-2.3.
24 Nothing in this paragraph shall be construed to require any
25 additional appropriations of State funds for this purpose;

26 29. (Blank);

1 30. Notwithstanding any other provision of this Act or
2 any other law to the contrary, to contract with third
3 parties for services otherwise performed by employees,
4 including those in a bargaining unit, and to layoff those
5 employees upon 14 days written notice to the affected
6 employees. Those contracts may be for a period not to
7 exceed 5 years and may be awarded on a system-wide basis.
8 The board may not operate more than 30 contract schools,
9 provided that the board may operate an additional 5
10 contract turnaround schools pursuant to item (5.5) of
11 subsection (d) of Section 34-8.3 of this Code;

12 31. To promulgate rules establishing procedures
13 governing the layoff or reduction in force of employees and
14 the recall of such employees, including, but not limited
15 to, criteria for such layoffs, reductions in force or
16 recall rights of such employees and the weight to be given
17 to any particular criterion. Such criteria shall take into
18 account factors including, but not be limited to,
19 qualifications, certifications, experience, performance
20 ratings or evaluations, and any other factors relating to
21 an employee's job performance;

22 32. To develop a policy to prevent nepotism in the
23 hiring of personnel or the selection of contractors;

24 33. To enter into a partnership agreement, as required
25 by Section 34-3.5 of this Code, and, notwithstanding any
26 other provision of law to the contrary, to promulgate

1 policies, enter into contracts, and take any other action
2 necessary to accomplish the objectives and implement the
3 requirements of that agreement; and

4 34. To establish a Labor Management Council to the
5 board comprised of representatives of the board, the chief
6 executive officer, and those labor organizations that are
7 the exclusive representatives of employees of the board and
8 to promulgate policies and procedures for the operation of
9 the Council.

10 The specifications of the powers herein granted are not to
11 be construed as exclusive but the board shall also exercise all
12 other powers that they may be requisite or proper for the
13 maintenance and the development of a public school system, not
14 inconsistent with the other provisions of this Article or
15 provisions of this Code which apply to all school districts.

16 In addition to the powers herein granted and authorized to
17 be exercised by the board, it shall be the duty of the board to
18 review or to direct independent reviews of special education
19 expenditures and services. The board shall file a report of
20 such review with the General Assembly on or before May 1, 1990.

21 (Source: P.A. 99-143, eff. 7-27-15.)

22 (105 ILCS 5/34-18.30)

23 Sec. 34-18.30. Dependents of military personnel; no
24 tuition charge. If, at the time of enrollment, a dependent of
25 United States military personnel is housed in temporary housing

1 located outside of the school district, but will be living
2 within the district within 60 days after the time of initial
3 enrollment, the dependent must be allowed to enroll, subject to
4 the requirements of this Section, and must not be charged
5 tuition. Any United States military personnel attempting to
6 enroll a dependent under this Section shall provide proof that
7 the dependent will be living within the district within 60 days
8 after the time of initial enrollment. Proof of residency may
9 include, but is not limited to, postmarked mail addressed to
10 the military personnel and sent to an address located within
11 the district, a lease agreement for occupancy of a residence
12 located within the district, or proof of ownership of a
13 residence located within the district. Non-resident dependents
14 of United States military personnel attending school on a
15 tuition-free basis may be counted for the purposes of
16 determining the apportionment of State aid provided under
17 Section 18-8.05 or 18-8.15 of this Code.

18 (Source: P.A. 95-331, eff. 8-21-07.)

19 (105 ILCS 5/34-43.1) (from Ch. 122, par. 34-43.1)

20 Sec. 34-43.1. (A) Limitation of noninstructional costs. It
21 is the purpose of this Section to establish for the Board of
22 Education and the general superintendent of schools
23 requirements and standards which maximize the proportion of
24 school district resources in direct support of educational,
25 program, and building maintenance and safety services for the

1 pupils of the district, and which correspondingly minimize the
2 amount and proportion of such resources associated with
3 centralized administration, administrative support services,
4 and other noninstructional services.

