



Sen. Jason A. Barickman

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1 AMENDMENT TO SENATE BILL 1124

2 AMENDMENT NO. _____. Amend Senate Bill 1124 by replacing
3 everything after the enacting clause with the following:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2 Sec. 13.2. Transfers among line item appropriations.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 made.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (35 ILCS 200/18-200)

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

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

11 (35 ILCS 200/18-249)

12 Sec. 18-249. Miscellaneous provisions.

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

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

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

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

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

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

9 (50 ILCS 470/33)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 Section 25. The County Economic Development Project Area

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2 Sec. 50. Special tax allocation fund.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (H) Inadequate utilities. Underground and overhead

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

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

1 inadequate provision for loading and service.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 quarries, mines, or strip mine ponds.

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

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

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

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

1 purpose.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 including reasonable reserves related thereto;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 the redevelopment project area or projects;

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

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

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

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

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

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

21 (9) Payment in lieu of taxes;

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (11.5) If the redevelopment project area is located

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 Section 40. The Economic Development Project Area Tax

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

3 (65 ILCS 110/50)

4 Sec. 50. Special tax allocation fund.

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

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

1 the adoption of tax increment allocation financing.

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

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

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

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

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

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

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

6 Section 45. The School Code is amended by changing Sections
7 1A-8, 1B-5, 1B-6, 1B-7, 1B-8, 1C-1, 1D-1, 1E-20, 1F-20, 1F-62,
8 1H-20, 1H-70, 2-3.33, 2-3.51.5, 2-3.66, 2-3.66b, 2-3.84,
9 2-3.109a, 3-14.21, 7-14A, 10-17a, 10-19, 10-22.5a, 10-22.20,
10 10-29, 11E-135, 13A-8, 13B-20.20, 13B-45, 13B-50, 13B-50.10,
11 13B-50.15, 14-7.02b, 14-13.01, 14C-1, 14C-12, 17-1, 17-1.2,
12 17-1.5, 17-2.11, 17-2A, 18-4.3, 18-8.05, 18-8.10, 18-9, 18-12,
13 24-12, 26-16, 27-8.1, 27A-9, 27A-11, 27A-11.5, 34-2.3, 34-18,
14 34-18.30, and 34-43.1 and by adding Section 18-8.15 as follows:

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

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

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

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

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

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

1 of this Code.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

5 (a) to sue and be sued;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 funding.

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

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

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

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

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

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

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

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

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

6 (105 ILCS 5/1C-1)

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

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

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

17 (105 ILCS 5/1D-1)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10 (105 ILCS 5/1E-20)

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

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

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

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

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

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

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

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

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

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

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

9 (105 ILCS 5/1F-20)

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

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

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

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

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

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

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

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

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

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

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

8 (105 ILCS 5/1F-62)

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

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

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

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

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

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

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

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

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

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

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

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

1 by the School Finance Authority.

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

3 (105 ILCS 5/1H-20)

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

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

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

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

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

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

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

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

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

19 (105 ILCS 5/1H-70)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 (105 ILCS 5/2-3.51.5)

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

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

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

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

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

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

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

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

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

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

20 (105 ILCS 5/2-3.66b)

21 Sec. 2-3.66b. IHOPE Program.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 high school diploma.

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

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

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

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

17 (4) Voluntary enrollment.

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

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

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

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

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

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

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

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

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

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

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

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

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

17 (105 ILCS 5/2-3.109a)

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

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

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

2 Sec. 3-14.21. Inspection of schools.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 respects courses of instruction.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 the Illinois Community College Board;

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

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

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

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

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

1 Community College Board, multiplied by the following:

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

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

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

19 (4) (Blank); and

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

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

1 set by the Illinois Community College Board.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

14 (105 ILCS 5/10-29)

15 Sec. 10-29. Remote educational programs.

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

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

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

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

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

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

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

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

1 with the remote educational program.

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

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

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

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

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

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

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

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

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

1 limited to, all of the following:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

24 (105 ILCS 5/11E-135)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

9 (A) If the effective date for the elementary opt-in is
10 one year after the effective date for the optional
11 elementary unit district, 100% of the calculated excess
12 shall be paid to the optional elementary unit district in
13 each of the first 4 years after the effective date of the
14 elementary opt-in.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 then the excess must be paid as follows:

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

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

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

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

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

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

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

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

1 gaining territory and the district losing territory as they
2 each were constituted on June 30 preceding the date when the
3 change of boundaries attributable to the annexation became
4 effective for all purposes as determined under Section 7-9 of
5 this Code. For the first 4 years after the annexation, a
6 supplementary State aid reimbursement shall be paid to the
7 annexing district equal to the difference between the sum of
8 the salaries earned by each of the certificated members of the
9 annexing district as constituted after the annexation while
10 employed in the district gaining territory or the district
11 losing territory during the year immediately preceding the
12 annexation and the sum of the salaries those certificated
13 members would have been paid during such immediately preceding
14 year if placed on the salary schedule of whichever of the
15 district gaining territory or district losing territory had the
16 highest salary schedule during the immediately preceding year.
17 To be eligible for supplementary State aid reimbursement under
18 this Section, the intergovernmental agreement to be submitted
19 pursuant to Section 7-14A of this Code must show that staff
20 members were transferred from the control of the district
21 losing territory to the control of the district gaining
22 territory in the annexation. The changes to this Section made
23 by Public Act 95-707 are intended to be retroactive and
24 applicable to any annexation taking effect on or after July 1,
25 2004. For annexations that are eligible for payments under this
26 paragraph (5.10) and that are effective on or after July 1,

1 2004, but before January 11, 2008 (the effective date of Public
2 Act 95-707), the first required yearly payment under this
3 paragraph (5.10) shall be paid in the fiscal year of January
4 11, 2008 (the effective date of Public Act 95-707). Subsequent
5 required yearly payments shall be paid in subsequent fiscal
6 years until the payment obligation under this paragraph (5.10)
7 is complete.

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

1 (6) The supplementary State aid reimbursement under this
2 subsection (b) shall be treated as separate from all other
3 payments made pursuant to Section 18-8.05 of this Code. In the
4 case of the formation of a new district or cooperative high
5 school or a deactivation, reimbursement shall begin during the
6 first year of operation of the new district or cooperative high
7 school or the first year of the deactivation, and in the case
8 of an annexation of the territory of one or more school
9 districts by one or more other school districts or the
10 annexation of territory detached from a school district whereby
11 the enrollment of the annexing district increases by 90% or
12 more as a result of the annexation, reimbursement shall begin
13 during the first year when the change in boundaries
14 attributable to the annexation becomes effective for all
15 purposes as determined pursuant to Section 7-9 of this Code,
16 except that for an annexation of territory detached from a
17 school district that is effective on or after July 1, 2004, but
18 before January 11, 2008 (the effective date of Public Act
19 95-707), whereby the enrollment of the annexing district
20 increases by 90% or more as a result of the annexation,
21 reimbursement shall begin during the fiscal year of January 11,
22 2008 (the effective date of Public Act 95-707). Each year that
23 the new, annexing, or receiving district or cooperative high
24 school, as the case may be, is entitled to receive
25 reimbursement, the number of eligible certified members who are
26 employed on October 1 in the district or cooperative high

1 school shall be certified to the State Board of Education on
2 prescribed forms by October 15 and payment shall be made on or
3 before November 15 of that year.

4 (c) (1) For the first year after the formation of a combined
5 school district, as defined in Section 11E-20 of this Code or a
6 unit district, as defined in Section 11E-25 of this Code, a
7 computation shall be made totaling each previously existing
8 district's audited fund balances in the educational fund,
9 working cash fund, operations and maintenance fund, and
10 transportation fund for the year ending June 30 prior to the
11 referendum for the creation of the new district. The new
12 district shall be paid supplementary State aid equal to the sum
13 of the differences between the deficit of the previously
14 existing district with the smallest deficit and the deficits of
15 each of the other previously existing districts.

16 (2) For the first year after the annexation of all of the
17 territory of one or more entire school districts by another
18 school district, as defined in Article 7 of this Code,
19 computations shall be made, for the year ending June 30 prior
20 to the date that the change of boundaries attributable to the
21 annexation is allowed by the affirmative decision issued by the
22 regional board of school trustees under Section 7-6 of this
23 Code, notwithstanding any effort to seek administrative review
24 of the decision, totaling the annexing district's and totaling
25 each annexed district's audited fund balances in their
26 respective educational, working cash, operations and

1 maintenance, and transportation funds. The annexing district
2 as constituted after the annexation shall be paid supplementary
3 State aid equal to the sum of the differences between the
4 deficit of whichever of the annexing or annexed districts as
5 constituted prior to the annexation had the smallest deficit
6 and the deficits of each of the other districts as constituted
7 prior to the annexation.

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

1 this paragraph (3) shall be allocated between or among the
2 annexing districts as follows:

3 (A) the regional superintendent of schools for each
4 educational service region in which an annexed district is
5 located prior to the annexation shall certify to the State
6 Board of Education, on forms that it shall provide for that
7 purpose, the value of all taxable property in each annexed
8 district, as last equalized or assessed by the Department
9 of Revenue prior to the annexation, and the equalized
10 assessed value of each part of the annexed district that
11 was annexed to or included as a part of an annexing
12 district;

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

22 (C) the aggregate supplementary State aid payment
23 under this paragraph (3) shall be allocated between or
24 among, and shall be paid to, the annexing districts in the
25 same ratio as the sum of the combined audited fund balance
26 deficit of each annexing district as constituted prior to

1 the annexation, plus all combined audited fund balance
2 deficit amounts apportioned to that annexing district
3 under clause (B) of this subsection, bears to the aggregate
4 of the combined audited fund balance deficits of all of the
5 annexing and annexed districts as constituted prior to the
6 annexation.

7 (4) For the new elementary districts and new high school
8 district formed through a school district conversion, as
9 defined in Section 11E-15 of this Code or the new elementary
10 district or districts and new combined high school - unit
11 district formed through a multi-unit conversion, as defined in
12 subsection (b) of Section 11E-30 of this Code, a computation
13 shall be made totaling each previously existing district's
14 audited fund balances in the educational fund, working cash
15 fund, operations and maintenance fund, and transportation fund
16 for the year ending June 30 prior to the referendum
17 establishing the new districts. In the first year of the new
18 districts, the State shall make a one-time supplementary
19 payment equal to the sum of the differences between the deficit
20 of the previously existing district with the smallest deficit
21 and the deficits of each of the other previously existing
22 districts. A district with a combined balance among the 4 funds
23 that is positive shall be considered to have a deficit of zero.
24 The supplementary payment shall be allocated among the newly
25 formed high school and elementary districts in the manner
26 provided by the petition for the formation of the districts, in

1 the form in which the petition is approved by the regional
2 superintendent of schools or State Superintendent of Education
3 under Section 11E-50 of this Code.

4 (5) For each newly created partial elementary unit
5 district, as defined in subsection (a) or (c) of Section 11E-30
6 of this Code, a computation shall be made totaling the audited
7 fund balances of each previously existing district that formed
8 the new partial elementary unit district in the educational
9 fund, working cash fund, operations and maintenance fund, and
10 transportation fund for the year ending June 30 prior to the
11 referendum for the formation of the partial elementary unit
12 district. In the first year of the new partial elementary unit
13 district, the State shall make a one-time supplementary payment
14 to the new district equal to the sum of the differences between
15 the deficit of the previously existing district with the
16 smallest deficit and the deficits of each of the other
17 previously existing districts. A district with a combined
18 balance among the 4 funds that is positive shall be considered
19 to have a deficit of zero.

20 (6) For an elementary opt-in as defined in subsection (d)
21 of Section 11E-30 of this Code, the deficit fund balance
22 incentive shall be computed in accordance with paragraph (5) of
23 this subsection (c) as if the opted-in elementary was included
24 in the optional elementary unit district at the optional
25 elementary unit district's original effective date. If the
26 calculation in this paragraph (6) is less than that calculated

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

8 (A) If the effective date for the elementary opt-in is
9 one year after the effective date for the optional
10 elementary unit district, 100% of the calculated excess
11 shall be paid to the optional elementary unit district in
12 the first year after the effective date of the elementary
13 opt-in.

14 (B) If the effective date for the elementary opt-in is
15 2 years after the effective date for the optional
16 elementary unit district, 75% of the calculated excess
17 shall be paid to the optional elementary unit district in
18 the first year after the effective date of the elementary
19 opt-in.

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

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

1 4 years after the effective date for the optional
2 elementary unit district, 25% of the calculated excess
3 shall be paid to the optional elementary unit district in
4 the first year after the effective date of the elementary
5 opt-in.

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

11 (6.5) For the first year after the annexation of territory
12 detached from another school district whereby the enrollment of
13 the annexing district increases by 90% or more as a result of
14 the annexation, a computation shall be made totaling the
15 audited fund balances of the district gaining territory and the
16 audited fund balances of the district losing territory in the
17 educational fund, working cash fund, operations and
18 maintenance fund, and transportation fund for the year ending
19 June 30 prior to the date that the change of boundaries
20 attributable to the annexation is allowed by the affirmative
21 decision of the regional board of school trustees under Section
22 7-6 of this Code, notwithstanding any action for administrative
23 review of the decision. The annexing district as constituted
24 after the annexation shall be paid supplementary State aid
25 equal to the difference between the deficit of whichever
26 district included in this calculation as constituted prior to

1 the annexation had the smallest deficit and the deficit of each
2 other district included in this calculation as constituted
3 prior to the annexation, multiplied by the ratio of equalized
4 assessed value of the territory detached to the total equalized
5 assessed value of the district losing territory. The regional
6 superintendent of schools for the educational service region in
7 which a district losing territory is located prior to the
8 annexation shall certify to the State Board of Education the
9 value of all taxable property in the district losing territory
10 and the value of all taxable property in the territory being
11 detached, as last equalized or assessed by the Department of
12 Revenue prior to the annexation. To be eligible for
13 supplementary State aid reimbursement under this Section, the
14 intergovernmental agreement to be submitted pursuant to
15 Section 7-14A of this Code must show that fund balances were
16 transferred from the district losing territory to the district
17 gaining territory in the annexation. The changes to this
18 Section made by Public Act 95-707 are intended to be
19 retroactive and applicable to any annexation taking effect on
20 or after July 1, 2004. For annexations that are eligible for
21 payments under this paragraph (6.5) and that are effective on
22 or after July 1, 2004, but before January 11, 2008 (the
23 effective date of Public Act 95-707), the required payment
24 under this paragraph (6.5) shall be paid in the fiscal year of
25 January 11, 2008 (the effective date of Public Act 95-707).

26 (7) For purposes of any calculation required under

1 paragraph (1), (2), (3), (4), (5), (6), or (6.5) of this
2 subsection (c), a district with a combined fund balance that is
3 positive shall be considered to have a deficit of zero. For
4 purposes of determining each district's audited fund balances
5 in its educational fund, working cash fund, operations and
6 maintenance fund, and transportation fund for the specified
7 year ending June 30, as provided in paragraphs (1), (2), (3),
8 (4), (5), (6), and (6.5) of this subsection (c), the balance of
9 each fund shall be deemed decreased by an amount equal to the
10 amount of the annual property tax theretofore levied in the
11 fund by the district for collection and payment to the district
12 during the calendar year in which the June 30 fell, but only to
13 the extent that the tax so levied in the fund actually was
14 received by the district on or before or comprised a part of
15 the fund on such June 30. For purposes of determining each
16 district's audited fund balances, a calculation shall be made
17 for each fund to determine the average for the 3 years prior to
18 the specified year ending June 30, as provided in paragraphs
19 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c),
20 of the district's expenditures in the categories "purchased
21 services", "supplies and materials", and "capital outlay", as
22 those categories are defined in rules of the State Board of
23 Education. If this 3-year average is less than the district's
24 expenditures in these categories for the specified year ending
25 June 30, as provided in paragraphs (1), (2), (3), (4), (5),
26 (6), and (6.5) of this subsection (c), then the 3-year average

1 shall be used in calculating the amounts payable under this
2 Section in place of the amounts shown in these categories for
3 the specified year ending June 30, as provided in paragraphs
4 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c).
5 Any deficit because of State aid not yet received may not be
6 considered in determining the June 30 deficits. The same basis
7 of accounting shall be used by all previously existing
8 districts and by all annexing or annexed districts, as
9 constituted prior to the annexation, in making any computation
10 required under paragraphs (1), (2), (3), (4), (5), (6), and
11 (6.5) of this subsection (c).

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

15 (d)(1) Following the formation of a combined school
16 district, as defined in Section 11E-20 of this Code, a new unit
17 district, as defined in Section 11E-25 of this Code, a new
18 elementary district or districts and a new high school district
19 formed through a school district conversion, as defined in
20 Section 11E-15 of this Code, a new partial elementary unit
21 district, as defined in Section 11E-30 of this Code, or a new
22 elementary district or districts formed through a multi-unit
23 conversion, as defined in subsection (b) of Section 11E-30 of
24 this Code, or the annexation of all of the territory of one or
25 more entire school districts by one or more other school
26 districts, as defined in Article 7 of this Code, a

1 supplementary State aid reimbursement shall be paid for the
 2 number of school years determined under the following table to
 3 each new or annexing district equal to the sum of \$4,000 for
 4 each certified employee who is employed by the district on a
 5 full-time basis for the regular term of the school year:

6	Reorganized District's Rank	Reorganized District's Rank		
7	by type of district (unit,	in Average Daily Attendance		
8	high school, elementary)	By Quintile		
9	in Equalized Assessed Value			
10	Per Pupil by Quintile			
11				3rd, 4th,
12		1st	2nd	or 5th
13		Quintile	Quintile	Quintile
14	1st Quintile	1 year	1 year	1 year
15	2nd Quintile	1 year	2 years	2 years
16	3rd Quintile	2 years	3 years	3 years
17	4th Quintile	2 years	3 years	3 years
18	5th Quintile	2 years	3 years	3 years

19 The State Board of Education shall make a one-time calculation
 20 of a reorganized district's quintile ranks. The average daily
 21 attendance used in this calculation shall be the best 3 months'
 22 average daily attendance for the district's first year. The
 23 equalized assessed value per pupil shall be the district's real
 24 property equalized assessed value used in calculating the

1 district's first-year general State aid claim, under Section
2 18-8.05 of this Code, or first-year evidence-based funding
3 claim, under Section 18-8.15 of this Code, as applicable,
4 divided by the best 3 months' average daily attendance.

5 No annexing or resulting school district shall be entitled
6 to supplementary State aid under this subsection (d) unless the
7 district acquires at least 30% of the average daily attendance
8 of the district from which the territory is being detached or
9 divided.

10 If a district results from multiple reorganizations that
11 would otherwise qualify the district for multiple payments
12 under this subsection (d) in any year, then the district shall
13 receive a single payment only for that year based solely on the
14 most recent reorganization.

15 (2) For an elementary opt-in, as defined in subsection (d)
16 of Section 11E-30 of this Code, the full-time certified staff
17 incentive shall be computed in accordance with paragraph (1) of
18 this subsection (d), equal to the sum of \$4,000 for each
19 certified employee of the elementary district that opts-in who
20 is employed by the optional elementary unit district on a
21 full-time basis for the regular term of the school year. The
22 calculation from this paragraph (2) must be paid as follows:

23 (A) If the effective date for the elementary opt-in is
24 one year after the effective date for the optional
25 elementary unit district, 100% of the amount calculated in
26 this paragraph (2) shall be paid to the optional elementary

1 unit district for the number of years calculated in
2 paragraph (1) of this subsection (d) at the optional
3 elementary unit district's original effective date,
4 starting in the second year after the effective date of the
5 elementary opt-in.

6 (B) If the effective date for the elementary opt-in is
7 2 years after the effective date for the optional
8 elementary unit district, 75% of the amount calculated in
9 this paragraph (2) shall be paid to the optional elementary
10 unit district for the number of years calculated in
11 paragraph (1) of this subsection (d) at the optional
12 elementary unit district's original effective date,
13 starting in the second year after the effective date of the
14 elementary opt-in.

15 (C) If the effective date for the elementary opt-in is
16 3 years after the effective date for the optional
17 elementary unit district, 50% of the amount calculated in
18 this paragraph (2) shall be paid to the optional elementary
19 unit district for the number of years calculated in
20 paragraph (1) of this subsection (d) at the optional
21 elementary unit district's original effective date,
22 starting in the second year after the effective date of the
23 elementary opt-in.

24 (D) If the effective date for the elementary opt-in is
25 4 years after the effective date for the optional
26 elementary unit district, 25% of the amount calculated in

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

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

12 (2.5) Following the formation of a cooperative high school
13 by 2 or more school districts under Section 10-22.22c of this
14 Code, a supplementary State aid reimbursement shall be paid for
15 3 school years to the cooperative high school equal to the sum
16 of \$4,000 for each certified employee who is employed by the
17 cooperative high school on a full-time basis for the regular
18 term of any such school year. If a cooperative high school
19 results from multiple agreements that would otherwise qualify
20 the cooperative high school for multiple payments under this
21 Section in any year, the cooperative high school shall receive
22 a single payment for that year based solely on the most recent
23 agreement.

24 (2.10) Following the annexation of territory detached from
25 another school district whereby the enrollment of the annexing
26 district increases 90% or more as a result of the annexation, a

1 supplementary State aid reimbursement shall be paid to the
2 annexing district equal to the sum of \$4,000 for each certified
3 employee who is employed by the annexing district on a
4 full-time basis and shall be calculated in accordance with
5 subsection (a) of this Section. To be eligible for
6 supplementary State aid reimbursement under this Section, the
7 intergovernmental agreement to be submitted pursuant to
8 Section 7-14A of this Code must show that certified staff
9 members were transferred from the control of the district
10 losing territory to the control of the district gaining
11 territory in the annexation. The changes to this Section made
12 by Public Act 95-707 are intended to be retroactive and
13 applicable to any annexation taking effect on or after July 1,
14 2004. For annexations that are eligible for payments under this
15 paragraph (2.10) and that are effective on or after July 1,
16 2004, but before January 11, 2008 (the effective date of Public
17 Act 95-707), the first required yearly payment under this
18 paragraph (2.10) shall be paid in the second fiscal year after
19 January 11, 2008 (the effective date of Public Act 95-707). Any
20 subsequent required yearly payments shall be paid in subsequent
21 fiscal years until the payment obligation under this paragraph
22 (2.10) is complete.

23 (2.15) Following the deactivation of a school facility in
24 accordance with Section 10-22.22b of this Code, a supplementary
25 State aid reimbursement shall be paid for the lesser of 3
26 school years or the length of the deactivation agreement,

1 including any renewals of the original deactivation agreement,
2 to each receiving school district equal to the sum of \$4,000
3 for each certified employee who is employed by that receiving
4 district on a full-time basis for the regular term of any such
5 school year who was originally transferred to the control of
6 that receiving district as a result of the deactivation.
7 Receiving districts are eligible for payments under this
8 paragraph (2.15) based on the certified employees transferred
9 to that receiving district as a result of the deactivation and
10 are not required to receive at least 30% of the deactivating
11 district's average daily attendance as required under
12 paragraph (1) of this subsection (d) to be eligible for
13 payments.