5 For the 1989-90 school year and for all subsequent school
6 years, the Board of Education shall undertake budgetary and
7 expenditure control actions which limit the administrative
8 expenditures of the Board of Education to levels, as provided
9 for in this Section, which represent an average of the
10 administrative expenses of all school districts in this State
11 not subject to Article 34.

12 (B) Certification of expenses by the State Superintendent
13 of Education. The State Superintendent of Education shall
14 annually certify, on or before May 1, to the Board of Education
15 and the School Finance Authority, for the applicable school
16 year, the following information:

17 (1) the annual expenditures of all school districts of
18 the State not subject to Article 34 properly attributable
19 to expenditure functions defined by the rules and
20 regulations of the State Board of Education as: 2210
21 (Improvement of Instructional Services); 2300 (Support
22 Services - General Administration) excluding, however,
23 2320 (Executive Administrative Services); 2490 (Other
24 Support Services - School Administration); 2500 (Support
25 Services - Business); 2600 (Support Services - Central);

26 (2) the total annual expenditures of all school

1 districts not subject to Article 34 attributable to the
2 Education Fund, the Operations, Building and Maintenance
3 Fund, the Transportation Fund and the Illinois Municipal
4 Retirement Fund of the several districts, as defined by the
5 rules and regulations of the State Board of Education; and

6 (3) a ratio, to be called the statewide average of
7 administrative expenditures, derived by dividing the
8 expenditures certified pursuant to paragraph (B) (1) by the
9 expenditures certified pursuant to paragraph (B) (2).

10 For purposes of the annual certification of expenditures
11 and ratios required by this Section, the "applicable year" of
12 certification shall initially be the 1986-87 school year and,
13 in sequent years, each succeeding school year.

14 The State Superintendent of Education shall consult with
15 the Board of Education to ascertain whether particular
16 expenditure items allocable to the administrative functions
17 enumerated in paragraph (B) (1) are appropriately or
18 necessarily higher in the applicable school district than in
19 the rest of the State due to noncomparable factors. The State
20 Superintendent shall also review the relevant cost proportions
21 in other large urban school districts. The State Superintendent
22 shall also review the expenditure categories in paragraph
23 (B) (1) to ascertain whether they contain school-level
24 expenses. If he or she finds that adjustments to the formula
25 are appropriate or necessary to establish a more fair and
26 comparable standard for administrative cost for the Board of

1 Education or to exclude school-level expenses, the State
2 Superintendent shall recommend to the School Finance Authority
3 rules and regulations adjusting particular subcategories in
4 this subsection (B) or adjusting certain costs in determining
5 the budget and expenditure items properly attributable to the
6 functions or otherwise adjust the formula.

7 (C) Administrative expenditure limitations. The annual
8 budget of the Board of Education, as adopted and implemented,
9 and the related annual expenditures for the school year, shall
10 reflect a limitation on administrative outlays as required by
11 the following provisions, taking into account any adjustments
12 established by the State Superintendent of Education: (1) the
13 budget and expenditures of the Board of Education for the
14 1989-90 school year shall reflect a ratio of administrative
15 expenditures to total expenditures equal to or less than the
16 statewide average of administrative expenditures for the
17 1986-87 school year as certified by the State Superintendent of
18 Education pursuant to paragraph (B)(3); (2) for the 1990-91
19 school year and for all subsequent school years, the budget and
20 expenditures of the Board of Education shall reflect a ratio of
21 administrative expenditures to total expenditures equal to or
22 less than the statewide average of administrative expenditures
23 certified by the State Superintendent of Education for the
24 applicable year pursuant to paragraph (B)(3); (3) if for any
25 school year the budget of the Board of Education reflects a
26 ratio of administrative expenditures to total expenditures

1 which exceeds the applicable statewide average, the Board of
2 Education shall reduce expenditure items allocable to the
3 administrative functions enumerated in paragraph (B)(1) such
4 that the Board of Education's ratio of administrative
5 expenditures to total expenditures is equal to or less than the
6 applicable statewide average ratio.