14 (3) The supplementary State aid reimbursement payable
15 under this subsection (d) shall be separate from and in
16 addition to all other payments made to the district pursuant to
17 any other Section of this Article.

18 (4) During May of each school year for which a
19 supplementary State aid reimbursement is to be paid to a new,
20 annexing, or receiving school district or cooperative high
21 school pursuant to this subsection (d), the school board or
22 governing board shall certify to the State Board of Education,
23 on forms furnished to the school board or governing board by
24 the State Board of Education for purposes of this subsection
25 (d), the number of certified employees for which the district
26 or cooperative high school is entitled to reimbursement under

1 this Section, together with the names, certificate numbers, and
2 positions held by the certified employees.

3 (5) Upon certification by the State Board of Education to
4 the State Comptroller of the amount of the supplementary State
5 aid reimbursement to which a school district or cooperative
6 high school is entitled under this subsection (d), the State
7 Comptroller shall draw his or her warrant upon the State
8 Treasurer for the payment thereof to the school district or
9 cooperative high school and shall promptly transmit the payment
10 to the school district or cooperative high school through the
11 appropriate school treasurer.

12 (Source: P.A. 95-331, eff. 8-21-07; 95-707, eff. 1-11-08;
13 95-903, eff. 8-25-08; 96-328, eff. 8-11-09.)

14 (105 ILCS 5/13A-8)
15 Sec. 13A-8. Funding.

16 (a) The State of Illinois shall provide funding for the
17 alternative school programs within each educational service
18 region and within the Chicago public school system by line item
19 appropriation made to the State Board of Education for that
20 purpose. This money, when appropriated, shall be provided to
21 the regional superintendent and to the Chicago Board of
22 Education, who shall establish a budget, including salaries,
23 for their alternative school programs. Each program shall
24 receive funding in the amount of \$30,000 plus an amount based
25 on the ratio of the region's or Chicago's best 3 months'

1 average daily attendance in grades pre-kindergarten through 12
2 to the statewide totals of these amounts. For purposes of this
3 calculation, the best 3 months' average daily attendance for
4 each region or Chicago shall be calculated by adding to the
5 best 3 months' average daily attendance the number of
6 low-income students identified in the most recently available
7 federal census multiplied by one-half times the percentage of
8 the region's or Chicago's low-income students to the State's
9 total low-income students. The State Board of Education shall
10 retain up to 1.1% of the appropriation to be used to provide
11 technical assistance, professional development, and
12 evaluations for the programs.

13 (a-5) Notwithstanding any other provisions of this
14 Section, for the 1998-1999 fiscal year, the total amount
15 distributed under subsection (a) for an alternative school
16 program shall be not less than the total amount that was
17 distributed under that subsection for that alternative school
18 program for the 1997-1998 fiscal year. If an alternative school
19 program is to receive a total distribution under subsection (a)
20 for the 1998-1999 fiscal year that is less than the total
21 distribution that the program received under that subsection
22 for the 1997-1998 fiscal year, that alternative school program
23 shall also receive, from a separate appropriation made for
24 purposes of this subsection (a-5), a supplementary payment
25 equal to the amount by which its total distribution under
26 subsection (a) for the 1997-1998 fiscal year exceeds the amount

1 of the total distribution that the alternative school program
2 receives under that subsection for the 1998-1999 fiscal year.
3 If the amount appropriated for supplementary payments to
4 alternative school programs under this subsection (a-5) is
5 insufficient for that purpose, those supplementary payments
6 shall be prorated among the alternative school programs
7 entitled to receive those supplementary payments according to
8 the aggregate amount of the appropriation made for purposes of
9 this subsection (a-5).

10 (b) An alternative school program shall be entitled to
11 receive general State aid as calculated in subsection (K) of
12 Section 18-8.05 or evidence-based funding as calculated in
13 subsection (g) of Section 18-8.15 upon filing a claim as
14 provided therein. Any time that a student who is enrolled in an
15 alternative school program spends in work-based learning,
16 community service, or a similar alternative educational
17 setting shall be included in determining the student's minimum
18 number of clock hours of daily school work that constitute a
19 day of attendance for purposes of calculating general State aid
20 or evidence-based funding.

21 (c) An alternative school program may receive additional
22 funding from its school districts in such amount as may be
23 agreed upon by the parties and necessary to support the
24 program. In addition, an alternative school program is
25 authorized to accept and expend gifts, legacies, and grants,
26 including but not limited to federal grants, from any source

1 for purposes directly related to the conduct and operation of
2 the program.

3 (Source: P.A. 89-383, eff. 8-18-95; 89-629, eff. 8-9-96;
4 89-636, eff. 8-9-96; 90-14, eff. 7-1-97; 90-283, eff. 7-31-97;
5 90-802, eff. 12-15-98.)

6 (105 ILCS 5/13B-20.20)

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

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

15 (105 ILCS 5/13B-45)

16 Sec. 13B-45. Days and hours of attendance. An alternative
17 learning opportunities program shall provide students with at
18 least the minimum number of days of pupil attendance required
19 under Section 10-19 of this Code and the minimum number of
20 daily hours of school work required under Section 18-8.05 or
21 18-8.15 of this Code, provided that the State Board may approve
22 exceptions to these requirements if the program meets all of
23 the following conditions:

24 (1) The district plan submitted under Section

1 13B-25.15 of this Code establishes that a program providing
2 the required minimum number of days of attendance or daily
3 hours of school work would not serve the needs of the
4 program's students.

5 (2) Each day of attendance shall provide no fewer than
6 3 clock hours of school work, as defined under paragraph
7 (1) of subsection (F) of Section 18-8.05 of this Code.

8 (3) Each day of attendance that provides fewer than 5
9 clock hours of school work shall also provide supplementary
10 services, including without limitation work-based
11 learning, student assistance programs, counseling, case
12 management, health and fitness programs, or life-skills or
13 conflict resolution training, in order to provide a total
14 daily program to the student of 5 clock hours. A program
15 may claim general State aid or evidence-based funding for
16 up to 2 hours of the time each day that a student is
17 receiving supplementary services.

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

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

24 (105 ILCS 5/13B-50)

25 Sec. 13B-50. Eligibility to receive general State aid or

1 evidence-based funding. In order to receive general State aid
2 or evidence-based funding, alternative learning opportunities
3 programs must meet the requirements for claiming general State
4 aid as specified in Section 18-8.05 of this Code or
5 evidence-based funding as specified in Section 18-8.15 of this
6 Code, as applicable, with the exception of the length of the
7 instructional day, which may be less than 5 hours of school
8 work if the program meets the criteria set forth under Sections
9 13B-50.5 and 13B-50.10 of this Code and if the program is
10 approved by the State Board.

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

12 (105 ILCS 5/13B-50.10)

13 Sec. 13B-50.10. Additional criteria for general State aid
14 or evidence-based funding. In order to claim general State aid
15 or evidence-based funding, an alternative learning
16 opportunities program must meet the following criteria:

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

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

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

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

24 (105 ILCS 5/13B-50.15)

1 Sec. 13B-50.15. Level of funding. Approved alternative
2 learning opportunities programs are entitled to claim general
3 State aid or evidence-based funding, subject to Sections
4 13B-50, 13B-50.5, and 13B-50.10 of this Code. Approved programs
5 operated by regional offices of education are entitled to
6 receive general State aid at the foundation level of support. A
7 school district or consortium must ensure that an approved
8 program receives supplemental general State aid,
9 transportation reimbursements, and special education
10 resources, if appropriate, for students enrolled in the
11 program.

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

13 (105 ILCS 5/14-7.02b)

14 Sec. 14-7.02b. Funding for children requiring special
15 education services. Payments to school districts for children
16 requiring special education services documented in their
17 individualized education program regardless of the program
18 from which these services are received, excluding children
19 claimed under Sections 14-7.02 and 14-7.03 of this Code, shall
20 be made in accordance with this Section. Funds received under
21 this Section may be used only for the provision of special
22 educational facilities and services as defined in Section
23 14-1.08 of this Code.

24 The appropriation for fiscal year 2005 through fiscal year
25 2017 ~~and thereafter~~ shall be based upon the IDEA child count of

1 all students in the State, excluding students claimed under
2 Sections 14-7.02 and 14-7.03 of this Code, on December 1 of the
3 fiscal year 2 years preceding, multiplied by 17.5% of the
4 general State aid foundation level of support established for
5 that fiscal year under Section 18-8.05 of this Code.

6 Beginning with fiscal year 2005 and through fiscal year
7 2007, individual school districts shall not receive payments
8 under this Section totaling less than they received under the
9 funding authorized under Section 14-7.02a of this Code during
10 fiscal year 2004, pursuant to the provisions of Section
11 14-7.02a as they were in effect before the effective date of
12 this amendatory Act of the 93rd General Assembly. This base
13 level funding shall be computed first.

14 Beginning with fiscal year 2008 through fiscal year 2017
15 ~~and each fiscal year thereafter~~, individual school districts
16 must not receive payments under this Section totaling less than
17 they received in fiscal year 2007. This funding shall be
18 computed last and shall be a separate calculation from any
19 other calculation set forth in this Section. This amount is
20 exempt from the requirements of Section 1D-1 of this Code.

21 Through fiscal year 2017, an ~~An~~ amount equal to 85% of the
22 funds remaining in the appropriation shall be allocated to
23 school districts based upon the district's average daily
24 attendance reported for purposes of Section 18-8.05 of this
25 Code for the preceding school year. Fifteen percent of the
26 funds remaining in the appropriation shall be allocated to

1 school districts based upon the district's low income eligible
2 pupil count used in the calculation of general State aid under
3 Section 18-8.05 of this Code for the same fiscal year. One
4 hundred percent of the funds computed and allocated to
5 districts under this Section shall be distributed and paid to
6 school districts.

7 For individual students with disabilities whose program
8 costs exceed 4 times the district's per capita tuition rate as
9 calculated under Section 10-20.12a of this Code, the costs in
10 excess of 4 times the district's per capita tuition rate shall
11 be paid by the State Board of Education from unexpended IDEA
12 discretionary funds originally designated for room and board
13 reimbursement pursuant to Section 14-8.01 of this Code. The
14 amount of tuition for these children shall be determined by the
15 actual cost of maintaining classes for these children, using
16 the per capita cost formula set forth in Section 14-7.01 of
17 this Code, with the program and cost being pre-approved by the
18 State Superintendent of Education. Reimbursement for
19 individual students with disabilities whose program costs
20 exceed 4 times the district's per capita tuition rate shall be
21 claimed beginning with costs encumbered for the 2004-2005
22 school year and thereafter.

23 The State Board of Education shall prepare vouchers equal
24 to one-fourth the amount allocated to districts, for
25 transmittal to the State Comptroller on the 30th day of
26 September, December, and March, respectively, and the final

1 voucher, no later than June 20. The Comptroller shall make
2 payments pursuant to this Section to school districts as soon
3 as possible after receipt of vouchers. If the money
4 appropriated from the General Assembly for such purposes for
5 any year is insufficient, it shall be apportioned on the basis
6 of the payments due to school districts.

7 Nothing in this Section shall be construed to decrease or
8 increase the percentage of all special education funds that are
9 allocated annually under Article 1D of this Code or to alter
10 the requirement that a school district provide special
11 education services.

12 Nothing in this amendatory Act of the 93rd General Assembly
13 shall eliminate any reimbursement obligation owed as of the
14 effective date of this amendatory Act of the 93rd General
15 Assembly to a school district with in excess of 500,000
16 inhabitants.

17 Except for reimbursement for individual students with
18 disabilities whose program costs exceed 4 times the district's
19 per capita tuition rate, no funding shall be provided to school
20 districts under this Section after fiscal year 2017.

21 (Source: P.A. 93-1022, eff. 8-24-08; 95-705, eff. 1-8-08.)

22 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

23 Sec. 14-13.01. Reimbursement payable by State; amounts for
24 personnel and transportation.

25 (a) Through fiscal year 2017, for ~~For~~ staff working on

1 behalf of children who have not been identified as eligible for
2 special education and for eligible children with physical
3 disabilities, including all eligible children whose placement
4 has been determined under Section 14-8.02 in hospital or home
5 instruction, 1/2 of the teacher's salary but not more than
6 \$1,000 annually per child or \$9,000 per teacher, whichever is
7 less.

8 (a-5) A child qualifies for home or hospital instruction if
9 it is anticipated that, due to a medical condition, the child
10 will be unable to attend school, and instead must be instructed
11 at home or in the hospital, for a period of 2 or more
12 consecutive weeks or on an ongoing intermittent basis. For
13 purposes of this Section, "ongoing intermittent basis" means
14 that the child's medical condition is of such a nature or
15 severity that it is anticipated that the child will be absent
16 from school due to the medical condition for periods of at
17 least 2 days at a time multiple times during the school year
18 totaling at least 10 days or more of absences. There shall be
19 no requirement that a child be absent from school a minimum
20 number of days before the child qualifies for home or hospital
21 instruction. In order to establish eligibility for home or
22 hospital services, a student's parent or guardian must submit
23 to the child's school district of residence a written statement
24 from a physician licensed to practice medicine in all of its
25 branches stating the existence of such medical condition, the
26 impact on the child's ability to participate in education, and

1 the anticipated duration or nature of the child's absence from
2 school. Home or hospital instruction may commence upon receipt
3 of a written physician's statement in accordance with this
4 Section, but instruction shall commence not later than 5 school
5 days after the school district receives the physician's
6 statement. Special education and related services required by
7 the child's IEP or services and accommodations required by the
8 child's federal Section 504 plan must be implemented as part of
9 the child's home or hospital instruction, unless the IEP team
10 or federal Section 504 plan team determines that modifications
11 are necessary during the home or hospital instruction due to
12 the child's condition.

13 (a-10) Through fiscal year 2017, eligible ~~Eligible~~
14 children to be included in any reimbursement under this
15 paragraph must regularly receive a minimum of one hour of
16 instruction each school day, or in lieu thereof of a minimum of
17 5 hours of instruction in each school week in order to qualify
18 for full reimbursement under this Section. If the attending
19 physician for such a child has certified that the child should
20 not receive as many as 5 hours of instruction in a school week,
21 however, reimbursement under this paragraph on account of that
22 child shall be computed proportionate to the actual hours of
23 instruction per week for that child divided by 5.

24 (a-15) The State Board of Education shall establish rules
25 governing the required qualifications of staff providing home
26 or hospital instruction.

1 (b) For children described in Section 14-1.02, 80% of the
2 cost of transportation approved as a related service in the
3 Individualized Education Program for each student in order to
4 take advantage of special educational facilities.
5 Transportation costs shall be determined in the same fashion as
6 provided in Section 29-5. For purposes of this subsection (b),
7 the dates for processing claims specified in Section 29-5 shall
8 apply.

9 (c) Through fiscal year 2017, for ~~For~~ each qualified
10 worker, the annual sum of \$9,000.

11 (d) Through fiscal year 2017, for ~~For~~ one full time
12 qualified director of the special education program of each
13 school district which maintains a fully approved program of
14 special education the annual sum of \$9,000. Districts
15 participating in a joint agreement special education program
16 shall not receive such reimbursement if reimbursement is made
17 for a director of the joint agreement program.

18 (e) (Blank).

19 (f) (Blank).

20 (g) Through fiscal year 2017, for ~~For~~ readers, working with
21 blind or partially seeing children 1/2 of their salary but not
22 more than \$400 annually per child. Readers may be employed to
23 assist such children and shall not be required to be certified
24 but prior to employment shall meet standards set up by the
25 State Board of Education.

26 (h) Through fiscal year 2017, for ~~For~~ non-certified

1 employees, as defined by rules promulgated by the State Board
2 of Education, who deliver services to students with IEPs, 1/2
3 of the salary paid or \$3,500 per employee, whichever is less.

4 (i) The State Board of Education shall set standards and
5 prescribe rules for determining the allocation of
6 reimbursement under this section on less than a full time basis
7 and for less than a school year.

8 When any school district eligible for reimbursement under
9 this Section operates a school or program approved by the State
10 Superintendent of Education for a number of days in excess of
11 the adopted school calendar but not to exceed 235 school days,
12 such reimbursement shall be increased by 1/180 of the amount or
13 rate paid hereunder for each day such school is operated in
14 excess of 180 days per calendar year.

15 Notwithstanding any other provision of law, any school
16 district receiving a payment under this Section or under
17 Section 14-7.02, 14-7.02b, or 29-5 of this Code may classify
18 all or a portion of the funds that it receives in a particular
19 fiscal year or from evidence-based funding ~~general State aid~~
20 pursuant to Section 18-8.15 ~~18-8.05~~ of this Code as funds
21 received in connection with any funding program for which it is
22 entitled to receive funds from the State in that fiscal year
23 (including, without limitation, any funding program referenced
24 in this Section), regardless of the source or timing of the
25 receipt. The district may not classify more funds as funds
26 received in connection with the funding program than the

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

22 (Source: P.A. 96-257, eff. 8-11-09; 97-123, eff. 7-14-11.)

23 (105 ILCS 5/14C-1) (from Ch. 122, par. 14C-1)

24 Sec. 14C-1. The General Assembly finds that there are large
25 numbers of children in this State who come from environments

1 where the primary language is other than English. Experience
2 has shown that public school classes in which instruction is
3 given only in English are often inadequate for the education of
4 children whose native tongue is another language. The General
5 Assembly believes that a program of transitional bilingual
6 education can meet the needs of these children and facilitate
7 their integration into the regular public school curriculum.
8 Therefore, pursuant to the policy of this State to ensure equal
9 educational opportunity to every child, and in recognition of
10 the educational needs of English learners, it is the purpose of
11 this Act to provide for the establishment of transitional
12 bilingual education programs in the public schools, to provide
13 supplemental financial assistance through fiscal year 2017 to
14 help local school districts meet the extra costs of such
15 programs, and to allow this State to directly or indirectly
16 provide technical assistance and professional development to
17 support transitional bilingual education programs statewide.

18 (Source: P.A. 99-30, eff. 7-10-15.)

19 (105 ILCS 5/14C-12) (from Ch. 122, par. 14C-12)

20 Sec. 14C-12. Account of expenditures; Cost report;
21 Reimbursement. Each school district with at least one English
22 learner shall keep an accurate, detailed and separate account
23 of all monies paid out by it for the programs in transitional
24 bilingual education required or permitted by this Article,
25 including transportation costs, and shall annually report

1 thereon for the school year ending June 30 indicating the
2 average per pupil expenditure. Through fiscal year 2017, each
3 ~~Each~~ school district shall be reimbursed for the amount by
4 which such costs exceed the average per pupil expenditure by
5 such school district for the education of children of
6 comparable age who are not in any special education program. No
7 funding shall be provided to school districts under this
8 Section after fiscal year 2017. In fiscal year 2018 and each
9 fiscal year thereafter, all funding received by a school
10 district from the State pursuant to Section 18-8.15 of this
11 Code that is attributable to instructions, supports, and
12 interventions for English learner pupils must be used for
13 programs and services authorized under this Article. At least
14 60% of transitional bilingual education funding received from
15 the State must be used for the instructional costs of programs
16 and services authorized under this Article ~~transitional~~
17 ~~bilingual education.~~

18 Applications for preapproval ~~for reimbursement~~ for costs
19 of transitional bilingual education programs must be submitted
20 to the State Superintendent of Education at least 60 days
21 before a transitional bilingual education program is started,
22 unless a justifiable exception is granted by the State
23 Superintendent of Education. Applications shall set forth a
24 plan for transitional bilingual education established and
25 maintained in accordance with this Article.

26 Through fiscal year 2017, reimbursement ~~Reimbursement~~

1 claims for transitional bilingual education programs shall be
2 made as follows:

3 Each school district shall claim reimbursement on a current
4 basis for the first 3 quarters of the fiscal year and file a
5 final adjusted claim for the school year ended June 30
6 preceding computed in accordance with rules prescribed by the
7 State Superintendent's Office. The State Superintendent of
8 Education before approving any such claims shall determine
9 their accuracy and whether they are based upon services and
10 facilities provided under approved programs. Upon approval he
11 shall transmit to the Comptroller the vouchers showing the
12 amounts due for school district reimbursement claims. Upon
13 receipt of the final adjusted claims the State Superintendent
14 of Education shall make a final determination of the accuracy
15 of such claims. If the money appropriated by the General
16 Assembly for such purpose for any year is insufficient, it
17 shall be apportioned on the basis of the claims approved.

18 Failure on the part of the school district to prepare and
19 certify the final adjusted claims due under this Section may
20 constitute a forfeiture by the school district of its right to
21 be reimbursed by the State under this Section.

22 (Source: P.A. 96-1170, eff. 1-1-11.)

23 (105 ILCS 5/17-1) (from Ch. 122, par. 17-1)

24 Sec. 17-1. Annual Budget. The board of education of each
25 school district under 500,000 inhabitants shall, within or

1 before the first quarter of each fiscal year, adopt and file
2 with the State Board of Education an annual balanced budget
3 which it deems necessary to defray all necessary expenses and
4 liabilities of the district, and in such annual budget shall
5 specify the objects and purposes of each item and amount needed
6 for each object or purpose.

7 The budget shall be entered upon a School District Budget
8 form prepared and provided by the State Board of Education and
9 therein shall contain a statement of the cash on hand at the
10 beginning of the fiscal year, an estimate of the cash expected
11 to be received during such fiscal year from all sources, an
12 estimate of the expenditures contemplated for such fiscal year,
13 and a statement of the estimated cash expected to be on hand at
14 the end of such year. The estimate of taxes to be received may
15 be based upon the amount of actual cash receipts that may
16 reasonably be expected by the district during such fiscal year,
17 estimated from the experience of the district in prior years
18 and with due regard for other circumstances that may
19 substantially affect such receipts. Nothing in this Section
20 shall be construed as requiring any district to change or
21 preventing any district from changing from a cash basis of
22 financing to a surplus or deficit basis of financing; or as
23 requiring any district to change or preventing any district
24 from changing its system of accounting. The budget shall
25 conform to the requirements adopted by the State Board of
26 Education pursuant to Section 2-3.28 of this Code.

1 To the extent that a school district's budget is not
2 balanced, the district shall also adopt and file with the State
3 Board of Education a deficit reduction plan to balance the
4 district's budget within 3 years. The deficit reduction plan
5 must be filed at the same time as the budget, but the State
6 Superintendent of Education may extend this deadline if the
7 situation warrants.

8 If, as the result of an audit performed in compliance with
9 Section 3-7 of this Code, the resulting Annual Financial Report
10 required to be submitted pursuant to Section 3-15.1 of this
11 Code reflects a deficit as defined for purposes of the
12 preceding paragraph, then the district shall, within 30 days
13 after acceptance of such audit report, submit a deficit
14 reduction plan.