7 For purposes of this Section, the ratio of administrative
8 expenditures to the total expenditures of the Board of
9 Education, as applied to the budget of the Board of Education,
10 shall mean: the budgeted expenditure items of the Board of
11 Education properly attributable to the expenditure functions
12 identified in paragraph (B)(1) divided by the total budgeted
13 expenditures of the Board of Education properly attributable to
14 the Board of Education funds corresponding to those funds
15 identified in paragraph (B)(2), exclusive of any monies
16 budgeted for payment to the Public School Teachers' Pension and
17 Retirement System, attributable to payments due from the
18 General Funds of the State of Illinois.

19 The annual expenditure of the Board of Education for 2320
20 (Executive Administrative Services) for the 1989-90 school
21 year shall be no greater than the 2320 expenditure for the
22 1988-89 school year. The annual expenditure of the Board of
23 Education for 2320 for the 1990-91 school year and each
24 subsequent school year shall be no greater than the 2320
25 expenditure for the immediately preceding school year or the
26 1988-89 school year, whichever is less. This annual expenditure

1 limitation may be adjusted in each year in an amount not to
2 exceed any change effective during the applicable school year
3 in salary to be paid under the collective bargaining agreement
4 with instructional personnel to which the Board is a party and
5 in benefit costs either required by law or such collective
6 bargaining agreement.

7 (D) Cost control measures. In undertaking actions to
8 control or reduce expenditure items necessitated by the
9 administrative expenditure limitations of this Section, the
10 Board of Education shall give priority consideration to
11 reductions or cost controls with the least effect upon direct
12 services to students or instructional services for pupils, and
13 upon the safety and well-being of pupils, and, as applicable,
14 with the particular costs or functions to which the Board of
15 Education is higher than the statewide average.

16 For purposes of assuring that the cost control priorities
17 of this subsection (D) are met, the State Superintendent of
18 Education shall, with the assistance of the Board of Education,
19 review the cost allocation practices of the Board of Education,
20 and the State Superintendent of Education shall thereafter
21 recommend to the School Finance Authority rules and regulations
22 which define administrative areas which most impact upon the
23 direct and instructional needs of students and upon the safety
24 and well-being of the pupils of the district. No position
25 closed shall be reopened using State or federal categorical
26 funds.

1 (E) Report of Audited Information. For the 1988-89 school
2 year and for all subsequent school years, the Board of
3 Education shall file with the State Board of Education the
4 Annual Financial Report and its audit, as required by the rules
5 of the State Board of Education. Such reports shall be filed no
6 later than February 15 following the end of the school year of
7 the Board of Education, beginning with the report to be filed
8 no later than February 15, 1990 for the 1988-89 school year.

9 As part of the required Annual Financial Report, the Board
10 of Education shall provide a detailed accounting of the central
11 level, district, bureau and department costs and personnel
12 included within expenditure functions included in paragraph
13 (B)(1). The nature and detail of the reporting required for
14 these functions shall be prescribed by the State Board of
15 Education in rules and regulations. A copy of this detailed
16 accounting shall also be provided annually to the School
17 Finance Authority and the public. This report shall contain a
18 reconciliation to the board of education's adopted budget for
19 that fiscal year, specifically delineating administrative
20 functions.

21 If the information required under this Section is not
22 provided by the Board of Education in a timely manner, or is
23 initially or subsequently determined by the State
24 Superintendent of Education to be incomplete or inaccurate, the
25 State Superintendent shall, in writing, notify the Board of
26 Education of reporting deficiencies. The Board of Education

1 shall, within 60 days of such notice, address the reporting
2 deficiencies identified. If the State Superintendent of
3 Education does not receive satisfactory response to these
4 reporting deficiencies within 60 days, the next payment of
5 general State aid or evidence-based funding due the Board of
6 Education under Section 18-8 or Section 18-8.15, as applicable,
7 and all subsequent payments, shall be withheld by the State
8 Superintendent of Education until the enumerated deficiencies
9 have been addressed.