15 The board of education of each district shall fix a fiscal
16 year therefor. If the beginning of the fiscal year of a
17 district is subsequent to the time that the tax levy due to be
18 made in such fiscal year shall be made, then such annual budget
19 shall be adopted prior to the time such tax levy shall be made.
20 The failure by a board of education of any district to adopt an
21 annual budget, or to comply in any respect with the provisions
22 of this Section, shall not affect the validity of any tax levy
23 of the district otherwise in conformity with the law. With
24 respect to taxes levied either before, on, or after the
25 effective date of this amendatory Act of the 91st General
26 Assembly, (i) a tax levy is made for the fiscal year in which

1 the levy is due to be made regardless of which fiscal year the
2 proceeds of the levy are expended or are intended to be
3 expended, and (ii) except as otherwise provided by law, a board
4 of education's adoption of an annual budget in conformity with
5 this Section is not a prerequisite to the adoption of a valid
6 tax levy and is not a limit on the amount of the levy.

7 Such budget shall be prepared in tentative form by some
8 person or persons designated by the board, and in such
9 tentative form shall be made conveniently available to public
10 inspection for at least 30 days prior to final action thereon.
11 At least 1 public hearing shall be held as to such budget prior
12 to final action thereon. Notice of availability for public
13 inspection and of such public hearing shall be given by
14 publication in a newspaper published in such district, at least
15 30 days prior to the time of such hearing. If there is no
16 newspaper published in such district, notice of such public
17 hearing shall be given by posting notices thereof in 5 of the
18 most public places in such district. It shall be the duty of
19 the secretary of such board to make such tentative budget
20 available to public inspection, and to arrange for such public
21 hearing. The board may from time to time make transfers between
22 the various items in any fund not exceeding in the aggregate
23 10% of the total of such fund as set forth in the budget. The
24 board may from time to time amend such budget by the same
25 procedure as is herein provided for its original adoption.

26 Beginning July 1, 1976, the board of education, or regional

1 superintendent, or governing board responsible for the
2 administration of a joint agreement shall, by September 1 of
3 each fiscal year thereafter, adopt an annual budget for the
4 joint agreement in the same manner and subject to the same
5 requirements as are provided in this Section.

6 The State Board of Education shall exercise powers and
7 duties relating to budgets as provided in Section 2-3.27 of
8 this Code and shall require school districts to submit their
9 annual budgets, deficit reduction plans, and other financial
10 information, including revenue and expenditure reports and
11 borrowing and interfund transfer plans, in such form and within
12 the timelines designated by the State Board of Education.

13 By fiscal year 1982 all school districts shall use the
14 Program Budget Accounting System.

15 In the case of a school district receiving emergency State
16 financial assistance under Article 1B, the school board shall
17 also be subject to the requirements established under Article
18 1B with respect to the annual budget.

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

20 (105 ILCS 5/17-1.2)

21 Sec. 17-1.2. Post annual budget on web site. If a school
22 district has an Internet web site, the school district shall
23 post its current annual budget, itemized by receipts and
24 expenditures, on the district's Internet web site. The budget
25 shall include information conforming to the rules adopted by

1 the State Board of Education pursuant to Section 2-3.28 of this
2 Code. The school district shall notify the parents or guardians
3 of its students that the budget has been posted on the
4 district's web site and what the web site's address is.

5 (Source: P.A. 92-438, eff. 1-1-02.)

6 (105 ILCS 5/17-1.5)

7 Sec. 17-1.5. Limitation of administrative costs.

8 (a) It is the purpose of this Section to establish
9 limitations on the growth of administrative expenditures in
10 order to maximize the proportion of school district resources
11 available for the instructional program, building maintenance,
12 and safety services for the students of each district.

13 (b) Definitions. For the purposes of this Section:

14 "Administrative expenditures" mean the annual expenditures
15 of school districts properly attributable to expenditure
16 functions defined by the rules of the State Board of Education
17 as: 2320 (Executive Administration Services); 2330 (Special
18 Area Administration Services); 2490 (Other Support Services -
19 School Administration); 2510 (Direction of Business Support
20 Services); 2570 (Internal Services); and 2610 (Direction of
21 Central Support Services); provided, however, that
22 "administrative expenditures" shall not include early
23 retirement or other pension system obligations required by
24 State law.

25 "School district" means all school districts having a

1 population of less than 500,000.

2 (c) For the 1998-99 school year and each school year
3 thereafter, each school district shall undertake budgetary and
4 expenditure control actions so that the increase in
5 administrative expenditures for that school year over the prior
6 school year does not exceed 5%. School districts with
7 administrative expenditures per pupil in the 25th percentile
8 and below for all districts of the same type, as defined by the
9 State Board of Education, may waive the limitation imposed
10 under this Section for any year following a public hearing and
11 with the affirmative vote of at least two-thirds of the members
12 of the school board of the district. Any district waiving the
13 limitation shall notify the State Board within 45 days of such
14 action.

15 (d) School districts shall file with the State Board of
16 Education by November 15, 1998 and by each November 15th
17 thereafter a one-page report that lists (i) the actual
18 administrative expenditures for the prior year from the
19 district's audited Annual Financial Report, and (ii) the
20 projected administrative expenditures for the current year
21 from the budget adopted by the school board pursuant to Section
22 17-1 of this Code.

23 If a school district that is ineligible to waive the
24 limitation imposed by subsection (c) of this Section by board
25 action exceeds the limitation solely because of circumstances
26 beyond the control of the district and the district has

1 exhausted all available and reasonable remedies to comply with
2 the limitation, the district may request a waiver pursuant to
3 Section 2-3.25g. The waiver application shall specify the
4 amount, nature, and reason for the relief requested, as well as
5 all remedies the district has exhausted to comply with the
6 limitation. Any emergency relief so requested shall apply only
7 to the specific school year for which the request is made. The
8 State Board of Education shall analyze all such waivers
9 submitted and shall recommend that the General Assembly
10 disapprove any such waiver requested that is not due solely to
11 circumstances beyond the control of the district and for which
12 the district has not exhausted all available and reasonable
13 remedies to comply with the limitation. The State
14 Superintendent shall have no authority to impose any sanctions
15 pursuant to this Section for any expenditures for which a
16 waiver has been requested until such waiver has been reviewed
17 by the General Assembly.

18 If the report and information required under this
19 subsection (d) are not provided by the school district in a
20 timely manner, or are subsequently determined by the State
21 Superintendent of Education to be incomplete or inaccurate, the
22 State Superintendent shall notify the district in writing of
23 reporting deficiencies. The school district shall, within 60
24 days of the notice, address the reporting deficiencies
25 identified.

26 (e) If the State Superintendent determines that a school

1 district has failed to comply with the administrative
2 expenditure limitation imposed in subsection (c) of this
3 Section, the State Superintendent shall notify the district of
4 the violation and direct the district to undertake corrective
5 action to bring the district's budget into compliance with the
6 administrative expenditure limitation. The district shall,
7 within 60 days of the notice, provide adequate assurance to the
8 State Superintendent that appropriate corrective actions have
9 been or will be taken. If the district fails to provide
10 adequate assurance or fails to undertake the necessary
11 corrective actions, the State Superintendent may impose
12 progressive sanctions against the district that may culminate
13 in withholding all subsequent payments of general State aid due
14 the district under Section 18-8.05 of this Code or
15 evidence-based funding due the district under Section 18-8.15
16 of this Code until the assurance is provided or the corrective
17 actions taken.

18 (f) The State Superintendent shall publish a list each year
19 of the school districts that violate the limitation imposed by
20 subsection (c) of this Section and a list of the districts that
21 waive the limitation by board action as provided in subsection
22 (c) of this Section.

23 (Source: P.A. 90-548, eff. 1-1-98; 90-653, eff. 7-29-98.)

24 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

25 Sec. 17-2.11. School board power to levy a tax or to borrow

1 money and issue bonds for fire prevention, safety, energy
2 conservation, accessibility, school security, and specified
3 repair purposes.

4 (a) Whenever, as a result of any lawful order of any
5 agency, other than a school board, having authority to enforce
6 any school building code applicable to any facility that houses
7 students, or any law or regulation for the protection and
8 safety of the environment, pursuant to the Environmental
9 Protection Act, any school district having a population of less
10 than 500,000 inhabitants is required to alter or reconstruct
11 any school building or permanent, fixed equipment; the district
12 may, by proper resolution, levy a tax for the purpose of making
13 such alteration or reconstruction, based on a survey report by
14 an architect or engineer licensed in this State, upon all of
15 the taxable property of the district at the value as assessed
16 by the Department of Revenue and at a rate not to exceed 0.05%
17 per year for a period sufficient to finance such alteration or
18 reconstruction, upon the following conditions:

19 (1) When there are not sufficient funds available in
20 the operations and maintenance fund of the school district,
21 the school facility occupation tax fund of the district, or
22 the fire prevention and safety fund of the district, as
23 determined by the district on the basis of rules adopted by
24 the State Board of Education, to make such alteration or
25 reconstruction or to purchase and install such permanent,
26 fixed equipment so ordered or determined as necessary.

1 Appropriate school district records must be made available
2 to the State Superintendent of Education, upon request, to
3 confirm this insufficiency.

4 (2) When a certified estimate of an architect or
5 engineer licensed in this State stating the estimated
6 amount necessary to make the alteration or reconstruction
7 or to purchase and install the equipment so ordered has
8 been secured by the school district, and the estimate has
9 been approved by the regional superintendent of schools
10 having jurisdiction over the district and the State
11 Superintendent of Education. Approval must not be granted
12 for any work that has already started without the prior
13 express authorization of the State Superintendent of
14 Education. If the estimate is not approved or is denied
15 approval by the regional superintendent of schools within 3
16 months after the date on which it is submitted to him or
17 her, the school board of the district may submit the
18 estimate directly to the State Superintendent of Education
19 for approval or denial.

20 In the case of an emergency situation, where the estimated
21 cost to effectuate emergency repairs is less than the amount
22 specified in Section 10-20.21 of this Code, the school district
23 may proceed with such repairs prior to approval by the State
24 Superintendent of Education, but shall comply with the
25 provisions of subdivision (2) of this subsection (a) as soon
26 thereafter as may be as well as Section 10-20.21 of this Code.

1 If the estimated cost to effectuate emergency repairs is
2 greater than the amount specified in Section 10-20.21 of this
3 Code, then the school district shall proceed in conformity with
4 Section 10-20.21 of this Code and with rules established by the
5 State Board of Education to address such situations. The rules
6 adopted by the State Board of Education to deal with these
7 situations shall stipulate that emergency situations must be
8 expedited and given priority consideration. For purposes of
9 this paragraph, an emergency is a situation that presents an
10 imminent and continuing threat to the health and safety of
11 students or other occupants of a facility, requires complete or
12 partial evacuation of a building or part of a building, or
13 consumes one or more of the 5 emergency days built into the
14 adopted calendar of the school or schools or would otherwise be
15 expected to cause such school or schools to fall short of the
16 minimum school calendar requirements.

17 (b) Whenever any such district determines that it is
18 necessary for energy conservation purposes that any school
19 building or permanent, fixed equipment should be altered or
20 reconstructed and that such alterations or reconstruction will
21 be made with funds not necessary for the completion of approved
22 and recommended projects contained in any safety survey report
23 or amendments thereto authorized by Section 2-3.12 of this Act;
24 the district may levy a tax or issue bonds as provided in
25 subsection (a) of this Section.

26 (c) Whenever any such district determines that it is

1 necessary for accessibility purposes and to comply with the
2 school building code that any school building or equipment
3 should be altered or reconstructed and that such alterations or
4 reconstruction will be made with funds not necessary for the
5 completion of approved and recommended projects contained in
6 any safety survey report or amendments thereto authorized under
7 Section 2-3.12 of this Act, the district may levy a tax or
8 issue bonds as provided in subsection (a) of this Section.

9 (d) Whenever any such district determines that it is
10 necessary for school security purposes and the related
11 protection and safety of pupils and school personnel that any
12 school building or property should be altered or reconstructed
13 or that security systems and equipment (including but not
14 limited to intercom, early detection and warning, access
15 control and television monitoring systems) should be purchased
16 and installed, and that such alterations, reconstruction or
17 purchase and installation of equipment will be made with funds
18 not necessary for the completion of approved and recommended
19 projects contained in any safety survey report or amendment
20 thereto authorized by Section 2-3.12 of this Act and will deter
21 and prevent unauthorized entry or activities upon school
22 property by unknown or dangerous persons, assure early
23 detection and advance warning of any such actual or attempted
24 unauthorized entry or activities and help assure the continued
25 safety of pupils and school staff if any such unauthorized
26 entry or activity is attempted or occurs; the district may levy

1 a tax or issue bonds as provided in subsection (a) of this
2 Section.

3 (e) If a school district does not need funds for other fire
4 prevention and safety projects, including the completion of
5 approved and recommended projects contained in any safety
6 survey report or amendments thereto authorized by Section
7 2-3.12 of this Act, and it is determined after a public hearing
8 (which is preceded by at least one published notice (i)
9 occurring at least 7 days prior to the hearing in a newspaper
10 of general circulation within the school district and (ii)
11 setting forth the time, date, place, and general subject matter
12 of the hearing) that there is a substantial, immediate, and
13 otherwise unavoidable threat to the health, safety, or welfare
14 of pupils due to disrepair of school sidewalks, playgrounds,
15 parking lots, or school bus turnarounds and repairs must be
16 made; then the district may levy a tax or issue bonds as
17 provided in subsection (a) of this Section.

18 (f) For purposes of this Section a school district may
19 replace a school building or build additions to replace
20 portions of a building when it is determined that the
21 effectuation of the recommendations for the existing building
22 will cost more than the replacement costs. Such determination
23 shall be based on a comparison of estimated costs made by an
24 architect or engineer licensed in the State of Illinois. The
25 new building or addition shall be equivalent in area (square
26 feet) and comparable in purpose and grades served and may be on

1 the same site or another site. Such replacement may only be
2 done upon order of the regional superintendent of schools and
3 the approval of the State Superintendent of Education.

4 (g) The filing of a certified copy of the resolution
5 levying the tax when accompanied by the certificates of the
6 regional superintendent of schools and State Superintendent of
7 Education shall be the authority of the county clerk to extend
8 such tax.

9 (h) The county clerk of the county in which any school
10 district levying a tax under the authority of this Section is
11 located, in reducing raised levies, shall not consider any such
12 tax as a part of the general levy for school purposes and shall
13 not include the same in the limitation of any other tax rate
14 which may be extended.

15 Such tax shall be levied and collected in like manner as
16 all other taxes of school districts, subject to the provisions
17 contained in this Section.

18 (i) The tax rate limit specified in this Section may be
19 increased to .10% upon the approval of a proposition to effect
20 such increase by a majority of the electors voting on that
21 proposition at a regular scheduled election. Such proposition
22 may be initiated by resolution of the school board and shall be
23 certified by the secretary to the proper election authorities
24 for submission in accordance with the general election law.

25 (j) When taxes are levied by any school district for fire
26 prevention, safety, energy conservation, and school security

1 purposes as specified in this Section, and the purposes for
2 which the taxes have been levied are accomplished and paid in
3 full, and there remain funds on hand in the Fire Prevention and
4 Safety Fund from the proceeds of the taxes levied, including
5 interest earnings thereon, the school board by resolution shall
6 use such excess and other board restricted funds, excluding
7 bond proceeds and earnings from such proceeds, as follows:

8 (1) for other authorized fire prevention, safety,
9 energy conservation, required safety inspections, school
10 security purposes, sampling for lead in drinking water in
11 schools, and for repair and mitigation due to lead levels
12 in the drinking water supply; or

13 (2) for transfer to the Operations and Maintenance Fund
14 for the purpose of abating an equal amount of operations
15 and maintenance purposes taxes.

16 Notwithstanding subdivision (2) of this subsection (j) and
17 subsection (k) of this Section, through June 30, 2020 ~~2019~~, the
18 school board may, by proper resolution following a public
19 hearing set by the school board or the president of the school
20 board (that is preceded (i) by at least one published notice
21 over the name of the clerk or secretary of the board, occurring
22 at least 7 days and not more than 30 days prior to the hearing,
23 in a newspaper of general circulation within the school
24 district and (ii) by posted notice over the name of the clerk
25 or secretary of the board, at least 48 hours before the
26 hearing, at the principal office of the school board or at the

1 building where the hearing is to be held if a principal office
2 does not exist, with both notices setting forth the time, date,
3 place, and subject matter of the hearing), transfer surplus
4 life safety taxes and interest earnings thereon to the
5 Operations and Maintenance Fund for building repair work.

6 (k) If any transfer is made to the Operation and
7 Maintenance Fund, the secretary of the school board shall
8 within 30 days notify the county clerk of the amount of that
9 transfer and direct the clerk to abate the taxes to be extended
10 for the purposes of operations and maintenance authorized under
11 Section 17-2 of this Act by an amount equal to such transfer.

12 (l) If the proceeds from the tax levy authorized by this
13 Section are insufficient to complete the work approved under
14 this Section, the school board is authorized to sell bonds
15 without referendum under the provisions of this Section in an
16 amount that, when added to the proceeds of the tax levy
17 authorized by this Section, will allow completion of the
18 approved work.

19 (m) Any bonds issued pursuant to this Section shall bear
20 interest at a rate not to exceed the maximum rate authorized by
21 law at the time of the making of the contract, shall mature
22 within 20 years from date, and shall be signed by the president
23 of the school board and the treasurer of the school district.

24 (n) In order to authorize and issue such bonds, the school
25 board shall adopt a resolution fixing the amount of bonds, the
26 date thereof, the maturities thereof, rates of interest

1 thereof, place of payment and denomination, which shall be in
2 denominations of not less than \$100 and not more than \$5,000,
3 and provide for the levy and collection of a direct annual tax
4 upon all the taxable property in the school district sufficient
5 to pay the principal and interest on such bonds to maturity.
6 Upon the filing in the office of the county clerk of the county
7 in which the school district is located of a certified copy of
8 the resolution, it is the duty of the county clerk to extend
9 the tax therefor in addition to and in excess of all other
10 taxes heretofore or hereafter authorized to be levied by such
11 school district.

12 (o) After the time such bonds are issued as provided for by
13 this Section, if additional alterations or reconstructions are
14 required to be made because of surveys conducted by an
15 architect or engineer licensed in the State of Illinois, the
16 district may levy a tax at a rate not to exceed .05% per year
17 upon all the taxable property of the district or issue
18 additional bonds, whichever action shall be the most feasible.

19 (p) This Section is cumulative and constitutes complete
20 authority for the issuance of bonds as provided in this Section
21 notwithstanding any other statute or law to the contrary.

22 (q) With respect to instruments for the payment of money
23 issued under this Section either before, on, or after the
24 effective date of Public Act 86-004 (June 6, 1989), it is, and
25 always has been, the intention of the General Assembly (i) that
26 the Omnibus Bond Acts are, and always have been, supplementary

1 grants of power to issue instruments in accordance with the
2 Omnibus Bond Acts, regardless of any provision of this Act that
3 may appear to be or to have been more restrictive than those
4 Acts, (ii) that the provisions of this Section are not a
5 limitation on the supplementary authority granted by the
6 Omnibus Bond Acts, and (iii) that instruments issued under this
7 Section within the supplementary authority granted by the
8 Omnibus Bond Acts are not invalid because of any provision of
9 this Act that may appear to be or to have been more restrictive
10 than those Acts.

11 (r) When the purposes for which the bonds are issued have
12 been accomplished and paid for in full and there remain funds
13 on hand from the proceeds of the bond sale and interest
14 earnings therefrom, the board shall, by resolution, use such
15 excess funds in accordance with the provisions of Section
16 10-22.14 of this Act.

17 (s) Whenever any tax is levied or bonds issued for fire
18 prevention, safety, energy conservation, and school security
19 purposes, such proceeds shall be deposited and accounted for
20 separately within the Fire Prevention and Safety Fund.

21 (Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14;
22 99-143, eff. 7-27-15; 99-713, eff. 8-5-16; 99-922, eff.
23 1-17-17.)

24 (105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)

25 Sec. 17-2A. Interfund transfers.

1 (a) The school board of any district having a population of
2 less than 500,000 inhabitants may, by proper resolution
3 following a public hearing set by the school board or the
4 president of the school board (that is preceded (i) by at least
5 one published notice over the name of the clerk or secretary of
6 the board, occurring at least 7 days and not more than 30 days
7 prior to the hearing, in a newspaper of general circulation
8 within the school district and (ii) by posted notice over the
9 name of the clerk or secretary of the board, at least 48 hours
10 before the hearing, at the principal office of the school board
11 or at the building where the hearing is to be held if a
12 principal office does not exist, with both notices setting
13 forth the time, date, place, and subject matter of the
14 hearing), transfer money from (1) the Educational Fund to the
15 Operations and Maintenance Fund or the Transportation Fund, (2)
16 the Operations and Maintenance Fund to the Educational Fund or
17 the Transportation Fund, (3) the Transportation Fund to the
18 Educational Fund or the Operations and Maintenance Fund, or (4)
19 the Tort Immunity Fund to the Operations and Maintenance Fund
20 of said district, provided that, except during the period from
21 July 1, 2003 through June 30, 2020 ~~2019~~, such transfer is made
22 solely for the purpose of meeting one-time, non-recurring
23 expenses. Except during the period from July 1, 2003 through
24 June 30, 2020 ~~2019~~ and except as otherwise provided in
25 subsection (b) of this Section, any other permanent interfund
26 transfers authorized by any provision or judicial

1 interpretation of this Code for which the transferee fund is
2 not precisely and specifically set forth in the provision of
3 this Code authorizing such transfer shall be made to the fund
4 of the school district most in need of the funds being
5 transferred, as determined by resolution of the school board.

6 (b) (Blank).

7 (c) Notwithstanding subsection (a) of this Section or any
8 other provision of this Code to the contrary, the school board
9 of any school district (i) that is subject to the Property Tax
10 Extension Limitation Law, (ii) that is an elementary district
11 servicing students in grades K through 8, (iii) whose territory
12 is in one county, (iv) that is eligible for Section 7002
13 Federal Impact Aid, and (v) that has no more than \$81,000 in
14 funds remaining from refinancing bonds that were refinanced a
15 minimum of 5 years prior to January 20, 2017 (the effective
16 date of Public Act 99-926) ~~this amendatory Act of the 99th~~
17 ~~General Assembly~~ may make a one-time transfer of the funds
18 remaining from the refinancing bonds to the Operations and
19 Maintenance Fund of the district by proper resolution following
20 a public hearing set by the school board or the president of
21 the school board, with notice as provided in subsection (a) of
22 this Section, so long as the district meets the qualifications
23 set forth in this subsection (c) on January 20, 2017 (the
24 effective date of Public Act 99-926) ~~this amendatory Act of the~~
25 ~~99th General Assembly~~.

26 (Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14; 99-713,

1 eff. 8-5-16; 99-922, eff. 1-17-17; 99-926, eff. 1-20-17;
2 revised 1-23-17.)

3 (105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

4 Sec. 18-4.3. Summer school grants. Through fiscal year
5 2017, grants ~~Grants~~ shall be determined for pupil attendance in
6 summer schools conducted under Sections 10-22.33A and 34-18 and
7 approved under Section 2-3.25 in the following manner.

8 The amount of grant for each accredited summer school
9 attendance pupil shall be obtained by dividing the total amount
10 of apportionments determined under Section 18-8.05 by the
11 actual number of pupils in average daily attendance used for
12 such apportionments. The number of credited summer school
13 attendance pupils shall be determined (a) by counting clock
14 hours of class instruction by pupils enrolled in grades 1
15 through 12 in approved courses conducted at least 60 clock
16 hours in summer sessions; (b) by dividing such total of clock
17 hours of class instruction by 4 to produce days of credited
18 pupil attendance; (c) by dividing such days of credited pupil
19 attendance by the actual number of days in the regular term as
20 used in computation in the general apportionment in Section
21 18-8.05; and (d) by multiplying by 1.25.

22 The amount of the grant for a summer school program
23 approved by the State Superintendent of Education for children
24 with disabilities, as defined in Sections 14-1.02 through
25 14-1.07, shall be determined in the manner contained above

1 except that average daily membership shall be utilized in lieu
2 of average daily attendance.

3 In the case of an apportionment based on summer school
4 attendance or membership pupils, the claim therefor shall be
5 presented as a separate claim for the particular school year in
6 which such summer school session ends. On or before November 1
7 of each year the superintendent of each eligible school
8 district shall certify to the State Superintendent of Education
9 the claim of the district for the summer session just ended.
10 Failure on the part of the school board to so certify shall
11 constitute a forfeiture of its right to such payment. The State
12 Superintendent of Education shall transmit to the Comptroller
13 no later than December 15th of each year vouchers for payment
14 of amounts due school districts for summer school. The State
15 Superintendent of Education shall direct the Comptroller to
16 draw his warrants for payments thereof by the 30th day of
17 December. If the money appropriated by the General Assembly for
18 such purpose for any year is insufficient, it shall be
19 apportioned on the basis of claims approved.

20 However, notwithstanding the foregoing provisions, for
21 each fiscal year the money appropriated by the General Assembly
22 for the purposes of this Section shall only be used for grants
23 for approved summer school programs for those children with
24 disabilities served pursuant to Section 14-7.02 or 14-7.02b of
25 this Code.

26 No funding shall be provided to school districts under this

1 Section after fiscal year 2017.

2 (Source: P.A. 93-1022, eff. 8-24-04.)

3 (105 ILCS 5/18-8.05)

4 Sec. 18-8.05. Basis for apportionment of general State
5 financial aid and supplemental general State aid to the common
6 schools for the 1998-1999 through the 2016-2017 ~~and subsequent~~
7 school years.

8 (A) General Provisions.

9 (1) The provisions of this Section relating to the
10 calculation and apportionment of general State financial aid
11 and supplemental general State aid apply to the 1998-1999
12 through the 2016-2017 ~~and subsequent~~ school years. The system
13 of general State financial aid provided for in this Section is
14 designed to assure that, through a combination of State
15 financial aid and required local resources, the financial
16 support provided each pupil in Average Daily Attendance equals
17 or exceeds a prescribed per pupil Foundation Level. This
18 formula approach imputes a level of per pupil Available Local
19 Resources and provides for the basis to calculate a per pupil
20 level of general State financial aid that, when added to
21 Available Local Resources, equals or exceeds the Foundation
22 Level. The amount of per pupil general State financial aid for
23 school districts, in general, varies in inverse relation to
24 Available Local Resources. Per pupil amounts are based upon

1 each school district's Average Daily Attendance as that term is
2 defined in this Section.

3 (2) In addition to general State financial aid, school
4 districts with specified levels or concentrations of pupils
5 from low income households are eligible to receive supplemental
6 general State financial aid grants as provided pursuant to
7 subsection (H). The supplemental State aid grants provided for
8 school districts under subsection (H) shall be appropriated for
9 distribution to school districts as part of the same line item
10 in which the general State financial aid of school districts is
11 appropriated under this Section.

12 (3) To receive financial assistance under this Section,
13 school districts are required to file claims with the State
14 Board of Education, subject to the following requirements:

15 (a) Any school district which fails for any given
16 school year to maintain school as required by law, or to
17 maintain a recognized school is not eligible to file for
18 such school year any claim upon the Common School Fund. In
19 case of nonrecognition of one or more attendance centers in
20 a school district otherwise operating recognized schools,
21 the claim of the district shall be reduced in the
22 proportion which the Average Daily Attendance in the
23 attendance center or centers bear to the Average Daily
24 Attendance in the school district. A "recognized school"
25 means any public school which meets the standards as
26 established for recognition by the State Board of

1 Education. A school district or attendance center not
2 having recognition status at the end of a school term is
3 entitled to receive State aid payments due upon a legal
4 claim which was filed while it was recognized.

5 (b) School district claims filed under this Section are
6 subject to Sections 18-9 and 18-12, except as otherwise
7 provided in this Section.

8 (c) If a school district operates a full year school
9 under Section 10-19.1, the general State aid to the school
10 district shall be determined by the State Board of
11 Education in accordance with this Section as near as may be
12 applicable.

13 (d) (Blank).

14 (4) Except as provided in subsections (H) and (L), the
15 board of any district receiving any of the grants provided for
16 in this Section may apply those funds to any fund so received
17 for which that board is authorized to make expenditures by law.

18 School districts are not required to exert a minimum
19 Operating Tax Rate in order to qualify for assistance under
20 this Section.

21 (5) As used in this Section the following terms, when
22 capitalized, shall have the meaning ascribed herein:

23 (a) "Average Daily Attendance": A count of pupil
24 attendance in school, averaged as provided for in
25 subsection (C) and utilized in deriving per pupil financial
26 support levels.

1 (b) "Available Local Resources": A computation of
2 local financial support, calculated on the basis of Average
3 Daily Attendance and derived as provided pursuant to
4 subsection (D).

5 (c) "Corporate Personal Property Replacement Taxes":
6 Funds paid to local school districts pursuant to "An Act in
7 relation to the abolition of ad valorem personal property
8 tax and the replacement of revenues lost thereby, and
9 amending and repealing certain Acts and parts of Acts in
10 connection therewith", certified August 14, 1979, as
11 amended (Public Act 81-1st S.S.-1).

12 (d) "Foundation Level": A prescribed level of per pupil
13 financial support as provided for in subsection (B).

14 (e) "Operating Tax Rate": All school district property
15 taxes extended for all purposes, except Bond and Interest,
16 Summer School, Rent, Capital Improvement, and Vocational
17 Education Building purposes.

18 (B) Foundation Level.

19 (1) The Foundation Level is a figure established by the
20 State representing the minimum level of per pupil financial
21 support that should be available to provide for the basic
22 education of each pupil in Average Daily Attendance. As set
23 forth in this Section, each school district is assumed to exert
24 a sufficient local taxing effort such that, in combination with
25 the aggregate of general State financial aid provided the

1 district, an aggregate of State and local resources are
2 available to meet the basic education needs of pupils in the
3 district.

4 (2) For the 1998-1999 school year, the Foundation Level of
5 support is \$4,225. For the 1999-2000 school year, the
6 Foundation Level of support is \$4,325. For the 2000-2001 school
7 year, the Foundation Level of support is \$4,425. For the
8 2001-2002 school year and 2002-2003 school year, the Foundation
9 Level of support is \$4,560. For the 2003-2004 school year, the
10 Foundation Level of support is \$4,810. For the 2004-2005 school
11 year, the Foundation Level of support is \$4,964. For the
12 2005-2006 school year, the Foundation Level of support is
13 \$5,164. For the 2006-2007 school year, the Foundation Level of
14 support is \$5,334. For the 2007-2008 school year, the
15 Foundation Level of support is \$5,734. For the 2008-2009 school
16 year, the Foundation Level of support is \$5,959.

17 (3) For the 2009-2010 school year and each school year
18 thereafter, the Foundation Level of support is \$6,119 or such
19 greater amount as may be established by law by the General
20 Assembly.

21 (C) Average Daily Attendance.

22 (1) For purposes of calculating general State aid pursuant
23 to subsection (E), an Average Daily Attendance figure shall be
24 utilized. The Average Daily Attendance figure for formula
25 calculation purposes shall be the monthly average of the actual

1 number of pupils in attendance of each school district, as
2 further averaged for the best 3 months of pupil attendance for
3 each school district. In compiling the figures for the number
4 of pupils in attendance, school districts and the State Board
5 of Education shall, for purposes of general State aid funding,
6 conform attendance figures to the requirements of subsection
7 (F).

8 (2) The Average Daily Attendance figures utilized in
9 subsection (E) shall be the requisite attendance data for the
10 school year immediately preceding the school year for which
11 general State aid is being calculated or the average of the
12 attendance data for the 3 preceding school years, whichever is
13 greater. The Average Daily Attendance figures utilized in
14 subsection (H) 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.

17 (D) Available Local Resources.

18 (1) For purposes of calculating general State aid pursuant
19 to subsection (E), a representation of Available Local
20 Resources per pupil, as that term is defined and determined in
21 this subsection, shall be utilized. Available Local Resources
22 per pupil shall include a calculated dollar amount representing
23 local school district revenues from local property taxes and
24 from Corporate Personal Property Replacement Taxes, expressed
25 on the basis of pupils in Average Daily Attendance. Calculation

1 of Available Local Resources shall exclude any tax amnesty
2 funds received as a result of Public Act 93-26.

3 (2) In determining a school district's revenue from local
4 property taxes, the State Board of Education shall utilize the
5 equalized assessed valuation of all taxable property of each
6 school district as of September 30 of the previous year. The
7 equalized assessed valuation utilized shall be obtained and
8 determined as provided in subsection (G).

9 (3) For school districts maintaining grades kindergarten
10 through 12, local property tax revenues per pupil shall be
11 calculated as the product of the applicable equalized assessed
12 valuation for the district multiplied by 3.00%, and divided by
13 the district's Average Daily Attendance figure. For school
14 districts maintaining grades kindergarten through 8, local
15 property tax revenues per pupil shall be calculated as the
16 product of the applicable equalized assessed valuation for the
17 district multiplied by 2.30%, and divided by the district's
18 Average Daily Attendance figure. For school districts
19 maintaining grades 9 through 12, local property tax revenues
20 per pupil shall be the applicable equalized assessed valuation
21 of the district multiplied by 1.05%, and divided by the
22 district's Average Daily Attendance figure.

23 For partial elementary unit districts created pursuant to
24 Article 11E of this Code, local property tax revenues per pupil
25 shall be calculated as the product of the equalized assessed
26 valuation for property within the partial elementary unit

1 district for elementary purposes, as defined in Article 11E of
2 this Code, multiplied by 2.06% and divided by the district's
3 Average Daily Attendance figure, plus the product of the
4 equalized assessed valuation for property within the partial
5 elementary unit district for high school purposes, as defined
6 in Article 11E of this Code, multiplied by 0.94% and divided by
7 the district's Average Daily Attendance figure.

8 (4) The Corporate Personal Property Replacement Taxes paid
9 to each school district during the calendar year one year
10 before the calendar year in which a school year begins, divided
11 by the Average Daily Attendance figure for that district, shall
12 be added to the local property tax revenues per pupil as
13 derived by the application of the immediately preceding
14 paragraph (3). The sum of these per pupil figures for each
15 school district shall constitute Available Local Resources as
16 that term is utilized in subsection (E) in the calculation of
17 general State aid.

18 (E) Computation of General State Aid.

19 (1) For each school year, the amount of general State aid
20 allotted to a school district shall be computed by the State
21 Board of Education as provided in this subsection.

22 (2) For any school district for which Available Local
23 Resources per pupil is less than the product of 0.93 times the
24 Foundation Level, general State aid for that district shall be
25 calculated as an amount equal to the Foundation Level minus

1 Available Local Resources, multiplied by the Average Daily
2 Attendance of the school district.

3 (3) For any school district for which Available Local
4 Resources per pupil is equal to or greater than the product of
5 0.93 times the Foundation Level and less than the product of
6 1.75 times the Foundation Level, the general State aid per
7 pupil shall be a decimal proportion of the Foundation Level
8 derived using a linear algorithm. Under this linear algorithm,
9 the calculated general State aid per pupil shall decline in
10 direct linear fashion from 0.07 times the Foundation Level for
11 a school district with Available Local Resources equal to the
12 product of 0.93 times the Foundation Level, to 0.05 times the
13 Foundation Level for a school district with Available Local
14 Resources equal to the product of 1.75 times the Foundation
15 Level. The allocation of general State aid for school districts
16 subject to this paragraph 3 shall be the calculated general
17 State aid per pupil figure multiplied by the Average Daily
18 Attendance of the school district.

19 (4) For any school district for which Available Local
20 Resources per pupil equals or exceeds the product of 1.75 times
21 the Foundation Level, the general State aid for the school
22 district shall be calculated as the product of \$218 multiplied
23 by the Average Daily Attendance of the school district.

24 (5) The amount of general State aid allocated to a school
25 district for the 1999-2000 school year meeting the requirements
26 set forth in paragraph (4) of subsection (G) shall be increased

1 by an amount equal to the general State aid that would have
2 been received by the district for the 1998-1999 school year by
3 utilizing the Extension Limitation Equalized Assessed
4 Valuation as calculated in paragraph (4) of subsection (G) less
5 the general State aid allotted for the 1998-1999 school year.
6 This amount shall be deemed a one time increase, and shall not
7 affect any future general State aid allocations.

8 (F) Compilation of Average Daily Attendance.

9 (1) Each school district shall, by July 1 of each year,
10 submit to the State Board of Education, on forms prescribed by
11 the State Board of Education, attendance figures for the school
12 year that began in the preceding calendar year. The attendance
13 information so transmitted shall identify the average daily
14 attendance figures for each month of the school year. Beginning
15 with the general State aid claim form for the 2002-2003 school
16 year, districts shall calculate Average Daily Attendance as
17 provided in subdivisions (a), (b), and (c) of this paragraph
18 (1).

19 (a) In districts that do not hold year-round classes,
20 days of attendance in August shall be added to the month of
21 September and any days of attendance in June shall be added
22 to the month of May.

23 (b) In districts in which all buildings hold year-round
24 classes, days of attendance in July and August shall be
25 added to the month of September and any days of attendance

1 in June shall be added to the month of May.

2 (c) In districts in which some buildings, but not all,
3 hold year-round classes, for the non-year-round buildings,
4 days of attendance in August shall be added to the month of
5 September and any days of attendance in June shall be added
6 to the month of May. The average daily attendance for the
7 year-round buildings shall be computed as provided in
8 subdivision (b) of this paragraph (1). To calculate the
9 Average Daily Attendance for the district, the average
10 daily attendance for the year-round buildings shall be
11 multiplied by the days in session for the non-year-round
12 buildings for each month and added to the monthly
13 attendance of the non-year-round buildings.

14 Except as otherwise provided in this Section, days of
15 attendance by pupils shall be counted only for sessions of not
16 less than 5 clock hours of school work per day under direct
17 supervision of: (i) teachers, or (ii) non-teaching personnel or
18 volunteer personnel when engaging in non-teaching duties and
19 supervising in those instances specified in subsection (a) of
20 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils
21 of legal school age and in kindergarten and grades 1 through
22 12. Days of attendance by pupils through verified participation
23 in an e-learning program approved by the State Board of
24 Education under Section 10-20.56 of the Code shall be
25 considered as full days of attendance for purposes of this
26 Section.

1 Days of attendance by tuition pupils shall be accredited
2 only to the districts that pay the tuition to a recognized
3 school.

4 (2) Days of attendance by pupils of less than 5 clock hours
5 of school shall be subject to the following provisions in the
6 compilation of Average Daily Attendance.

7 (a) Pupils regularly enrolled in a public school for
8 only a part of the school day may be counted on the basis
9 of 1/6 day for every class hour of instruction of 40
10 minutes or more attended pursuant to such enrollment,
11 unless a pupil is enrolled in a block-schedule format of 80
12 minutes or more of instruction, in which case the pupil may
13 be counted on the basis of the proportion of minutes of
14 school work completed each day to the minimum number of
15 minutes that school work is required to be held that day.

16 (b) (Blank).

17 (c) A session of 4 or more clock hours may be counted
18 as a day of attendance upon certification by the regional
19 superintendent, and approved by the State Superintendent
20 of Education to the extent that the district has been
21 forced to use daily multiple sessions.

22 (d) A session of 3 or more clock hours may be counted
23 as a day of attendance (1) when the remainder of the school
24 day or at least 2 hours in the evening of that day is
25 utilized for an in-service training program for teachers,
26 up to a maximum of 5 days per school year, provided a

1 district conducts an in-service training program for
2 teachers in accordance with Section 10-22.39 of this Code;
3 or, in lieu of 4 such days, 2 full days may be used, in
4 which event each such day may be counted as a day required
5 for a legal school calendar pursuant to Section 10-19 of
6 this Code; (1.5) when, of the 5 days allowed under item
7 (1), a maximum of 4 days are used for parent-teacher
8 conferences, or, in lieu of 4 such days, 2 full days are
9 used, in which case each such day may be counted as a
10 calendar day required under Section 10-19 of this Code,
11 provided that the full-day, parent-teacher conference
12 consists of (i) a minimum of 5 clock hours of
13 parent-teacher conferences, (ii) both a minimum of 2 clock
14 hours of parent-teacher conferences held in the evening
15 following a full day of student attendance, as specified in
16 subsection (F)(1)(c), and a minimum of 3 clock hours of
17 parent-teacher conferences held on the day immediately
18 following evening parent-teacher conferences, or (iii)
19 multiple parent-teacher conferences held in the evenings
20 following full days of student attendance, as specified in
21 subsection (F)(1)(c), in which the time used for the
22 parent-teacher conferences is equivalent to a minimum of 5
23 clock hours; and (2) when days in addition to those
24 provided in items (1) and (1.5) are scheduled by a school
25 pursuant to its school improvement plan adopted under
26 Article 34 or its revised or amended school improvement

1 plan adopted under Article 2, provided that (i) such
2 sessions of 3 or more clock hours are scheduled to occur at
3 regular intervals, (ii) the remainder of the school days in
4 which such sessions occur are utilized for in-service
5 training programs or other staff development activities
6 for teachers, and (iii) a sufficient number of minutes of
7 school work under the direct supervision of teachers are
8 added to the school days between such regularly scheduled
9 sessions to accumulate not less than the number of minutes
10 by which such sessions of 3 or more clock hours fall short
11 of 5 clock hours. Any full days used for the purposes of
12 this paragraph shall not be considered for computing
13 average daily attendance. Days scheduled for in-service
14 training programs, staff development activities, or
15 parent-teacher conferences may be scheduled separately for
16 different grade levels and different attendance centers of
17 the district.

18 (e) A session of not less than one clock hour of
19 teaching hospitalized or homebound pupils on-site or by
20 telephone to the classroom may be counted as 1/2 day of
21 attendance, however these pupils must receive 4 or more
22 clock hours of instruction to be counted for a full day of
23 attendance.

24 (f) A session of at least 4 clock hours may be counted
25 as a day of attendance for first grade pupils, and pupils
26 in full day kindergartens, and a session of 2 or more hours

1 may be counted as 1/2 day of attendance by pupils in
2 kindergartens which provide only 1/2 day of attendance.

3 (g) For children with disabilities who are below the
4 age of 6 years and who cannot attend 2 or more clock hours
5 because of their disability or immaturity, a session of not
6 less than one clock hour may be counted as 1/2 day of
7 attendance; however for such children whose educational
8 needs so require a session of 4 or more clock hours may be
9 counted as a full day of attendance.

10 (h) A recognized kindergarten which provides for only
11 1/2 day of attendance by each pupil shall not have more
12 than 1/2 day of attendance counted in any one day. However,
13 kindergartens may count 2 1/2 days of attendance in any 5
14 consecutive school days. When a pupil attends such a
15 kindergarten for 2 half days on any one school day, the
16 pupil shall have the following day as a day absent from
17 school, unless the school district obtains permission in
18 writing from the State Superintendent of Education.
19 Attendance at kindergartens which provide for a full day of
20 attendance by each pupil shall be counted the same as
21 attendance by first grade pupils. Only the first year of
22 attendance in one kindergarten shall be counted, except in
23 case of children who entered the kindergarten in their
24 fifth year whose educational development requires a second
25 year of kindergarten as determined under the rules and
26 regulations of the State Board of Education.

1 (i) On the days when the assessment that includes a
2 college and career ready determination is administered
3 under subsection (c) of Section 2-3.64a-5 of this Code, the
4 day of attendance for a pupil whose school day must be
5 shortened to accommodate required testing procedures may
6 be less than 5 clock hours and shall be counted towards the
7 176 days of actual pupil attendance required under Section
8 10-19 of this Code, provided that a sufficient number of
9 minutes of school work in excess of 5 clock hours are first
10 completed on other school days to compensate for the loss
11 of school work on the examination days.

12 (j) Pupils enrolled in a remote educational program
13 established under Section 10-29 of this Code may be counted
14 on the basis of one-fifth day of attendance for every clock
15 hour of instruction attended in the remote educational
16 program, provided that, in any month, the school district
17 may not claim for a student enrolled in a remote
18 educational program more days of attendance than the
19 maximum number of days of attendance the district can claim

20 (i) for students enrolled in a building holding year-round
21 classes if the student is classified as participating in
22 the remote educational program on a year-round schedule or

23 (ii) for students enrolled in a building not holding
24 year-round classes if the student is not classified as
25 participating in the remote educational program on a
26 year-round schedule.

1 (G) Equalized Assessed Valuation Data.

2 (1) For purposes of the calculation of Available Local
3 Resources required pursuant to subsection (D), the State Board
4 of Education shall secure from the Department of Revenue the
5 value as equalized or assessed by the Department of Revenue of
6 all taxable property of every school district, together with
7 (i) the applicable tax rate used in extending taxes for the
8 funds of the district as of September 30 of the previous year
9 and (ii) the limiting rate for all school districts subject to
10 property tax extension limitations as imposed under the
11 Property Tax Extension Limitation Law.

12 The Department of Revenue shall add to the equalized
13 assessed value of all taxable property of each school district
14 situated entirely or partially within a county that is or was
15 subject to the provisions of Section 15-176 or 15-177 of the
16 Property Tax Code (a) an amount equal to the total amount by
17 which the homestead exemption allowed under Section 15-176 or
18 15-177 of the Property Tax Code for real property situated in
19 that school district exceeds the total amount that would have
20 been allowed in that school district if the maximum reduction
21 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in
22 all other counties in tax year 2003 or (ii) \$5,000 in all
23 counties in tax year 2004 and thereafter and (b) an amount
24 equal to the aggregate amount for the taxable year of all
25 additional exemptions under Section 15-175 of the Property Tax

1 Code for owners with a household income of \$30,000 or less. The
2 county clerk of any county that is or was subject to the
3 provisions of Section 15-176 or 15-177 of the Property Tax Code
4 shall annually calculate and certify to the Department of
5 Revenue for each school district all homestead exemption
6 amounts under Section 15-176 or 15-177 of the Property Tax Code
7 and all amounts of additional exemptions under Section 15-175
8 of the Property Tax Code for owners with a household income of
9 \$30,000 or less. It is the intent of this paragraph that if the
10 general homestead exemption for a parcel of property is
11 determined under Section 15-176 or 15-177 of the Property Tax
12 Code rather than Section 15-175, then the calculation of
13 Available Local Resources shall not be affected by the
14 difference, if any, between the amount of the general homestead
15 exemption allowed for that parcel of property under Section
16 15-176 or 15-177 of the Property Tax Code and the amount that
17 would have been allowed had the general homestead exemption for
18 that parcel of property been determined under Section 15-175 of
19 the Property Tax Code. It is further the intent of this
20 paragraph that if additional exemptions are allowed under
21 Section 15-175 of the Property Tax Code for owners with a
22 household income of less than \$30,000, then the calculation of
23 Available Local Resources shall not be affected by the
24 difference, if any, because of those additional exemptions.