10 Utilizing the Annual Financial Report, the State
11 Superintendent of Education shall certify on or before May 1 to
12 the School Finance Authority the Board of Education's ratio of
13 administrative expenditures to total expenditures for the
14 1988-89 school year and for each succeeding school year. Such
15 certification shall indicate the extent to which the
16 administrative expenditure ratio of the Board of Education
17 conformed to the limitations required in subsection (C) of this
18 Section, taking into account any adjustments of the limitations
19 which may have been recommended by the State Superintendent of
20 Education to the School Finance Authority. In deriving the
21 administrative expenditure ratio of the Chicago Board of
22 Education, the State Superintendent of Education shall utilize
23 the definition of this ratio prescribed in subsection (C) of
24 this Section, except that the actual expenditures of the Board
25 of Education shall be substituted for budgeted expenditure
26 items.

1 (F) Approval and adjustments to administrative expenditure
2 limitations. The School Finance Authority organized under
3 Article 34A shall monitor the Board of Education's adherence to
4 the requirements of this Section. As part of its responsibility
5 the School Finance Authority shall determine whether the Board
6 of Education's budget for the next school year, and the
7 expenditures for a prior school year, comply with the
8 limitation of administrative expenditures required by this
9 Section. The Board of Education and the State Board of
10 Education shall provide such information as is required by the
11 School Finance Authority in order for the Authority to
12 determine compliance with the provisions of this Section. If
13 the Authority determines that the budget proposed by the Board
14 of Education does not meet the cost control requirements of
15 this Section, the Board of Education shall undertake budgetary
16 reductions, consistent with the requirements of this Section,
17 to bring the proposed budget into compliance with such cost
18 control limitations.

19 If, in formulating cost control and cost reduction
20 alternatives, the Board of Education believes that meeting the
21 cost control requirements of this Section related to the budget
22 for the ensuing year would impair the education, safety, or
23 well-being of the pupils of the school district, the Board of
24 Education may request that the School Finance Authority make
25 adjustments to the limitations required by this Section. The
26 Board of Education shall specify the amount, nature, and

1 reasons for the relief required and shall also identify cost
2 reductions which can be made in expenditure functions not
3 enumerated in paragraph (B) (1), which would serve the purposes
4 of this Section.

5 The School Finance Authority shall consult with the State
6 Superintendent of Education concerning the reasonableness from
7 an educational administration perspective of the adjustments
8 sought by the Board of Education. The School Finance Authority
9 shall provide an opportunity for the public to comment upon the
10 reasonableness of the Board's request. If, after such
11 consultation, the School Finance Authority determines that all
12 or a portion of the adjustments sought by the Board of
13 Education are reasonably appropriate or necessary, the
14 Authority may grant such relief from the provisions of this
15 Section which the Authority deems appropriate. Adjustments so
16 granted apply only to the specific school year for which the
17 request was made.

18 In the event that the School Finance Authority determines
19 that the Board of Education has failed to achieve the required
20 administrative expenditure limitations for a prior school
21 year, or if the Authority determines that the Board of
22 Education has not met the requirements of subsection (F), the
23 Authority shall make recommendations to the Board of Education
24 concerning appropriate corrective actions. If the Board of
25 Education fails to provide adequate assurance to the Authority
26 that appropriate corrective actions have been or will be taken,

1 the Authority may, within 60 days thereafter, require the board
2 to adjust its current budget to correct for the prior year's
3 shortage or may recommend to the members of the General
4 Assembly and the Governor such sanctions or remedial actions as
5 will serve to deter any further such failures on the part of
6 the Board of Education.

7 To assist the Authority in its monitoring
8 responsibilities, the Board of Education shall provide such
9 reports and information as are from time to time required by
10 the Authority.