25 This equalized assessed valuation, as adjusted further by
26 the requirements of this subsection, shall be utilized in the

1 calculation of Available Local Resources.

2 (2) The equalized assessed valuation in paragraph (1) shall
3 be adjusted, as applicable, in the following manner:

4 (a) For the purposes of calculating State aid under
5 this Section, with respect to any part of a school district
6 within a redevelopment project area in respect to which a
7 municipality has adopted tax increment allocation
8 financing pursuant to the Tax Increment Allocation
9 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11
10 of the Illinois Municipal Code or the Industrial Jobs
11 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the
12 Illinois Municipal Code, no part of the current equalized
13 assessed valuation of real property located in any such
14 project area which is attributable to an increase above the
15 total initial equalized assessed valuation of such
16 property shall be used as part of the equalized assessed
17 valuation of the district, until such time as all
18 redevelopment project costs have been paid, as provided in
19 Section 11-74.4-8 of the Tax Increment Allocation
20 Redevelopment Act or in Section 11-74.6-35 of the
21 Industrial Jobs Recovery Law. For the purpose of the
22 equalized assessed valuation of the district, the total
23 initial equalized assessed valuation or the current
24 equalized assessed valuation, whichever is lower, shall be
25 used until such time as all redevelopment project costs
26 have been paid.

1 (b) The real property equalized assessed valuation for
2 a school district shall be adjusted by subtracting from the
3 real property value as equalized or assessed by the
4 Department of Revenue for the district an amount computed
5 by dividing the amount of any abatement of taxes under
6 Section 18-170 of the Property Tax Code by 3.00% for a
7 district maintaining grades kindergarten through 12, by
8 2.30% for a district maintaining grades kindergarten
9 through 8, or by 1.05% for a district maintaining grades 9
10 through 12 and adjusted by an amount computed by dividing
11 the amount of any abatement of taxes under subsection (a)
12 of Section 18-165 of the Property Tax Code by the same
13 percentage rates for district type as specified in this
14 subparagraph (b).

15 (3) For the 1999-2000 school year and each school year
16 thereafter, if a school district meets all of the criteria of
17 this subsection (G) (3), the school district's Available Local
18 Resources shall be calculated under subsection (D) using the
19 district's Extension Limitation Equalized Assessed Valuation
20 as calculated under this subsection (G) (3).

21 For purposes of this subsection (G) (3) the following terms
22 shall have the following meanings:

23 "Budget Year": The school year for which general State
24 aid is calculated and awarded under subsection (E).

25 "Base Tax Year": The property tax levy year used to
26 calculate the Budget Year allocation of general State aid.

1 "Preceding Tax Year": The property tax levy year
2 immediately preceding the Base Tax Year.

3 "Base Tax Year's Tax Extension": The product of the
4 equalized assessed valuation utilized by the County Clerk
5 in the Base Tax Year multiplied by the limiting rate as
6 calculated by the County Clerk and defined in the Property
7 Tax Extension Limitation Law.

8 "Preceding Tax Year's Tax Extension": The product of
9 the equalized assessed valuation utilized by the County
10 Clerk in the Preceding Tax Year multiplied by the Operating
11 Tax Rate as defined in subsection (A).

12 "Extension Limitation Ratio": A numerical ratio,
13 certified by the County Clerk, in which the numerator is
14 the Base Tax Year's Tax Extension and the denominator is
15 the Preceding Tax Year's Tax Extension.

16 "Operating Tax Rate": The operating tax rate as defined
17 in subsection (A).

18 If a school district is subject to property tax extension
19 limitations as imposed under the Property Tax Extension
20 Limitation Law, the State Board of Education shall calculate
21 the Extension Limitation Equalized Assessed Valuation of that
22 district. For the 1999-2000 school year, the Extension
23 Limitation Equalized Assessed Valuation of a school district as
24 calculated by the State Board of Education shall be equal to
25 the product of the district's 1996 Equalized Assessed Valuation
26 and the district's Extension Limitation Ratio. Except as

1 otherwise provided in this paragraph for a school district that
2 has approved or does approve an increase in its limiting rate,
3 for the 2000-2001 school year and each school year thereafter,
4 the Extension Limitation Equalized Assessed Valuation of a
5 school district as calculated by the State Board of Education
6 shall be equal to the product of the Equalized Assessed
7 Valuation last used in the calculation of general State aid and
8 the district's Extension Limitation Ratio. If the Extension
9 Limitation Equalized Assessed Valuation of a school district as
10 calculated under this subsection (G)(3) is less than the
11 district's equalized assessed valuation as calculated pursuant
12 to subsections (G)(1) and (G)(2), then for purposes of
13 calculating the district's general State aid for the Budget
14 Year pursuant to subsection (E), that Extension Limitation
15 Equalized Assessed Valuation shall be utilized to calculate the
16 district's Available Local Resources under subsection (D). For
17 the 2009-2010 school year and each school year thereafter, if a
18 school district has approved or does approve an increase in its
19 limiting rate, pursuant to Section 18-190 of the Property Tax
20 Code, affecting the Base Tax Year, the Extension Limitation
21 Equalized Assessed Valuation of the school district, as
22 calculated by the State Board of Education, shall be equal to
23 the product of the Equalized Assessed Valuation last used in
24 the calculation of general State aid times an amount equal to
25 one plus the percentage increase, if any, in the Consumer Price
26 Index for all Urban Consumers for all items published by the

1 United States Department of Labor for the 12-month calendar
2 year preceding the Base Tax Year, plus the Equalized Assessed
3 Valuation of new property, annexed property, and recovered tax
4 increment value and minus the Equalized Assessed Valuation of
5 disconnected property. New property and recovered tax
6 increment value shall have the meanings set forth in the
7 Property Tax Extension Limitation Law.

8 Partial elementary unit districts created in accordance
9 with Article 11E of this Code shall not be eligible for the
10 adjustment in this subsection (G)(3) until the fifth year
11 following the effective date of the reorganization.

12 (3.5) For the 2010-2011 school year and each school year
13 thereafter, if a school district's boundaries span multiple
14 counties, then the Department of Revenue shall send to the
15 State Board of Education, for the purpose of calculating
16 general State aid, the limiting rate and individual rates by
17 purpose for the county that contains the majority of the school
18 district's Equalized Assessed Valuation.

19 (4) For the purposes of calculating general State aid for
20 the 1999-2000 school year only, if a school district
21 experienced a triennial reassessment on the equalized assessed
22 valuation used in calculating its general State financial aid
23 apportionment for the 1998-1999 school year, the State Board of
24 Education shall calculate the Extension Limitation Equalized
25 Assessed Valuation that would have been used to calculate the
26 district's 1998-1999 general State aid. This amount shall equal

1 the product of the equalized assessed valuation used to
2 calculate general State aid for the 1997-1998 school year and
3 the district's Extension Limitation Ratio. If the Extension
4 Limitation Equalized Assessed Valuation of the school district
5 as calculated under this paragraph (4) is less than the
6 district's equalized assessed valuation utilized in
7 calculating the district's 1998-1999 general State aid
8 allocation, then for purposes of calculating the district's
9 general State aid pursuant to paragraph (5) of subsection (E),
10 that Extension Limitation Equalized Assessed Valuation shall
11 be utilized to calculate the district's Available Local
12 Resources.

13 (5) For school districts having a majority of their
14 equalized assessed valuation in any county except Cook, DuPage,
15 Kane, Lake, McHenry, or Will, if the amount of general State
16 aid allocated to the school district for the 1999-2000 school
17 year under the provisions of subsection (E), (H), and (J) of
18 this Section is less than the amount of general State aid
19 allocated to the district for the 1998-1999 school year under
20 these subsections, then the general State aid of the district
21 for the 1999-2000 school year only shall be increased by the
22 difference between these amounts. The total payments made under
23 this paragraph (5) shall not exceed \$14,000,000. Claims shall
24 be prorated if they exceed \$14,000,000.

25 (H) Supplemental General State Aid.

1 (1) In addition to the general State aid a school district
2 is allotted pursuant to subsection (E), qualifying school
3 districts shall receive a grant, paid in conjunction with a
4 district's payments of general State aid, for supplemental
5 general State aid based upon the concentration level of
6 children from low-income households within the school
7 district. Supplemental State aid grants provided for school
8 districts under this subsection shall be appropriated for
9 distribution to school districts as part of the same line item
10 in which the general State financial aid of school districts is
11 appropriated under this Section.

12 (1.5) This paragraph (1.5) applies only to those school
13 years preceding the 2003-2004 school year. For purposes of this
14 subsection (H), the term "Low-Income Concentration Level"
15 shall be the low-income eligible pupil count from the most
16 recently available federal census divided by the Average Daily
17 Attendance of the school district. If, however, (i) the
18 percentage decrease from the 2 most recent federal censuses in
19 the low-income eligible pupil count of a high school district
20 with fewer than 400 students exceeds by 75% or more the
21 percentage change in the total low-income eligible pupil count
22 of contiguous elementary school districts, whose boundaries
23 are coterminous with the high school district, or (ii) a high
24 school district within 2 counties and serving 5 elementary
25 school districts, whose boundaries are coterminous with the
26 high school district, has a percentage decrease from the 2 most

1 recent federal censuses in the low-income eligible pupil count
2 and there is a percentage increase in the total low-income
3 eligible pupil count of a majority of the elementary school
4 districts in excess of 50% from the 2 most recent federal
5 censuses, then the high school district's low-income eligible
6 pupil count from the earlier federal census shall be the number
7 used as the low-income eligible pupil count for the high school
8 district, for purposes of this subsection (H). The changes made
9 to this paragraph (1) by Public Act 92-28 shall apply to
10 supplemental general State aid grants for school years
11 preceding the 2003-2004 school year that are paid in fiscal
12 year 1999 or thereafter and to any State aid payments made in
13 fiscal year 1994 through fiscal year 1998 pursuant to
14 subsection 1(n) of Section 18-8 of this Code (which was
15 repealed on July 1, 1998), and any high school district that is
16 affected by Public Act 92-28 is entitled to a recomputation of
17 its supplemental general State aid grant or State aid paid in
18 any of those fiscal years. This recomputation shall not be
19 affected by any other funding.

20 (1.10) This paragraph (1.10) applies to the 2003-2004
21 school year and each school year thereafter through the
22 2016-2017 school year. For purposes of this subsection (H), the
23 term "Low-Income Concentration Level" shall, for each fiscal
24 year, be the low-income eligible pupil count as of July 1 of
25 the immediately preceding fiscal year (as determined by the
26 Department of Human Services based on the number of pupils who

1 are eligible for at least one of the following low income
2 programs: Medicaid, the Children's Health Insurance Program,
3 TANF, or Food Stamps, excluding pupils who are eligible for
4 services provided by the Department of Children and Family
5 Services, averaged over the 2 immediately preceding fiscal
6 years for fiscal year 2004 and over the 3 immediately preceding
7 fiscal years for each fiscal year thereafter) divided by the
8 Average Daily Attendance of the school district.

9 (2) Supplemental general State aid pursuant to this
10 subsection (H) shall be provided as follows for the 1998-1999,
11 1999-2000, and 2000-2001 school years only:

12 (a) For any school district with a Low Income
13 Concentration Level of at least 20% and less than 35%, the
14 grant for any school year shall be \$800 multiplied by the
15 low income eligible pupil count.

16 (b) For any school district with a Low Income
17 Concentration Level of at least 35% and less than 50%, the
18 grant for the 1998-1999 school year shall be \$1,100
19 multiplied by the low income eligible pupil count.

20 (c) For any school district with a Low Income
21 Concentration Level of at least 50% and less than 60%, the
22 grant for the 1998-99 school year shall be \$1,500
23 multiplied by the low income eligible pupil count.

24 (d) For any school district with a Low Income
25 Concentration Level of 60% or more, the grant for the
26 1998-99 school year shall be \$1,900 multiplied by the low

1 income eligible pupil count.

2 (e) For the 1999-2000 school year, the per pupil amount
3 specified in subparagraphs (b), (c), and (d) immediately
4 above shall be increased to \$1,243, \$1,600, and \$2,000,
5 respectively.

6 (f) For the 2000-2001 school year, the per pupil
7 amounts specified in subparagraphs (b), (c), and (d)
8 immediately above shall be \$1,273, \$1,640, and \$2,050,
9 respectively.

10 (2.5) Supplemental general State aid pursuant to this
11 subsection (H) shall be provided as follows for the 2002-2003
12 school year:

13 (a) For any school district with a Low Income
14 Concentration Level of less than 10%, the grant for each
15 school year shall be \$355 multiplied by the low income
16 eligible pupil count.

17 (b) For any school district with a Low Income
18 Concentration Level of at least 10% and less than 20%, the
19 grant for each school year shall be \$675 multiplied by the
20 low income eligible pupil count.

21 (c) For any school district with a Low Income
22 Concentration Level of at least 20% and less than 35%, the
23 grant for each school year shall be \$1,330 multiplied by
24 the low income eligible pupil count.

25 (d) For any school district with a Low Income
26 Concentration Level of at least 35% and less than 50%, the

1 grant for each school year shall be \$1,362 multiplied by
2 the low income eligible pupil count.

3 (e) For any school district with a Low Income
4 Concentration Level of at least 50% and less than 60%, the
5 grant for each school year shall be \$1,680 multiplied by
6 the low income eligible pupil count.

7 (f) For any school district with a Low Income
8 Concentration Level of 60% or more, the grant for each
9 school year shall be \$2,080 multiplied by the low income
10 eligible pupil count.

11 (2.10) Except as otherwise provided, supplemental general
12 State aid pursuant to this subsection (H) shall be provided as
13 follows for the 2003-2004 school year and each school year
14 thereafter:

15 (a) For any school district with a Low Income
16 Concentration Level of 15% or less, the grant for each
17 school year shall be \$355 multiplied by the low income
18 eligible pupil count.

19 (b) For any school district with a Low Income
20 Concentration Level greater than 15%, the grant for each
21 school year shall be \$294.25 added to the product of \$2,700
22 and the square of the Low Income Concentration Level, all
23 multiplied by the low income eligible pupil count.

24 For the 2003-2004 school year and each school year
25 thereafter through the 2008-2009 school year only, the grant
26 shall be no less than the grant for the 2002-2003 school year.

1 For the 2009-2010 school year only, the grant shall be no less
2 than the grant for the 2002-2003 school year multiplied by
3 0.66. For the 2010-2011 school year only, the grant shall be no
4 less than the grant for the 2002-2003 school year multiplied by
5 0.33. Notwithstanding the provisions of this paragraph to the
6 contrary, if for any school year supplemental general State aid
7 grants are prorated as provided in paragraph (1) of this
8 subsection (H), then the grants under this paragraph shall be
9 prorated.

10 For the 2003-2004 school year only, the grant shall be no
11 greater than the grant received during the 2002-2003 school
12 year added to the product of 0.25 multiplied by the difference
13 between the grant amount calculated under subsection (a) or (b)
14 of this paragraph (2.10), whichever is applicable, and the
15 grant received during the 2002-2003 school year. For the
16 2004-2005 school year only, the grant shall be no greater than
17 the grant received during the 2002-2003 school year added to
18 the product of 0.50 multiplied by the difference between the
19 grant amount calculated under subsection (a) or (b) of this
20 paragraph (2.10), whichever is applicable, and the grant
21 received during the 2002-2003 school year. For the 2005-2006
22 school year only, the grant shall be no greater than the grant
23 received during the 2002-2003 school year added to the product
24 of 0.75 multiplied by the difference between the grant amount
25 calculated under subsection (a) or (b) of this paragraph
26 (2.10), whichever is applicable, and the grant received during

1 the 2002-2003 school year.

2 (3) School districts with an Average Daily Attendance of
3 more than 1,000 and less than 50,000 that qualify for
4 supplemental general State aid pursuant to this subsection
5 shall submit a plan to the State Board of Education prior to
6 October 30 of each year for the use of the funds resulting from
7 this grant of supplemental general State aid for the
8 improvement of instruction in which priority is given to
9 meeting the education needs of disadvantaged children. Such
10 plan shall be submitted in accordance with rules and
11 regulations promulgated by the State Board of Education.

12 (4) School districts with an Average Daily Attendance of
13 50,000 or more that qualify for supplemental general State aid
14 pursuant to this subsection shall be required to distribute
15 from funds available pursuant to this Section, no less than
16 \$261,000,000 in accordance with the following requirements:

17 (a) The required amounts shall be distributed to the
18 attendance centers within the district in proportion to the
19 number of pupils enrolled at each attendance center who are
20 eligible to receive free or reduced-price lunches or
21 breakfasts under the federal Child Nutrition Act of 1966
22 and under the National School Lunch Act during the
23 immediately preceding school year.

24 (b) The distribution of these portions of supplemental
25 and general State aid among attendance centers according to
26 these requirements shall not be compensated for or

1 contravened by adjustments of the total of other funds
2 appropriated to any attendance centers, and the Board of
3 Education shall utilize funding from one or several sources
4 in order to fully implement this provision annually prior
5 to the opening of school.

6 (c) Each attendance center shall be provided by the
7 school district a distribution of noncategorical funds and
8 other categorical funds to which an attendance center is
9 entitled under law in order that the general State aid and
10 supplemental general State aid provided by application of
11 this subsection supplements rather than supplants the
12 noncategorical funds and other categorical funds provided
13 by the school district to the attendance centers.

14 (d) Any funds made available under this subsection that
15 by reason of the provisions of this subsection are not
16 required to be allocated and provided to attendance centers
17 may be used and appropriated by the board of the district
18 for any lawful school purpose.

19 (e) Funds received by an attendance center pursuant to
20 this subsection shall be used by the attendance center at
21 the discretion of the principal and local school council
22 for programs to improve educational opportunities at
23 qualifying schools through the following programs and
24 services: early childhood education, reduced class size or
25 improved adult to student classroom ratio, enrichment
26 programs, remedial assistance, attendance improvement, and

1 other educationally beneficial expenditures which
2 supplement the regular and basic programs as determined by
3 the State Board of Education. Funds provided shall not be
4 expended for any political or lobbying purposes as defined
5 by board rule.

6 (f) Each district subject to the provisions of this
7 subdivision (H) (4) shall submit an acceptable plan to meet
8 the educational needs of disadvantaged children, in
9 compliance with the requirements of this paragraph, to the
10 State Board of Education prior to July 15 of each year.
11 This plan shall be consistent with the decisions of local
12 school councils concerning the school expenditure plans
13 developed in accordance with part 4 of Section 34-2.3. The
14 State Board shall approve or reject the plan within 60 days
15 after its submission. If the plan is rejected, the district
16 shall give written notice of intent to modify the plan
17 within 15 days of the notification of rejection and then
18 submit a modified plan within 30 days after the date of the
19 written notice of intent to modify. Districts may amend
20 approved plans pursuant to rules promulgated by the State
21 Board of Education.

22 Upon notification by the State Board of Education that
23 the district has not submitted a plan prior to July 15 or a
24 modified plan within the time period specified herein, the
25 State aid funds affected by that plan or modified plan
26 shall be withheld by the State Board of Education until a

1 plan or modified plan is submitted.

2 If the district fails to distribute State aid to
3 attendance centers in accordance with an approved plan, the
4 plan for the following year shall allocate funds, in
5 addition to the funds otherwise required by this
6 subsection, to those attendance centers which were
7 underfunded during the previous year in amounts equal to
8 such underfunding.

9 For purposes of determining compliance with this
10 subsection in relation to the requirements of attendance
11 center funding, each district subject to the provisions of
12 this subsection shall submit as a separate document by
13 December 1 of each year a report of expenditure data for
14 the prior year in addition to any modification of its
15 current plan. If it is determined that there has been a
16 failure to comply with the expenditure provisions of this
17 subsection regarding contravention or supplanting, the
18 State Superintendent of Education shall, within 60 days of
19 receipt of the report, notify the district and any affected
20 local school council. The district shall within 45 days of
21 receipt of that notification inform the State
22 Superintendent of Education of the remedial or corrective
23 action to be taken, whether by amendment of the current
24 plan, if feasible, or by adjustment in the plan for the
25 following year. Failure to provide the expenditure report
26 or the notification of remedial or corrective action in a

1 timely manner shall result in a withholding of the affected
2 funds.

3 The State Board of Education shall promulgate rules and
4 regulations to implement the provisions of this
5 subsection. No funds shall be released under this
6 subdivision (H) (4) to any district that has not submitted a
7 plan that has been approved by the State Board of
8 Education.

9 (I) (Blank).

10 (J) (Blank).

11 (K) Grants to Laboratory and Alternative Schools.

12 In calculating the amount to be paid to the governing board
13 of a public university that operates a laboratory school under
14 this Section or to any alternative school that is operated by a
15 regional superintendent of schools, the State Board of
16 Education shall require by rule such reporting requirements as
17 it deems necessary.

18 As used in this Section, "laboratory school" means a public
19 school which is created and operated by a public university and
20 approved by the State Board of Education. The governing board
21 of a public university which receives funds from the State
22 Board under this subsection (K) or subsection (g) of Section
23 18-8.15 of this Code may not increase the number of students

1 enrolled in its laboratory school from a single district, if
2 that district is already sending 50 or more students, except
3 under a mutual agreement between the school board of a
4 student's district of residence and the university which
5 operates the laboratory school. A laboratory school may not
6 have more than 1,000 students, excluding students with
7 disabilities in a special education program.

8 As used in this Section, "alternative school" means a
9 public school which is created and operated by a Regional
10 Superintendent of Schools and approved by the State Board of
11 Education. Such alternative schools may offer courses of
12 instruction for which credit is given in regular school
13 programs, courses to prepare students for the high school
14 equivalency testing program or vocational and occupational
15 training. A regional superintendent of schools may contract
16 with a school district or a public community college district
17 to operate an alternative school. An alternative school serving
18 more than one educational service region may be established by
19 the regional superintendents of schools of the affected
20 educational service regions. An alternative school serving
21 more than one educational service region may be operated under
22 such terms as the regional superintendents of schools of those
23 educational service regions may agree.

24 Each laboratory and alternative school shall file, on forms
25 provided by the State Superintendent of Education, an annual
26 State aid claim which states the Average Daily Attendance of

1 the school's students by month. The best 3 months' Average
2 Daily Attendance shall be computed for each school. The general
3 State aid entitlement shall be computed by multiplying the
4 applicable Average Daily Attendance by the Foundation Level as
5 determined under this Section.

6 (L) Payments, Additional Grants in Aid and Other Requirements.

7 (1) For a school district operating under the financial
8 supervision of an Authority created under Article 34A, the
9 general State aid otherwise payable to that district under this
10 Section, but not the supplemental general State aid, shall be
11 reduced by an amount equal to the budget for the operations of
12 the Authority as certified by the Authority to the State Board
13 of Education, and an amount equal to such reduction shall be
14 paid to the Authority created for such district for its
15 operating expenses in the manner provided in Section 18-11. The
16 remainder of general State school aid for any such district
17 shall be paid in accordance with Article 34A when that Article
18 provides for a disposition other than that provided by this
19 Article.

20 (2) (Blank).

21 (3) Summer school. Summer school payments shall be made as
22 provided in Section 18-4.3.

23 (M) Education Funding Advisory Board.

24 The Education Funding Advisory Board, hereinafter in this

1 subsection (M) referred to as the "Board", is hereby created.
2 The Board shall consist of 5 members who are appointed by the
3 Governor, by and with the advice and consent of the Senate. The
4 members appointed shall include representatives of education,
5 business, and the general public. One of the members so
6 appointed shall be designated by the Governor at the time the
7 appointment is made as the chairperson of the Board. The
8 initial members of the Board may be appointed any time after
9 the effective date of this amendatory Act of 1997. The regular
10 term of each member of the Board shall be for 4 years from the
11 third Monday of January of the year in which the term of the
12 member's appointment is to commence, except that of the 5
13 initial members appointed to serve on the Board, the member who
14 is appointed as the chairperson shall serve for a term that
15 commences on the date of his or her appointment and expires on
16 the third Monday of January, 2002, and the remaining 4 members,
17 by lots drawn at the first meeting of the Board that is held
18 after all 5 members are appointed, shall determine 2 of their
19 number to serve for terms that commence on the date of their
20 respective appointments and expire on the third Monday of
21 January, 2001, and 2 of their number to serve for terms that
22 commence on the date of their respective appointments and
23 expire on the third Monday of January, 2000. All members
24 appointed to serve on the Board shall serve until their
25 respective successors are appointed and confirmed. Vacancies
26 shall be filled in the same manner as original appointments. If

1 a vacancy in membership occurs at a time when the Senate is not
2 in session, the Governor shall make a temporary appointment
3 until the next meeting of the Senate, when he or she shall
4 appoint, by and with the advice and consent of the Senate, a
5 person to fill that membership for the unexpired term. If the
6 Senate is not in session when the initial appointments are
7 made, those appointments shall be made as in the case of
8 vacancies.

9 The Education Funding Advisory Board shall be deemed
10 established, and the initial members appointed by the Governor
11 to serve as members of the Board shall take office, on the date
12 that the Governor makes his or her appointment of the fifth
13 initial member of the Board, whether those initial members are
14 then serving pursuant to appointment and confirmation or
15 pursuant to temporary appointments that are made by the
16 Governor as in the case of vacancies.

17 The State Board of Education shall provide such staff
18 assistance to the Education Funding Advisory Board as is
19 reasonably required for the proper performance by the Board of
20 its responsibilities.

21 For school years after the 2000-2001 school year through
22 the 2016-2017 school year, the Education Funding Advisory
23 Board, in consultation with the State Board of Education, shall
24 make recommendations as provided in this subsection (M) to the
25 General Assembly for the foundation level under subdivision
26 (B) (3) of this Section and for the supplemental general State

1 aid grant level under subsection (H) of this Section for
2 districts with high concentrations of children from poverty.
3 The recommended foundation level shall be determined based on a
4 methodology which incorporates the basic education
5 expenditures of low-spending schools exhibiting high academic
6 performance. The Education Funding Advisory Board shall make
7 such recommendations to the General Assembly on January 1 of
8 odd numbered years, beginning January 1, 2001.

9 (N) (Blank).

10 (O) References.

11 (1) References in other laws to the various subdivisions of
12 Section 18-8 as that Section existed before its repeal and
13 replacement by this Section 18-8.05 shall be deemed to refer to
14 the corresponding provisions of this Section 18-8.05, to the
15 extent that those references remain applicable.

16 (2) References in other laws to State Chapter 1 funds shall
17 be deemed to refer to the supplemental general State aid
18 provided under subsection (H) of this Section.

19 (P) Public Act 93-838 and Public Act 93-808 make inconsistent
20 changes to this Section. Under Section 6 of the Statute on
21 Statutes there is an irreconcilable conflict between Public Act
22 93-808 and Public Act 93-838. Public Act 93-838, being the last
23 acted upon, is controlling. The text of Public Act 93-838 is

1 the law regardless of the text of Public Act 93-808.

2 (Q) State Fiscal Year 2015 Payments.

3 For payments made for State fiscal year 2015, the State
4 Board of Education shall, for each school district, calculate
5 that district's pro-rata share of a minimum sum of \$13,600,000
6 or additional amounts as needed from the total net General
7 State Aid funding as calculated under this Section that shall
8 be deemed attributable to the provision of special educational
9 facilities and services, as defined in Section 14-1.08 of this
10 Code, in a manner that ensures compliance with maintenance of
11 State financial support requirements under the federal
12 Individuals with Disabilities Education Act. Each school
13 district must use such funds only for the provision of special
14 educational facilities and services, as defined in Section
15 14-1.08 of this Code, and must comply with any expenditure
16 verification procedures adopted by the State Board of
17 Education.

18 (R) State Fiscal Year 2016 Payments.

19 For payments made for State fiscal year 2016, the State
20 Board of Education shall, for each school district, calculate
21 that district's pro rata share of a minimum sum of \$1 or
22 additional amounts as needed from the total net General State
23 Aid funding as calculated under this Section that shall be
24 deemed attributable to the provision of special educational

1 facilities and services, as defined in Section 14-1.08 of this
2 Code, in a manner that ensures compliance with maintenance of
3 State financial support requirements under the federal
4 Individuals with Disabilities Education Act. Each school
5 district must use such funds only for the provision of special
6 educational facilities and services, as defined in Section
7 14-1.08 of this Code, and must comply with any expenditure
8 verification procedures adopted by the State Board of
9 Education.

10 (Source: P.A. 98-972, eff. 8-15-14; 99-2, eff. 3-26-15; 99-194,
11 eff. 7-30-15; 99-523, eff. 6-30-16.)

12 (105 ILCS 5/18-8.10)

13 Sec. 18-8.10. Fast growth grants.

14 (a) If there has been an increase in a school district's
15 student population over the most recent 2 school years of (i)
16 over 1.5% in a district with over 10,000 pupils in average
17 daily attendance (as defined in Section 18-8.05 or 18-8.15 of
18 this Code) or (ii) over 7.5% in any other district, then the
19 district is eligible for a grant under this Section, subject to
20 appropriation.

21 (b) The State Board of Education shall determine a per
22 pupil grant amount for each school district. The total grant
23 amount for a district for any given school year shall equal the
24 per pupil grant amount multiplied by the difference between the
25 number of pupils in average daily attendance for the 2 most

1 recent school years.

2 (c) Funds for grants under this Section must be
3 appropriated to the State Board of Education in a separate line
4 item for this purpose. If the amount appropriated in any fiscal
5 year is insufficient to pay all grants for a school year, then
6 the amount appropriated shall be prorated among eligible
7 districts. As soon as possible after funds have been
8 appropriated to the State Board of Education, the State Board
9 of Education shall distribute the grants to eligible districts.

10 (d) If a school district intentionally reports incorrect
11 average daily attendance numbers to receive a grant under this
12 Section, then the district shall be denied State aid in the
13 same manner as State aid is denied for intentional incorrect
14 reporting of average daily attendance numbers under Section
15 18-8.05 or 18-8.15 of this Code.

16 (Source: P.A. 93-1042, eff. 10-8-04.)

17 (105 ILCS 5/18-8.15 new)

18 Sec. 18-8.15. Evidence-based funding for student success
19 for the 2017-2018 and subsequent school years.

20 (a) General provisions.

21 (1) The purpose of this Section is to ensure that, by June
22 30, 2027 and beyond, this State has a kindergarten through
23 grade 12 public education system with the capacity to ensure
24 the educational development of all persons to the limits of
25 their capacities in accordance with Section 1 of Article X of

1 the Constitution of the State of Illinois. To accomplish that
2 objective, this Section creates a method of funding public
3 education that is evidence-based; is sufficient to ensure every
4 student receives a meaningful opportunity to learn
5 irrespective of race, ethnicity, sexual orientation, gender,
6 or community-income level; and is sustainable and predictable.
7 When fully funded under this Section, every school shall have
8 the resources, based on what the evidence indicates is needed,
9 to:

10 (A) provide all students with a high quality education
11 that offers the academic, enrichment, social and emotional
12 support, technical, and career-focused programs that will
13 allow them to become competitive workers, responsible
14 parents, productive citizens of this State, and active
15 members of our national democracy;

16 (B) ensure all students receive the education they need
17 to graduate from high school with the skills required to
18 pursue post-secondary education and training for a
19 rewarding career;

20 (C) reduce, with a goal of eliminating, the achievement
21 gap between at-risk and non-at-risk students by raising the
22 performance of at-risk students and not by reducing
23 standards; and

24 (D) ensure this State satisfies its obligation to
25 assume the primary responsibility to fund public education
26 and simultaneously relieve the disproportionate burden

1 placed on local property taxes to fund schools.

2 (2) The evidence-based funding formula under this Section
3 shall be applied to all Organizational Units in this State. As
4 further defined and described in this Section, there are 4
5 major components of the evidence-based funding model:

6 (A) First, the model calculates a unique adequacy
7 target for each Organizational Unit in this State that
8 considers the costs to implement research-based
9 activities, the unit's student demographics, and regional
10 wage difference.

11 (B) Second, the model calculates each Organizational
12 Unit's local capacity, or the amount each Organizational
13 Unit is assumed to contribute towards its adequacy target
14 from local resources.

15 (C) Third, the model calculates how much funding the
16 State currently contributes to the Organizational Unit,
17 and adds that to the unit's local capacity to determine the
18 unit's overall current adequacy of funding.

19 (D) Finally, the model's distribution method allocates
20 new State funding to those Organizational Units that are
21 least well-funded, considering both local capacity and
22 State funding, in relation to their adequacy target.

23 (3) An Organizational Unit receiving any funding under this
24 Section may apply those funds to any fund so received for which
25 that Organizational Unit is authorized to make expenditures by
26 law.

1 (4) As used in this Section, the following terms shall have
2 the meanings ascribed in this paragraph (4):

3 "Adequacy Target" is defined in paragraph (1) of subsection
4 (b) of this Section.

5 "Adjusted EAV" is defined in paragraph (4) of subsection
6 (d) of this Section.

7 "Adjustments" means corrections made by the State Board
8 pursuant to Sections 2.32, 2.33a, and 2-3.84 of this Code.

9 "Allocation Rate" is defined in paragraph (3) of subsection
10 (g) of this Section.

11 "Alternative School" means a public school that is created
12 and operated by a regional superintendent of schools and
13 approved by the State Board.

14 "Assessment" means any of those benchmark, progress
15 monitoring, formative, diagnostic, and other assessments, in
16 addition to the State accountability assessment, that assist
17 teachers' needs in understanding the skills and meeting the
18 needs of the students they serve.

19 "Assistant principal" means a school administrator duly
20 endorsed to be employed as an assistant principal in this
21 State.

22 "At-risk student" means a student who is at risk of not
23 meeting the Illinois Learning Standards or not graduating from
24 elementary or high school and who demonstrates a need for
25 vocational support or social services beyond that provided by
26 the regular school program. All students included in an

1 Organizational Unit's Low-Income Count, as well as all EL and
2 disabled students attending the Organizational Unit, shall be
3 considered at-risk students under this Section.

4 "Average Student Enrollment" or "ASE" means, for an
5 Organizational Unit in a given school year, the greater of the
6 average number of students (grades K through 12) reported to
7 the State Board as enrolled in the Organizational Unit on
8 October 1 and March 1, plus the special education
9 pre-kindergarten students with services of at least more than 2
10 hours a week as reported to the State Board on December 1, in
11 the immediately preceding school year or the average number of
12 students (grades K through 12) reported to the State Board as
13 enrolled in the Organizational Unit on October 1 and March 1,
14 plus the special education pre-kindergarten students with
15 services of at least more than 2 hours a week as reported to
16 the State Board on December 1, for each of the immediately
17 preceding 3 school years. For the purposes of this definition,
18 "enrolled in the Organizational Unit" means the number of
19 students reported to the State Board who are enrolled in
20 schools within the Organizational Unit that the student attends
21 or would attend if not placed or transferred to another school
22 or program to receive needed services. For the purposes of
23 calculating "ASE", all students, grades K through 12, shall be
24 counted as 1.0, except for those attending half-day
25 kindergarten who shall be counted as 0.5. Special education
26 pre-kindergarten students shall be counted as 0.5. If the State

1 Board does not collect or has not collected both an October 1
2 and March 1 enrollment count by grade or a December 1
3 collection of special education pre-kindergarten students as
4 of the effective date of this amendatory Act of the 100th
5 General Assembly, it shall establish such collection for all
6 future years. For any year where a count by grade level was
7 collected only once, that count shall be used as the single
8 count available for computing a 3-year average ASE.

9 "Base Funding Guarantee" is defined in paragraph (8) of
10 subsection (g) of this Section.

11 "Base Funding Minimum" is defined in subsection (e) of this
12 Section.

13 "Calculated Operating Expenditure per Pupil" means an
14 Organizational Unit's Operating Expenditure per Pupil minus
15 the sum of transportation expenditures not reimbursed by the
16 State per pupil plus special education expenditures not
17 reimbursed by the State per pupil plus federal funds per pupil.

18 "Central office" means individual administrators and
19 support service personnel charged with managing the
20 instructional programs, business and operations, and security
21 of the Organizational Unit.

22 "Computer technology and equipment" means computers
23 servers, notebooks, network equipment, copiers, printers,
24 instructional software, security software, curriculum
25 management courseware, and other similar materials and
26 equipment.

1 "Core subject" means mathematics; science; reading,
2 English, writing, and language arts; history and social
3 studies; world languages; and subjects taught as Advanced
4 Placement in high schools.

5 "Core teacher" means a regular classroom teacher in
6 elementary schools and teachers of a core subject in middle and
7 high schools.

8 "Core Intervention teacher (tutor)" means a licensed
9 teacher providing one-on-one or small group tutoring to
10 students struggling to meet proficiency in core subjects.

11 "CPPRT" means corporate personal property replacement tax
12 funds paid to an Organizational Unit during the calendar year
13 one year before the calendar year in which a school year
14 begins, pursuant to "An Act in relation to the abolition of ad
15 valorem personal property tax and the replacement of revenues
16 lost thereby, and amending and repealing certain Acts and parts
17 of Acts in connection therewith", certified August 14, 1979, as
18 amended (Public Act 81-1st S.S.-1).

19 "EAV" means equalized assessed valuation as defined in
20 paragraph (1) of subsection (d) of this Section and calculated
21 in accordance with paragraph (2) of subsection (d) of this
22 Section.

23 "EIS Data" means the employment information system data
24 maintained by the State Board on educators within
25 Organizational Units.

26 "Employee benefits" means health, dental, and vision

1 insurance offered to employees of an Organizational Unit.

2 "English learner" or "EL" means a child included in the
3 definition of "English learners" under Section 14C-2 of this
4 Code participating in a program of transitional bilingual
5 education or a transitional program of instruction meeting the
6 requirements and program application procedures of Article 14C
7 of this Code. For the purposes of collecting the number of EL
8 students enrolled, the same collection and calculation
9 methodology as defined above for "ASE" shall apply to English
10 learners.

11 "Essential Elements" means those elements, resources, and
12 educational programs that have been identified through
13 academic research as necessary to improve student success,
14 improve academic performance, close achievement gaps, and
15 provide for other per student costs related to the delivery and
16 leadership of the Organizational Unit, as well as the
17 maintenance and operations of the unit, and which are specified
18 in paragraph (2) of subsection (b) of this Section.

19 "Evidence-Based Funding" means State funding provided to
20 an Organizational Unit pursuant to this Section.

21 "Extended day" means academic and enrichment programs
22 provided to students outside the regular school day before and
23 after school or during non-instructional times during the
24 school day.

25 "Final Percent of Adequacy" is defined in paragraph (5) of
26 subsection (f) of this Section.

1 "Final Resources" is defined in paragraph (4) of subsection
2 (f) of this Section.

3 "Full-time equivalent" or "FTE" means the full-time
4 equivalency compensation for staffing the relevant position at
5 an Organizational Unit.

6 "Funding Gap" is defined in paragraph (1) of subsection
7 (g).

8 "Guidance counselor" means a licensed guidance counselor
9 who provides guidance and counseling support for students
10 within an Organizational Unit.

11 "Hybrid District" means a partial elementary unit district
12 created pursuant to Article 11E of this Code.

13 "Instructional assistant" means a core or special
14 education, non-licensed employee who assists a teacher in the
15 classroom and provides academic support to students.

16 "Instructional facilitator" means a qualified teacher or
17 licensed teacher leader who facilitates and coaches continuous
18 improvement in classroom instruction; provides instructional
19 support to teachers in the elements of research-based
20 instruction or demonstrates the alignment of instruction with
21 curriculum standards and assessment tools; develops or
22 coordinates instructional programs or strategies; develops and
23 implements training; chooses standards-based instructional
24 materials; provides teachers with an understanding of current
25 research; serves as a mentor, site coach, curriculum
26 specialist, or lead teacher; or otherwise works with fellow

1 teachers, in collaboration, to use data to improve
2 instructional practice or develop model lessons.

3 "Instructional materials" means relevant instructional
4 materials for student instruction, including, but not limited
5 to, textbooks, consumable workbooks, laboratory equipment,
6 library books, and other similar materials.

7 "Laboratory School" means a public school that is created
8 and operated by a public university and approved by the State
9 Board.

10 "Librarian" means a teacher with an endorsement as a
11 library information specialist or another individual whose
12 primary responsibility is overseeing library resources within
13 an Organizational Unit.

14 "Local Capacity" is defined in paragraph (1) of subsection
15 (c) of this Section.

16 "Local Capacity Percentage" is defined in subparagraph (A)
17 of paragraph (2) of subsection (c) of this Section.

18 "Local Capacity Ratio" is defined in subparagraph (B) of
19 paragraph (2) of subsection (c) of this Section.

20 "Local Capacity Target" is defined in paragraph (2) of
21 subsection (c) of this Section.

22 "Low-Income Count" means, for an Organizational Unit in a
23 fiscal year, the higher of the average number of students for
24 the prior school year or the immediately preceding 3 school
25 years who, as of July 1 of the immediately preceding fiscal
26 year (as determined by the Department of Human Services), are

1 eligible for at least one of the following low income programs:
2 Medicaid, the Children's Health Insurance Program, TANF, or
3 Food Stamps, excluding pupils who are eligible for services
4 provided by the Department of Children and Family Services.

5 "Maintenance and operations" means custodial services,
6 facility and ground maintenance, facility operations, facility
7 security, routine facility repairs, and other similar services
8 and functions.

9 "Minimum Funding Level" is defined in paragraph (7) of
10 subsection (g) of this Section.

11 "New State Funds" means, for a given school year, all State
12 funds appropriated for Evidence-Based Funding in excess of the
13 amount needed to fund the Base Funding Minimum for all
14 Organizational Units in that school year.

15 "Net State Contribution Target" means, for a given school
16 year, the amount of State funds that would be necessary to
17 fully meet the Adequacy Target of an Operational Unit minus the
18 Preliminary Resources available to each unit.

19 "Nurse" means an individual licensed as a certified school
20 nurse, in accordance with the rules established for nursing
21 services by the State Board, who is an employee of and is
22 available to provide health care-related services for students
23 of an Organizational Unit.

24 "Operating Expenditure per Pupil" means the gross
25 operating cost of an Organizational Unit excepting summer
26 school, adult education, bond principal retired, and capital

1 expenditures divided by the 9-month ASE for the regular school
2 term.

3 "Organizational Unit" means a Laboratory School, an
4 Alternative School, or any public school district that is
5 recognized as such by the State Board and that contains
6 elementary schools typically serving kindergarten through 5th
7 grades, middle schools typically serving 6th through 8th
8 grades, or high schools typically serving 9th through 12th
9 grades. The General Assembly acknowledges that the actual grade
10 levels served by a particular Organizational Unit may vary
11 slightly from what is typical.

12 "Preliminary Percent of Adequacy" is defined in paragraph
13 (2) of subsection (f) of this Section.

14 "Preliminary Resources" is defined in paragraph (3) of
15 subsection (f) of this Section.

16 "Principal" means a school administrator duly endorsed to
17 be employed as a principal in this State.

18 "Professional development" means training programs for
19 licensed staff in schools, including, but not limited to,
20 programs that assist in implementing new curriculum programs,
21 provide data focused or academic assessment data training to
22 help staff identify a student's weaknesses and strengths,
23 target interventions, improve instruction, encompass
24 instructional strategies for EL, gifted, or at-risk students,
25 address inclusivity, cultural sensitivity, or implicit bias,
26 or otherwise provide professional support for licensed staff.

1 "Prototypical" means 450 special education
2 pre-kindergarten and kindergarten through grade 5 students for
3 an elementary school, 450 grade 6 through 8 students for a
4 middle school, and 600 grade 9 through 12 students for a high
5 school.

6 "PTELL" means the Property Tax Extension Limitation Law.

7 "Pupil support staff" means a nurse, psychologist, social
8 worker, family liaison personnel, or other staff member who
9 provides support to at-risk or struggling students.

10 "School site staff" means the primary school secretary and
11 any additional clerical personnel assigned to a school.

12 "Special education" means special educational facilities
13 and services, as defined in Section 14-1.08 of this Code.

14 "Specialist teacher" means a teacher who provides
15 instruction in subject areas not included in core subjects,
16 including, but not limited to, art, music, physical education,
17 health, driver education, career-technical education, and such
18 other subject areas as may be mandated by State law or provided
19 by an Organizational Unit.

20 "Specially Funded Unit" means an Alternative School, safe
21 school, Department of Juvenile Justice school, special
22 education cooperative or entity recognized by the State Board
23 as a special education cooperative, State-approved charter
24 school, or alternative learning opportunities program that
25 received direct funding from the State Board during the
26 2016-2017 school year through any of the funding sources

1 included within the calculation of the Base Funding Minimum.

2 "State Adequacy Level" is the sum of the Adequacy Targets
3 of all Organizational Units.

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

5 "State Superintendent" means the State Superintendent of
6 Education.

7 "Student activities" means non-credit producing
8 after-school programs, including, but not limited to, clubs,
9 bands, sports, and other activities authorized by the school
10 board of the Organizational Unit.

11 "Substitute teacher" means an individual teacher or
12 teaching assistant who is employed by an Organizational Unit
13 and is temporarily serving the Organizational Unit on a per
14 diem or per period-assignment basis replacing another staff
15 member.

16 "Summer school" means academic and enrichment programs
17 provided to students during the summer months outside of the
18 regular school year.