11 (G) Independent reviews of administrative expenditures.
12 The School Finance Authority may direct independent reviews of
13 the administrative and administrative support expenditures and
14 services and other non-instructional expenditure functions of
15 the Board of Education. The Board of Education shall afford
16 full cooperation to the School Finance Authority in such review
17 activity. The purpose of such reviews shall be to verify
18 specific targets for improved operating efficiencies of the
19 Board of Education, to identify other areas of potential
20 efficiencies, and to assure full and proper compliance by the
21 Board of Education with all requirements of this Section.

22 In the conduct of reviews under this subsection, the
23 Authority may request the assistance and consultation of the
24 State Superintendent of Education with regard to questions of
25 efficiency and effectiveness in educational administration.

26 (H) Reports to Governor and General Assembly. On or before

1 May 1, 1991 and no less frequently than yearly thereafter, the
2 School Finance Authority shall provide to the Governor, the
3 State Board of Education, and the members of the General
4 Assembly an annual report, as outlined in Section 34A-606,
5 which includes the following information: (1) documenting the
6 compliance or non-compliance of the Board of Education with the
7 requirements of this Section; (2) summarizing the costs,
8 findings, and recommendations of any reviews directed by the
9 School Finance Authority, and the response to such
10 recommendations made by the Board of Education; and (3)
11 recommending sanctions or legislation necessary to fulfill the
12 intent of this Section.

13 (Source: P.A. 86-124; 86-1477.)

14 (105 ILCS 5/34-53) (from Ch. 122, par. 34-53)

15 Sec. 34-53. Tax levies; purpose; rates. For the purpose of
16 establishing and supporting free schools for not fewer than 9
17 months in each year and defraying their expenses the board may
18 levy annually, upon all taxable property of such district for
19 educational purposes a tax for the fiscal years 1996 and each
20 succeeding fiscal year at a rate of not to exceed the sum of
21 (i) 3.07% (or such other rate as may be set by law independent
22 of the rate difference described in (ii) below) and (ii) the
23 difference between .50% and the rate per cent of taxes extended
24 for a School Finance Authority organized under Article 34A of
25 the School Code, for the calendar year in which the applicable

1 fiscal year of the board begins as determined by the county
2 clerk and certified to the board pursuant to Section 18-110 of
3 the Property Tax Code, of the value as equalized or assessed by
4 the Department of Revenue for the year in which such levy is
5 made.

6 Beginning on the effective date of this amendatory Act of
7 the 99th General Assembly, for the purpose of making an
8 employer contribution to the Public School Teachers' Pension
9 and Retirement Fund of Chicago, the board may levy annually for
10 taxable years prior to 2017, upon all taxable property located
11 within the district, a tax at a rate not to exceed 0.383%.
12 Beginning with the 2017 taxable year, for the purpose of making
13 an employer contribution to the Public School Teachers' Pension
14 and Retirement Fund of Chicago, the board may levy annually,
15 upon all taxable property within the district, a tax at a rate
16 not to exceed 0.567%. The proceeds from this additional tax
17 shall be paid, as soon as possible after collection, directly
18 to Public School Teachers' Pension and Retirement Fund of
19 Chicago and not to the Board of Education. The rate under this
20 paragraph is not a new rate for the purposes of the Property
21 Tax Extension Limitation Law. Notwithstanding any other
22 provision of law, for the 2016 tax year only, the board shall
23 certify the rate to the county clerk on the effective date of
24 this amendatory Act of the 99th General Assembly, and the
25 county clerk shall extend that rate against all taxable
26 property located within the district as soon after receiving

1 the certification as possible.

2 Nothing in this amendatory Act of 1995 shall in any way
3 impair or restrict the levy or extension of taxes pursuant to
4 any tax levies for any purposes of the board lawfully made
5 prior to the adoption of this amendatory Act of 1995.