19 "Supervisory aide" means a non-licensed staff member who
20 helps in supervising students of an Organizational Unit, but
21 does so outside of the classroom, in situations such as, but
22 not limited to, monitoring hallways and playgrounds,
23 supervising lunchrooms, or supervising students when being
24 transported in buses serving the Organizational Unit.

25 "Target Ratio" is defined in paragraph (4) of subsection
26 (g).

1 "Tier 1", "Tier 2", "Tier 3", and "Tier 4" are defined in
2 paragraph (2) of subsection (g).

3 "Tier 1 Aggregate Funding", "Tier 2 Aggregate Funding",
4 "Tier 3 Aggregate Funding", and "Tier 4 Aggregate Funding" are
5 defined in paragraph (1) of subsection (g).

6 (b) Adequacy Target calculation.

7 (1) Each Organizational Unit's Adequacy Target is the sum
8 of the Organizational Unit's cost of providing Essential
9 Elements, as calculated in accordance with this subsection (b).

10 (2) The Essential Elements are attributable on a pro-rata
11 basis related to defined subgroups of the ASE of each
12 Organizational Unit as specified in this paragraph (2), with
13 investments and FTE positions pro-rata funded based on ASE
14 counts in excess or less than the thresholds set forth in this
15 paragraph (2). The method for calculating attributable
16 pro-rata costs and the defined subgroups thereto are as
17 follows:

18 (A) Core class size investments. Each Organizational
19 Unit shall receive the funding required to support that
20 number of FTE core teacher positions as is needed to keep
21 the respective class sizes of the Organizational Unit to
22 the following maximum numbers:

23 (1) For grades kindergarten through 3, the
24 Organizational Unit shall receive funding required to
25 support one FTE core teacher position for every 15
26 Low-Income Count students in those grades and one FTE

1 core teacher position for every 20 non-Low-Income
2 Count students in those grades.

3 (2) For grades 4 through 12, the Organizational
4 Unit shall receive funding required to support one FTE
5 core teacher position for every 20 Low-Income Count
6 students in those grades and one FTE core teacher
7 position for every 25 non-Low-Income Count students in
8 those grades.

9 The number of non-Low-Income Count students in a grade
10 shall be determined by subtracting the low-income students
11 in that grade from the ASE of the Organizational Unit for
12 that grade.

13 (B) Specialist teacher investments. Each
14 Organizational Unit shall receive the funding needed to
15 cover that number of FTE specialist teacher positions that
16 correspond to the following percentages:

17 (i) if the Organizational Unit operates an
18 elementary or middle school, then 20.00% of the number
19 of the Organizational Unit's core teachers, as
20 determined under subparagraph (A) of this paragraph
21 (2); and

22 (ii) if such Organizational Unit operates a high
23 school, then 33.33% of the number of the Organizational
24 Unit's core teachers.

25 (C) Instructional facilitator investments. Each
26 Organizational Unit shall receive the funding needed to

1 cover one FTE instructional facilitator position for every
2 200 combined ASE of pre-kindergarten children with
3 disabilities and all kindergarten through grade 12
4 students of the Organizational Unit.

5 (D) Core intervention teacher (tutor) investments.
6 Each Organizational Unit shall receive the funding needed
7 to cover one FTE teacher position for each prototypical
8 elementary, middle, and high school.

9 (E) Substitute teacher investments. Each
10 Organizational Unit shall receive the funding needed to
11 cover substitute teacher costs that is equal to 5.70% of
12 the minimum pupil attendance days required under Section
13 10-19 of this code for all full-time equivalent core,
14 specialist, and intervention teachers, school nurses,
15 special education teachers and instructional assistants,
16 instructional facilitators, and summer school and
17 extended-day teacher positions, as determined under this
18 paragraph (2), at a salary rate of 33.33% of the average
19 salary for grade K through 12 teachers and 33.33% of the
20 average salary of each instructional assistant position.

21 (F) Core guidance counselor investments. Each
22 Organizational Unit shall receive the funding needed to
23 cover one FTE guidance counselor for each 450 combined ASE
24 of pre-kindergarten children with disabilities and all
25 kindergarten through grade 5 students, plus one FTE
26 guidance counselor for each 250 grades 6 through 8 ASE

1 middle school students, plus one FTE guidance counselor for
2 each 250 grades 9 through 12 ASE high school students.

3 (G) Nurse investments. Each Organizational Unit shall
4 receive the funding needed to cover one FTE nurse for each
5 750 combined ASE of pre-kindergarten children with
6 disabilities and all kindergarten through grade 12
7 students across all grade levels it serves.

8 (H) Supervisory aide investments. Each Organizational
9 Unit shall receive the funding needed to cover one FTE for
10 each 225 combined ASE of pre-kindergarten children with
11 disabilities and all kindergarten through grade 5
12 students, plus one FTE for each 225 ASE middle school
13 students, plus one FTE for each 200 ASE high school
14 students.

15 (I) Librarian investments. Each Organizational Unit
16 shall receive the funding needed to cover one FTE librarian
17 for each prototypical elementary school, middle school,
18 and high school and one FTE aide or media technician for
19 every 300 combined ASE of pre-kindergarten children with
20 disabilities and all kindergarten through grade 12
21 students.

22 (J) Principal investments. Each Organizational Unit
23 shall receive the funding needed to cover one FTE principal
24 position for each prototypical elementary school, plus one
25 FTE principal position for each prototypical middle
26 school, plus one FTE principal position for each

1 prototypical high school.

2 (K) Assistant principal investments. Each
3 Organizational Unit shall receive the funding needed to
4 cover one FTE assistant principal position for each
5 prototypical elementary school, plus one FTE assistant
6 principal position for each prototypical middle school,
7 plus one FTE assistant principal position for each
8 prototypical high school.

9 (L) School site staff investments. Each Organizational
10 Unit shall receive the funding needed for one FTE position
11 for each 225 ASE of pre-kindergarten children with
12 disabilities and all kindergarten through grade 5
13 students, plus one FTE position for each 225 ASE middle
14 school students, plus one FTE position for each 200 ASE
15 high school students.

16 (M) Gifted investments. Each Organizational Unit shall
17 receive \$40 per kindergarten through grade 12 ASE.

18 (N) Professional development investments. Each
19 Organizational Unit shall receive \$125 per student of the
20 combined ASE of pre-kindergarten children with
21 disabilities and all kindergarten through grade 12
22 students for trainers and other professional
23 development-related expenses for supplies and materials.

24 (O) Instructional material investments. Each
25 Organizational Unit shall receive \$190 per student of the
26 combined ASE of pre-kindergarten children with

1 disabilities and all kindergarten through grade 12
2 students to cover instructional material costs.

3 (P) Assessment investments. Each Organizational Unit
4 shall receive \$25 per student of the combined ASE of
5 pre-kindergarten children with disabilities and all
6 kindergarten through grade 12 students student to cover
7 assessment costs.

8 (Q) Computer technology and equipment investments.
9 Each Organizational Unit shall receive \$285.50 per student
10 of the combined ASE of pre-kindergarten children with
11 disabilities and all kindergarten through grade 12
12 students to cover computer technology and equipment costs.

13 (R) Student activities investments. Each
14 Organizational Unit shall receive the following funding
15 amounts to cover student activities: \$100 per kindergarten
16 through grade 5 ASE student in elementary school, plus \$200
17 per ASE student in middle school, plus \$675 per ASE student
18 in high school.

19 (S) Maintenance and operations investments. Each
20 Organizational Unit shall receive \$1,038 per student of the
21 combined ASE of pre-kindergarten children with
22 disabilities and all kindergarten through grade 12 for
23 day-to-day maintenance and operations expenditures,
24 including salary, supplies, and materials, as well as
25 purchased services, but excluding employee benefits. The
26 proportion of salary for the application of the calculation

1 of benefits is equal to \$352.92.

2 (T) Central office investments. Each Organizational
3 Unit shall receive \$742 per student of the combined ASE of
4 pre-kindergarten children with disabilities and all
5 kindergarten through grade 12 students to cover central
6 office operations, including administrators and classified
7 personnel charged with managing the instructional
8 programs, business and operations of the school district,
9 and security personnel. The proportion of salary for the
10 application of the calculation of benefits is equal to
11 \$368.48.

12 (U) Employee benefit investments. Each Organizational
13 Unit shall receive 30% of the total of all
14 salary-calculated elements of the Adequacy Target,
15 excluding substitute teachers and student activities
16 investments, to cover benefit costs. For central office and
17 maintenance and operations investments, the benefit
18 calculation shall be based upon the salary proportion of
19 each investment.

20 (V) Additional investments in low-income students. In
21 addition to and not in lieu of all other funding under this
22 paragraph (2), each Organizational Unit shall receive
23 funding based on the average teacher salary for grades K
24 through 12 to cover the costs of: (i) one FTE intervention
25 teacher (tutor) position for every 125 Low-Income Count
26 students; (ii) one FTE pupil support staff position for

1 every 125 Low-Income Count students; (iii) one FTE extended
2 day teacher position for every 120 Low-Income Count
3 students; and (iv) one FTE summer school teacher position
4 for every 120 Low-Income Count students.

5 (W) Additional investments in EL students. In addition
6 to and not in lieu of all other funding under this
7 paragraph (2), each Organizational Unit shall receive
8 funding based on the average teacher salary for grades K
9 through 12 to cover the costs of:

10 (i) one FTE intervention teacher (tutor) position
11 for every 125 EL students;

12 (ii) one FTE pupil support staff position for every
13 125 EL students;

14 (iii) one FTE extended day teacher position for
15 every 120 EL students;

16 (iv) one FTE summer school teacher position for
17 every 120 EL students; and

18 (v) one FTE core teacher position for every 100 EL
19 students.

20 (X) Special education investments. Each Organizational
21 Unit shall receive funding based on the average teacher
22 salary for grades K through 12 to cover special education
23 as follows:

24 (i) one FTE teacher position for every 141 combined
25 ASE of pre-kindergarten children with disabilities and
26 all kindergarten through grade 12 students;

1 (ii) one FTE instructional assistant for every 141
2 combined ASE of pre-kindergarten children with
3 disabilities and all kindergarten through grade 12
4 students; and

5 (iii) one FTE psychologist position for every
6 1,000 combined ASE of pre-kindergarten children with
7 disabilities and all kindergarten through grade 12
8 students.

9 (3) For calculating the salaries included within the
10 Essential Elements, the State Superintendent shall calculate
11 average salaries to the nearest dollar using the employment
12 information system data maintained by the State Board, limited
13 to public schools only and excluding special education and
14 vocational cooperatives, schools operated by the Department of
15 Juvenile Justice, and charter schools, for the following
16 positions:

17 (A) Teacher for grades K through 8.

18 (B) Teacher for grades 9 through 12.

19 (C) Teacher for grades K through 12.

20 (D) Guidance counselor for grades K through 8.

21 (E) Guidance counselor for grades 9 through 12.

22 (F) Guidance counselor for grades K through 12.

23 (G) Social worker.

24 (H) Psychologist.

25 (I) Librarian.

26 (J) Nurse.

1 (K) Principal.

2 (L) Assistant principal.

3 For the purposes of this paragraph (3), "teacher" includes core
4 teachers, specialist and elective teachers, instructional
5 facilitators, tutors, special education teachers, pupil
6 support staff teachers, English learner teachers, extended-day
7 teachers, and summer school teachers. Where specific grade data
8 is not required for the Essential Elements, the average salary
9 for corresponding positions shall apply. For substitute
10 teachers, the average teacher salary for grades K through 12
11 shall apply.

12 For calculating the salaries included within the Essential
13 Elements for positions not included within EIS Data, the
14 following salaries shall be used:

15 (i) school site staff, \$30,000; and

16 (ii) on-instructional assistant, instructional
17 assistant, library aide, library media tech, or
18 supervisory aide: \$25,000.

19 (c) Local capacity calculation.

20 (1) Each Organizational Unit's Local Capacity represents
21 an amount of funding it is assumed to contribute toward its
22 Adequacy Target for purposes of the Evidence-Based Funding
23 formula calculation. "Local Capacity" means an Organizational
24 Unit's Local Capacity Target as calculated in accordance with
25 paragraph (2) of this subsection (c).

26 (2) "Local Capacity Target" means, for an Organizational

1 Unit, that dollar amount that is obtained by multiplying its
2 Adequacy Target by its Local Capacity Percentage.

3 (A) An Organizational Unit's Local Capacity Percentage
4 is the conversion of the Organizational Unit's Local
5 Capacity Ratio, as such ratio is determined in accordance
6 with subparagraph (B) of this paragraph (2), into a normal
7 curve equivalent score to determine each Organizational
8 Unit's relative position to all other Organizational Units
9 in this State. The calculation of Local Capacity Percentage
10 is described in subparagraph (C) of this paragraph (2).

11 (B) An Organizational Unit's Local Capacity Ratio in a
12 given year is the percentage obtained by dividing its
13 Adjusted EAV by its Adequacy Target, with the resulting
14 ratio further adjusted as follows:

15 (i) for Organizational Units serving grades
16 kindergarten through 12 and Hybrid Districts, no
17 further adjustments shall be made;

18 (ii) for Organizational Units serving grades
19 kindergarten through 8, the ratio shall be multiplied
20 by 9/13;

21 (iii) for Organizational Units serving grades 9
22 through 12, the Local Capacity Ratio shall be
23 multiplied by 4/13; and

24 (iv) for an Organizational Unit with a different
25 grade configuration than those specified in items (i)
26 through (iii) of this subparagraph (B), the State

1 Superintendent shall determine a comparable adjustment
2 based on the grades served.

3 (C) Local Capacity Percentage converts each
4 Organizational Unit's Local Capacity Ratio to a normal
5 curve equivalent score to determine each Organizational
6 Unit's relative position to all other Organizational Units
7 in this State. The Local Capacity Percentage normal curve
8 equivalent score for each Organizational Unit shall be
9 calculated using the standard normal distribution of the
10 score in relation to the weighted mean and weighted
11 standard deviation and Local Capacity Ratios of all
12 Organizational Units. If the value assigned to any
13 Organizational Unit is in excess of 90%, the value shall be
14 adjusted to 90%. For Laboratory Schools, the Local Capacity
15 Percentage shall be set at 10% in recognition of the
16 absence of EAV and resources from the public university
17 that are allocated to the Laboratory School. The weighted
18 mean for the Local Capacity Percentage shall be determined
19 by multiplying each Organizational Unit's Local Capacity
20 Ratio times the ASE for the unit creating a weighted value,
21 summing the weighted values of all Organizational Units,
22 and dividing by the total ASE of all Organizational Units.
23 The weighted standard deviation shall be determined by
24 taking the square root of the weighted variance of all
25 Organizational Units' Local Capacity Ratio, where the
26 variance is calculated by squaring the difference between

1 each unit's Local Capacity Ratio and the weighted mean,
2 then multiplying the variance for each unit times the ASE
3 for the unit to create a weighted variance for each unit,
4 then summing all units' weighted variance and dividing by
5 the total ASE of all units.

6 (d) Calculation of EAV and Adjusted EAV for purposes of the
7 Local Capacity calculation.

8 (1) The State Superintendent shall calculate the Equalized
9 Assessed Valuation, or EAV, of all taxable property of each
10 Organizational Unit as of September 30 of the previous year in
11 accordance with paragraph (2) of this subsection (d). The State
12 Superintendent shall then determine the Adjusted EAV of each
13 Organizational Unit in accordance with paragraph (3) of this
14 subsection (d), which Adjusted EAV figure shall be used for the
15 purposes of calculating Local Capacity.

16 (2) To calculate EAV, the Department of Revenue shall
17 supply to the State Superintendent the value as equalized or
18 assessed by the Department of Revenue of all taxable property
19 of every Organizational Unit, together with (i) the applicable
20 tax rate used in extending taxes for the funds of the
21 Organizational Unit as of September 30 of the previous year and
22 (ii) the limiting rate for all Organizational Units subject to
23 property tax extension limitations as imposed under PTELL.

24 (A) The Department of Revenue shall add to the
25 equalized assessed value of all taxable property of each
26 Organizational Unit situated entirely or partially within

1 a county that is or was subject to the provisions of
2 Section 15-176 or 15-177 of the Property Tax Code (i) an
3 amount equal to the total amount by which the homestead
4 exemption allowed under Section 15-176 or 15-177 of the
5 Property Tax Code for real property situated in that
6 Organizational Unit exceeds the total amount that would
7 have been allowed in that Organizational Unit if the
8 maximum reduction under Section 15-176 was (I) \$4,500 in
9 Cook County or \$3,500 in all other counties in tax year
10 2003 or (II) \$5,000 in all counties in tax year 2004 and
11 thereafter and (ii) an amount equal to the aggregate amount
12 for the taxable year of all additional exemptions under
13 Section 15-175 of the Property Tax Code for owners with a
14 household income of \$30,000 or less. The county clerk of
15 any county that is or was subject to the provisions of
16 Section 15-176 or 15-177 of the Property Tax Code shall
17 annually calculate and certify to the Department of Revenue
18 for each Organizational Unit all homestead exemption
19 amounts under Section 15-176 or 15-177 of the Property Tax
20 Code and all amounts of additional exemptions under Section
21 15-175 of the Property Tax Code for owners with a household
22 income of \$30,000 or less. It is the intent of this
23 subparagraph (A) that if the general homestead exemption
24 for a parcel of property is determined under Section 15-176
25 or 15-177 of the Property Tax Code rather than Section
26 15-175, then the calculation of EAV shall not be affected

1 by the difference, if any, between the amount of the
2 general homestead exemption allowed for that parcel of
3 property under Section 15-176 or 15-177 of the Property Tax
4 Code and the amount that would have been allowed had the
5 general homestead exemption for that parcel of property
6 been determined under Section 15-175 of the Property Tax
7 Code. It is further the intent of this subparagraph (A)
8 that if additional exemptions are allowed under Section
9 15-175 of the Property Tax Code for owners with a household
10 income of less than \$30,000, then the calculation of EAV
11 shall not be affected by the difference, if any, because of
12 those additional exemptions.

13 (B) For Organizational Units that are Hybrid
14 Districts, the State Superintendent shall use the lesser of
15 the equalized assessed valuation for property within the
16 partial elementary unit district for elementary purposes,
17 as defined in Article 11E of this Code, or the equalized
18 assessed valuation for property within the partial
19 elementary unit district for high school purposes, as
20 defined in Article 11E of this Code.

21 (3) An Organizational Unit's Adjusted EAV shall be the
22 average of its EAV over the immediately preceding 3 years or
23 its EAV in the immediately preceding year if the EAV in the
24 immediately preceding year has declined by 10% or more compared
25 to the 3-year average. In the event of Organizational Unit
26 reorganization, consolidation, or annexation, the

1 Organizational Unit's Adjusted EAV for the first 3 years after
2 such change shall be as follows: the most current EAV shall be
3 used in the first year, the average of a 2-year EAV or its EAV
4 in the immediately preceding year if the EAV declines by 10% or
5 more compared to the 2-year average for the second year, and a
6 3-year average EAV or its EAV in the immediately preceding year
7 if the adjusted EAV declines by 10% or more compared to the
8 3-year average for the third year.

9 (e) Base Funding Minimum Calculation.

10 (1) For the 2017-2018 school year, the Base Funding Minimum
11 of an Organizational Unit, other than a Specially Funded Unit,
12 shall be the amount of State funds distributed to the
13 Organizational Unit during the 2016-2017 school year prior to
14 any Adjustments from the following Sections, as calculated by
15 the State Superintendent: Section 18-8.05 of this Code (general
16 State aid); Section 14-7.02b of this Code (funding for children
17 requiring special education services); Section 14-13.01 of
18 this Code (special education facilities and staffing), except
19 for reimbursement of the cost of transportation pursuant to
20 Section 14-13.01; Section 14C-12 of this Code (English
21 Learners); and Section 18-4.3 of this Code (summer school). For
22 the 2017-2018 school year for a school district organized under
23 Article 34 of this Code, the Base Funding Minimum shall include
24 the amount of State funds distributed during the 2016-2017
25 school year prior to any Adjustments, from Section 18-8.05 of
26 this Code (general State aid), and actual expenditures, as most

1 recently calculated and reported pursuant to subsection (f) of
2 Section 1D-1 of this Code from the following programs: Section
3 14-7.02b of this Code (funding for children requiring special
4 education services); Section 14-13.01 of this Code (special
5 education facilities and staffing), except for reimbursement
6 of the cost of transportation pursuant to Section 14-13.01;
7 Section 14C-12 of this Code (English Learners); and Section
8 18-4.3 of this Code (summer school).

9 (2) For the 2018-2019 school year and subsequent school
10 years, the Base Funding Minimum of an Organizational Unit,
11 other than a Specially Funded Unit, shall be the amount of
12 State funds from the previous school year distributed to the
13 Organizational Unit through the Base Funding Minimum, prior to
14 any Adjustments, divided by the Organizational Unit's ASE for
15 the previous school year multiplied by the Organizational
16 Unit's ASE for the current school year.

17 (f) Percent of Adequacy and Final Resources calculation.

18 (1) The Evidence-Based Funding formula establishes a
19 Percent of Adequacy for each Organizational Unit in order to
20 place such units into tiers for the purposes of the funding
21 distribution system described in subsection (g) of this
22 Section. Initially, an Organizational Unit's Preliminary
23 Percent of Adequacy is calculated pursuant to paragraph (2) of
24 this subsection (f) and an Organizational Unit's Preliminary
25 Resources are calculated pursuant to paragraph (3) of this
26 subsection (f). Then an Organizational Unit's Final Resources

1 are calculated pursuant to paragraph (4) of this subsection (f)
2 and an Organizational Unit's Final Percent of Adequacy is
3 calculated pursuant to paragraph (5) of this subsection (f).

4 (2) An Organizational Unit's Preliminary Percent of
5 Adequacy is the lesser of (i) its Preliminary Resources divided
6 by its Adequacy Target or (ii) 100%.

7 (3) An Organizational Unit's Preliminary Resources are
8 equal to the sum of its Local Capacity Target, CPPRT, and Base
9 Funding Minimum.

10 (4) Except for Specially Funded Units, an Organizational
11 Unit's Final Resources are equal to their Preliminary
12 Resources. The Base Funding Minimum for each Specially Funded
13 Unit shall serve as its Final Resources, except that the Base
14 Funding Minimum for State-approved charter schools shall not
15 include any portion of general State aid allocated in the prior
16 year based on the per capita tuition charge times the charter
17 school enrollment.

18 (5) An Organizational Unit's Final Percent of Adequacy is
19 its Final Resources divided by its Adequacy Target.

20 (g) Evidence-Based Funding formula distribution system.