6 Notwithstanding any other provision of this Code and in
7 addition to any other methods provided for increasing the tax
8 rate the board may, by proper resolution, cause a proposition
9 to increase the annual tax rate for educational purposes to be
10 submitted to the voters of such district at any general or
11 special election. The maximum rate for educational purposes
12 shall not exceed 4.00%. The election called for such purpose
13 shall be governed by Article 9 of this Act. If at such election
14 a majority of the votes cast on the proposition is in favor
15 thereof, the Board of Education may thereafter until such
16 authority is revoked in a like manner, levy annually the tax so
17 authorized.

18 For purposes of this Article, educational purposes for
19 fiscal years beginning in 1995 and each subsequent year shall
20 also include, but not be limited to, in addition to those
21 purposes authorized before this amendatory Act of 1995,
22 constructing, acquiring, leasing (other than from the Public
23 Building Commission of Chicago), operating, maintaining,
24 improving, repairing, and renovating land, buildings,
25 furnishings, and equipment for school houses and buildings, and
26 related incidental expenses, and provision of special

1 education, furnishing free textbooks and instructional aids
2 and school supplies, establishing, equipping, maintaining, and
3 operating supervised playgrounds under the control of the
4 board, school extracurricular activities, and stadia, social
5 center, and summer swimming pool programs open to the public in
6 connection with any public school; making an employer
7 contribution to the Public School Teachers' Pension and
8 Retirement Fund as required by Section 17-129 of the Illinois
9 Pension Code; and providing an agricultural science school,
10 including site development and improvements, maintenance
11 repairs, and supplies. Educational purposes also includes
12 student transportation expenses.

13 All collections of all taxes levied for fiscal years ending
14 before 1996 under this Section or under Sections 34-53.2,
15 34-53.3, 34-58, 34-60, or 34-62 of this Article as in effect
16 prior to this amendatory Act of 1995 may be used for any
17 educational purposes as defined by this amendatory Act of 1995
18 and need not be used for the particular purposes for which they
19 were levied. The levy and extension of taxes pursuant to this
20 Section as amended by this amendatory Act of 1995 shall not
21 constitute a new or increased tax rate within the meaning of
22 the Property Tax Extension Limitation Law or the One-year
23 Property Tax Extension Limitation Law.

24 The rate at which taxes may be levied for the fiscal year
25 beginning September 1, 1996, for educational purposes shall be
26 the full rate authorized by this Section for such taxes for

1 fiscal years ending after 1995.

2 (Source: P.A. 99-521, eff. 6-1-17.)

3 Section 970. The Educational Opportunity for Military
4 Children Act is amended by changing Section 25 as follows:

5 (105 ILCS 70/25)

6 Sec. 25. Tuition for children of active duty military
7 personnel who are transfer students. If a student who is a
8 child of active duty military personnel is (i) placed with a
9 non-custodial parent and (ii) as a result of placement, must
10 attend a non-resident school district, then the student must
11 not be charged the tuition of the school that the student
12 attends as a result of placement with the non-custodial parent
13 and the student must be counted in the calculation of average
14 daily attendance under Section 18-8.05 or 18-8.15 of the School
15 Code.

16 (Source: P.A. 98-673, eff. 6-30-14.)

17 Section 995. Inseverability. The provisions of this Act are
18 mutually dependent and inseverable. If any provision is held
19 invalid other than as applied to a particular person or
20 circumstance, then this entire Act is invalid.

21 Section 997. Savings clause. Any repeal or amendment made
22 by this Act shall not affect or impair any of the following:

1 suits pending or rights existing at the time this Act takes
2 effect; any grant or conveyance made or right acquired or cause
3 of action now existing under any Section, Article, or Act
4 repealed or amended by this Act; the validity of any bonds or
5 other obligations issued or sold and constituting valid
6 obligations of the issuing authority at the time this Act takes
7 effect; the validity of any contract; the validity of any tax
8 levied under any law in effect prior to the effective date of
9 this Act; or any offense committed, act done, penalty,
10 punishment, or forfeiture incurred or any claim, right, power,
11 or remedy accrued under any law in effect prior to the
12 effective date of this Act.

13 Section 999. Effective date. This Act takes effect upon
14 becoming law."