21 (1) In each school year under the Evidence-Based Funding
22 formula, each Organizational Unit receives funding equal to the
23 sum of its Base Funding Minimum and the unit's allocation of
24 New State Funds determined pursuant to this subsection (g). To
25 allocate New State Funds, the Evidence-Based Funding formula
26 distribution system first places all Organizational Units into

1 one of 4 tiers in accordance with paragraph (2) of this
2 subsection (g), based on the Organizational Unit's Final
3 Percent of Adequacy. New State Funds are allocated to each of
4 the 4 tiers as follows: Tier 1 Aggregate Funding equals 50% of
5 all New State Funds, Tier 2 Aggregate Funding equals 49% of all
6 New State Funds, Tier 3 Aggregate Funding equals 0.9% of all
7 New State Funds, and Tier 4 Aggregate Funding equals 0.1% of
8 all New State Funds. Each Organizational Unit within Tier 1 or
9 Tier 2 receives an allocation of New State Funds equal to its
10 Funding Gap multiplied by the tier's Allocation Rate determined
11 pursuant to paragraph (3) of this subsection (g). For Tier 1,
12 an Organizational Unit's Funding Gap equals the tier's Target
13 Ratio, as specified in paragraph (4) of this subsection (g),
14 multiplied by the Organizational Unit's Adequacy Target, with
15 the resulting amount reduced by the Organizational Unit's Final
16 Resources. For Tier 2, an Organizational Unit's Funding Gap
17 equals the tier's Target Ratio, as specified in paragraph (4)
18 of this subsection (g), multiplied by the Organizational Unit's
19 Adequacy Target, with the resulting amount reduced by the
20 Organizational Unit's Final Resources and its Tier 1 funding
21 allocation. To determine the Organizational Unit's Funding
22 Gap, the resulting amount is then multiplied by a factor equal
23 to one minus the Organizational Unit's Local Capacity
24 Percentage. Each Organizational Unit within Tier 3 or Tier 4
25 receives an allocation of New State Funds equal to the product
26 of its Adequacy Target and the tier's Allocation Rate, as

1 specified in paragraph (3) of this subsection (g).

2 (2) Organizational Units are placed into one of 4 tiers as
3 follows:

4 (A) Tier 1 consists of all Organizational Units, except
5 for Specially Funded Units, with a Percent of Adequacy less
6 than the Tier 1 Target Ratio. The Tier 1 Target Ratio is
7 the ratio level that allows for Tier 1 Aggregate Funding to
8 be distributed, with the Tier 1 Allocation Rate determined
9 pursuant to paragraph (3) of this subsection (g).

10 (B) Tier 2 consists of all Tier 1 Units and all other
11 Organizational Units, except for Specially Funded Units,
12 with a Percent of Adequacy of less than 0.90.

13 (C) Tier 3 consists of all Organizational Units, except
14 for Specially Funded Units, with a Percent of Adequacy of
15 at least 0.90 and less than 1.0.

16 (D) Tier 4 consists of all Organizational Units with a
17 Percent of Adequacy of at least 1.0 and Specially Funded
18 Units.

19 Notwithstanding anything to the contrary contained in
20 subparagraphs (A), (B), (C), and (D) of this paragraph (2), any
21 Organizational Unit that:

22 (i) has a Calculated Operating Expenditure per Pupil
23 that is 90% or more but less than 100% of its Adequacy
24 Target shall be placed into Tier 3; and

25 (ii) has a Calculated Operating Expenditure per Pupil
26 that is 100% or more of its Adequacy Target shall be placed

1 into Tier 4.

2 (3) The Allocation Rates for Tiers 1 through 4 is
3 determined as follows:

4 (A) The Tier 1 Allocation Rate is 50%, unless such rate
5 is adjusted pursuant to paragraph (7) of this subsection
6 (g).

7 (B) The Tier 2 Allocation Rate is the result of the
8 following equation: Tier 2 Aggregate Funding, divided by
9 the sum of the Funding Gaps for all Tier 2 Organizational
10 Units, unless the result of such equation is higher than
11 1.0. If the result of such equation is higher than 1.0,
12 then the Tier 2 Allocation Rate is 1.0.

13 (C) The Tier 3 Allocation Rate is the result of the
14 following equation: Tier 3 Aggregate Funding, divided by
15 the sum of the Adequacy Targets of all Tier 3
16 Organizational Units.

17 (D) The Tier 4 Allocation Rate is the result of the
18 following equation: Tier 4 Aggregate Funding, divided by
19 the sum of the Adequacy Targets of all Tier 4
20 Organizational Units.

21 (4) A tier's Target Ratio is determined as follows:

22 (A) The Tier 1 Target Ratio is the ratio level that
23 allows for Tier 1 Aggregate Funding to be distributed with
24 the Tier 1 Allocation Rate.

25 (B) The Tier 2 Target Ratio is 0.90.

26 (C) The Tier 3 Target Ratio is 1.0.

1 (5) If any Specially Funded Units recognized by the State
2 Board do not qualify for direct funding following the
3 implementation of this amendatory Act of the 100th General
4 Assembly from any of the funding sources included within the
5 definition of Base Funding Minimum, the unqualified portion of
6 the Base Funding Minimum shall be transferred to one or more
7 appropriate Organizational Units as determined by the State
8 Superintendent based on the prior year ASE of the
9 Organizational Units.

10 (6) For the 2017-2018 school year, if, after the
11 distribution of New State Funds, any Organizational Unit
12 receives less State funding than it received in the 2016-2017
13 school year from (i) the programs enumerated in paragraph (1)
14 of subsection (e) of this Section plus (ii) Section 5 of
15 Article 224 of Public Act 99-524, then it shall, subject to
16 appropriation, receive a grant to make the difference between
17 its 2016-2017 funding and its 2017-2018 funding equal to zero.
18 For a school district organized under Article 34 of this Code,
19 its 2016-2017 funding subject to this provision shall include
20 all of the following:

21 (A) Section 18-8.05 of the Code; plus

22 (B) Section 5 of Article 224 of Public Act 99-524; plus

23 (C) the school district's actual expenditures for
24 those funds allocated to the district pursuant to Section
25 1D-1 of this Code from Section 14-7.02b of this Code;
26 Section 14-13.01 of this Code, except for reimbursement of

1 the cost of transportation pursuant to Section 14-13.01;
2 and Section 18-4.3 of this Code, as most recently
3 calculated and reported pursuant to subsection (f) of
4 Section 1D-1 of this Code; plus

5 (D) the amount granted by the State for payment of
6 normal pension costs, including retiree health care.

7 (7) Notwithstanding the distribution formulae set forth in
8 this subsection (g), funding for each tier shall be adjusted as
9 set forth in this paragraph (7) if New State Funds are less
10 than the Minimum Funding Level. The Minimum Funding Level is
11 the appropriation for the prior fiscal year enacted by the
12 General Assembly and appropriated to the State Board of
13 Education pursuant to this Section. If New State Funds are less
14 than the Minimum Funding Level, than funding for tiers shall be
15 reduced in the following manner:

16 (A) First, Tier 4 funding shall be reduced by an amount
17 equal to the difference between the Minimum Funding Level
18 and New State Funds until such time as Tier 4 funding is
19 exhausted.

20 (B) Next, Tier 3 funding shall be reduced by an amount
21 equal to the difference between the Minimum Funding Level
22 and New State Funds and the reduction in Tier 4 funding
23 until such time as Tier 3 funding is exhausted.

24 (C) Then, Tier 2 funding shall be reduced by an amount
25 equal to the difference between the Minimum Funding Level
26 and New State Funds and the reduction in Tier 4 and Tier 3

1 funding.

2 (D) Finally, Tier 1 funding shall be reduced by an
3 amount equal to the difference between the Minimum Funding
4 Level and New State Funds and the reduction in Tier 2, 3,
5 and 4 funding. In addition, the Allocation Rate for Tier 1
6 funding shall be reduced to a percentage equal to 50%,
7 multiplied by the result of New State Funds divided by the
8 Minimum Funding Level.

9 (8) In the event of a decrease in the amount of the
10 appropriation for this Section in any fiscal year after
11 implementation of this Section, the Organizational Units
12 receiving Tier 1 and Tier 2 funding, as determined under
13 paragraph (2) of this subsection (g), shall be held harmless by
14 establishing a Base Funding Guarantee equal to the per pupil
15 kindergarten through grade 12 funding received in accordance
16 with this Section in the prior fiscal year. Reductions shall be
17 made to the Base Funding Minimum of Organizational Units in
18 Tier 3 and Tier 4 on a per pupil basis equivalent to the total
19 number of the ASE in Tier 3-funded and Tier 4-funded
20 Organizational Units divided by the total reduction in State
21 funding. The Base Funding Minimum as reduced shall continue to
22 be applied to Tier 3 and Tier 4 Organizational Units and
23 adjusted by the relative formula when increases in
24 appropriations for this Section resume. In no event may State
25 funding reductions to Organizational Units in Tier 3 or Tier 4
26 exceed an amount that would be less than the Base Funding

1 Minimum established in the first year of implementation of this
2 Section. If additional reductions are required, all school
3 districts shall receive a reduction by a per pupil amount equal
4 to the aggregate additional appropriation reduction divided by
5 the total ASE of all Organizational Units.

6 (9) The State Superintendent shall make minor
7 modifications to the distribution formulae set forth in this
8 subsection (g) to account for the rounding of percentages to
9 the nearest tenth of a percentage and dollar amounts to the
10 nearest whole dollar. Further, in the event that all Tier 2
11 Organizational Units receive funding at the Tier 2 Target Ratio
12 level, the State Superintendent shall allocate any remaining
13 New State Funds to Tier 3 and Tier 4 Organizational Units.

14 (h) State Superintendent administration of funding and
15 district submission requirements.

16 (1) The State Superintendent shall, in accordance with
17 appropriations made by the General Assembly, meet the funding
18 obligations created under this Section.

19 (2) The State Superintendent shall calculate the Adequacy
20 Target for each Organizational Unit and Net State Contribution
21 Target for each Organizational Unit under this Section. The
22 State Superintendent shall also certify the actual amounts of
23 the New State Funds payable for each eligible Organizational
24 Unit based on the equitable distribution calculation to the
25 unit's treasurer, as soon as possible after such amounts are
26 calculated, including any applicable adjusted charge-off

1 increase. No Evidence-Based Funding shall be distributed
2 within an Organizational Unit without the approval of the
3 unit's school board.

4 (3) Annually, the State Superintendent shall calculate and
5 report to each Organizational Unit the unit's aggregate
6 financial adequacy amount, which shall be the sum of the
7 Adequacy Target for each Organizational Unit. The State
8 Superintendent shall calculate and report separately for each
9 Organizational Unit the unit's total State funds allocated for
10 its students with disabilities. The State Superintendent shall
11 calculate and report separately for each Organizational Unit
12 the amount of funding and applicable FTE calculated for each
13 Essential Element of the unit's Adequacy Target.

14 (4) Moneys distributed under this Section shall be
15 calculated on a school year basis, but paid on a fiscal year
16 basis, with payments beginning in August and extending through
17 June. Unless otherwise provided, the moneys appropriated for
18 each fiscal year shall be distributed in 22 equal payments at
19 least 2 times monthly to each Organizational Unit. The State
20 Board shall publish a yearly distribution schedule at its
21 meeting in June. If moneys appropriated for any fiscal year are
22 distributed other than monthly, the distribution shall be on
23 the same basis for each Organizational Unit.

24 (5) Any school district that fails, for any given school
25 year, to maintain school as required by law or to maintain a
26 recognized school is not eligible to receive Evidence-Based

1 Funding. In case of non-recognition of one or more attendance
2 centers in a school district otherwise operating recognized
3 schools, the claim of the district shall be reduced in the
4 proportion that the enrollment in the attendance center or
5 centers bears to the enrollment of the school district.
6 "Recognized school" means any public school that meets the
7 standards for recognition by the State Board. A school district
8 or attendance center not having recognition status at the end
9 of a school term is entitled to receive State aid payments due
10 upon a legal claim that was filed while it was recognized.

11 (6) School district claims filed under this Section are
12 subject to Sections 18-9 and 18-12 of this Code, except as
13 otherwise provided in this Section.

14 (7) Each fiscal year, the State Superintendent shall
15 calculate for each Organizational Unit an amount of its Base
16 Funding Minimum and Evidence-Based Funding that shall be deemed
17 attributable to the provision of special educational
18 facilities and services, as defined in Section 14-1.08 of this
19 Code, in a manner that ensures compliance with maintenance of
20 State financial support requirements under the federal
21 Individuals with Disabilities Education Act. An Organizational
22 Unit must use such funds only for the provision of special
23 educational facilities and services, as defined in Section
24 14-1.08 of this Code, and must comply with any expenditure
25 verification procedures adopted by the State Board.

26 (8) All Organizational Units in this State must submit

1 annual spending plans by the end of September of each year to
2 the State Board as part of the annual budget process, which
3 shall describe how each Organizational Unit will utilize the
4 Base Minimum Funding and Evidence-Based funding it receives
5 from this State under this Section with specific identification
6 of the intended utilization of Low-Income, EL, and special
7 education resources and their anticipated outcomes. The State
8 Superintendent may, from time to time, identify additional
9 requisites for Organizational Units to satisfy when compiling
10 the annual spending plans required under this subsection (h).
11 The format and scope of annual spending plans shall be
12 developed by the State Superintendent in conjunction with the
13 Professional Judgment Panel.

14 (9) No later than January 1, 2018, the State Superintendent
15 shall develop a 5-year strategic plan for all Organizational
16 Units to help in planning for adequacy funding under this
17 Section. The State Superintendent shall submit the plan to the
18 Governor and the General Assembly, as provided in Section 3.1
19 of the General Assembly Organization Act. The plan shall
20 include recommendations for:

21 (A) a framework for collaborative, professional,
22 innovative, and 21st century learning environments using
23 the Evidence-Based Funding model;

24 (B) ways to prepare and support this State's educators
25 for successful instructional careers;

26 (C) application and enhancement of the current

1 financial accountability measures and the Illinois
2 Balanced Accountability Measures in relation to elements
3 of the Evidence-Based Funding model; and

4 (D) implementation of an effective school adequacy
5 funding system based on projected and recommended funding
6 levels from the General Assembly.

7 (i) Professional Judgment Panel.

8 (1) A Professional Judgment Panel is created to study and
9 review the implementation and effect of the Evidence-Based
10 Funding model under this Section and to recommend continual
11 recalibration and future study topics. The Panel shall consist
12 of the following members:

13 (A) two Representatives appointed by the Speaker of the
14 House of Representatives;

15 (B) two Senators appointed by the President of the
16 Senate;

17 (C) two Representatives appointed by the Minority
18 Leader of the House of Representatives;

19 (D) two Senators appointed by the Minority Leader of
20 the Senate;

21 (E) two members appointed by the Governor; and

22 (F) the State Superintendent of Education or his or her
23 designee.

24 (2) The Panel may solicit advice and recommendations from
25 outside stakeholders, including, but not limited to, the
26 following:

1 (A) statewide organizations representing district
2 superintendents;

3 (B) statewide organizations representing school
4 boards;

5 (C) statewide organizations representing school
6 business officials;

7 (D) statewide organizations representing principals;

8 (E) statewide organizations representing teachers;

9 (F) organizations representing regional
10 superintendents;

11 (G) experts recommended by public universities in
12 Illinois;

13 (H) organizations representing parents;

14 (I) representatives of collective impact organizations
15 that represent major metropolitan areas or geographic
16 areas in Illinois;

17 (J) representatives of organizations focused on
18 research-based education policy to support a school system
19 that prepares all students for college, a career, and
20 democratic citizenship; and

21 (K) representatives of a school district organized
22 under Article 34 of this Code.

23 (3) On a 3-year basis, the Panel shall study all the
24 following elements and make recommendations to the State Board,
25 the General Assembly, and the Governor for modification of this
26 Section:

1 (A) All elements listed in paragraph (2) of subsection
2 (b) of this Section.

3 (B) The format and scope of annual spending plans
4 referenced in paragraph (8) of subsection (h) of this
5 Section.

6 (j) References. Beginning July 1, 2017, references in other
7 laws to general State aid funds or calculations under Section
8 18-8.05 of this Code shall be deemed to be references to
9 evidence-based model formula funds or calculations under this
10 Section.

11 (105 ILCS 5/18-9) (from Ch. 122, par. 18-9)

12 Sec. 18-9. Requirement for special equalization and
13 supplementary State aid. If property comprising an aggregate
14 assessed valuation equal to 6% or more of the total assessed
15 valuation of all taxable property in a school district is owned
16 by a person or corporation that is the subject of bankruptcy
17 proceedings or that has been adjudged bankrupt and, as a result
18 thereof, has not paid taxes on the property, then the district
19 may amend its general State aid or evidence-based funding claim

20 (i) back to the inception of the bankruptcy, not to exceed 6
21 years, in which time those taxes were not paid and (ii) for
22 each succeeding year that those taxes remain unpaid, by adding
23 to the claim an amount determined by multiplying the assessed
24 valuation of the property on which taxes have not been paid due
25 to the bankruptcy by the lesser of the total tax rate for the

1 district for the tax year for which the taxes are unpaid or the
2 applicable rate used in calculating the district's general
3 State aid under paragraph (3) of subsection (D) of Section
4 18-8.05 of this Code or evidence-based funding under Section
5 18-8.15 of this Code, as applicable. If at any time a district
6 that receives additional State aid under this Section receives
7 tax revenue from the property for the years that taxes were not
8 paid, the district's next claim for State aid shall be reduced
9 in an amount equal to the taxes paid on the property, not to
10 exceed the additional State aid received under this Section.
11 Claims under this Section shall be filed on forms prescribed by
12 the State Superintendent of Education, and the State
13 Superintendent of Education, upon receipt of a claim, shall
14 adjust the claim in accordance with the provisions of this
15 Section. Supplementary State aid for each succeeding year under
16 this Section shall be paid beginning with the first general
17 State aid or evidence-based funding claim paid after the
18 district has filed a completed claim in accordance with this
19 Section.

20 (Source: P.A. 95-496, eff. 8-28-07.)

21 (105 ILCS 5/18-12) (from Ch. 122, par. 18-12)

22 Sec. 18-12. Dates for filing State aid claims. The school
23 board of each school district, a regional office of education,
24 a laboratory school, or a State-authorized charter school shall
25 require teachers, principals, or superintendents to furnish

1 from records kept by them such data as it needs in preparing
2 and certifying to the State Superintendent of Education its
3 report of claims provided in Section 18-8.05 of this Code. The
4 claim shall be based on the latest available equalized assessed
5 valuation and tax rates, as provided in Section 18-8.05 or
6 18-8.15, shall use the average daily attendance as determined
7 by the method outlined in Section 18-8.05 or 18-8.15, and shall
8 be certified and filed with the State Superintendent of
9 Education by June 21 for districts and State-authorized charter
10 schools with an official school calendar end date before June
11 15 or within 2 weeks following the official school calendar end
12 date for districts, regional offices of education, laboratory
13 schools, or State-authorized charter schools with a school year
14 end date of June 15 or later. Failure to so file by these
15 deadlines constitutes a forfeiture of the right to receive
16 payment by the State until such claim is filed. The State
17 Superintendent of Education shall voucher for payment those
18 claims to the State Comptroller as provided in Section 18-11.

19 Except as otherwise provided in this Section, if any school
20 district fails to provide the minimum school term specified in
21 Section 10-19, the State aid claim for that year shall be
22 reduced by the State Superintendent of Education in an amount
23 equivalent to 1/176 or .56818% for each day less than the
24 number of days required by this Code.

25 If the State Superintendent of Education determines that
26 the failure to provide the minimum school term was occasioned

1 by an act or acts of God, or was occasioned by conditions
2 beyond the control of the school district which posed a
3 hazardous threat to the health and safety of pupils, the State
4 aid claim need not be reduced.

5 If a school district is precluded from providing the
6 minimum hours of instruction required for a full day of
7 attendance due to an adverse weather condition or a condition
8 beyond the control of the school district that poses a
9 hazardous threat to the health and safety of students, then the
10 partial day of attendance may be counted if (i) the school
11 district has provided at least one hour of instruction prior to
12 the closure of the school district, (ii) a school building has
13 provided at least one hour of instruction prior to the closure
14 of the school building, or (iii) the normal start time of the
15 school district is delayed.

16 If, prior to providing any instruction, a school district
17 must close one or more but not all school buildings after
18 consultation with a local emergency response agency or due to a
19 condition beyond the control of the school district, then the
20 school district may claim attendance for up to 2 school days
21 based on the average attendance of the 3 school days
22 immediately preceding the closure of the affected school
23 building or, if approved by the State Board of Education,
24 utilize the provisions of an e-learning program for the
25 affected school building as prescribed in Section 10-20.56 of
26 this Code. The partial or no day of attendance described in

1 this Section and the reasons therefore shall be certified
2 within a month of the closing or delayed start by the school
3 district superintendent to the regional superintendent of
4 schools for forwarding to the State Superintendent of Education
5 for approval.

6 Other than the utilization of any e-learning days as
7 prescribed in Section 10-20.56 of this Code, no exception to
8 the requirement of providing a minimum school term may be
9 approved by the State Superintendent of Education pursuant to
10 this Section unless a school district has first used all
11 emergency days provided for in its regular calendar.

12 If the State Superintendent of Education declares that an
13 energy shortage exists during any part of the school year for
14 the State or a designated portion of the State, a district may
15 operate the school attendance centers within the district 4
16 days of the week during the time of the shortage by extending
17 each existing school day by one clock hour of school work, and
18 the State aid claim shall not be reduced, nor shall the
19 employees of that district suffer any reduction in salary or
20 benefits as a result thereof. A district may operate all
21 attendance centers on this revised schedule, or may apply the
22 schedule to selected attendance centers, taking into
23 consideration such factors as pupil transportation schedules
24 and patterns and sources of energy for individual attendance
25 centers.

26 Electronically submitted State aid claims shall be

1 submitted by duly authorized district individuals over a secure
2 network that is password protected. The electronic submission
3 of a State aid claim must be accompanied with an affirmation
4 that all of the provisions of Sections 18-8.05, 10-22.5, and
5 24-4 of this Code are met in all respects.

6 (Source: P.A. 99-194, eff. 7-30-15; 99-657, eff. 7-28-16.)

7 (105 ILCS 5/24-12) (from Ch. 122, par. 24-12)

8 Sec. 24-12. Removal or dismissal of teachers in contractual
9 continued service.

10 (a) This subsection (a) applies only to honorable
11 dismissals and recalls in which the notice of dismissal is
12 provided on or before the end of the 2010-2011 school term. If
13 a teacher in contractual continued service is removed or
14 dismissed as a result of a decision of the board to decrease
15 the number of teachers employed by the board or to discontinue
16 some particular type of teaching service, written notice shall
17 be mailed to the teacher and also given the teacher either by
18 certified mail, return receipt requested or personal delivery
19 with receipt at least 60 days before the end of the school
20 term, together with a statement of honorable dismissal and the
21 reason therefor, and in all such cases the board shall first
22 remove or dismiss all teachers who have not entered upon
23 contractual continued service before removing or dismissing
24 any teacher who has entered upon contractual continued service
25 and who is legally qualified to hold a position currently held

1 by a teacher who has not entered upon contractual continued
2 service.

3 As between teachers who have entered upon contractual
4 continued service, the teacher or teachers with the shorter
5 length of continuing service with the district shall be
6 dismissed first unless an alternative method of determining the
7 sequence of dismissal is established in a collective bargaining
8 agreement or contract between the board and a professional
9 faculty members' organization and except that this provision
10 shall not impair the operation of any affirmative action
11 program in the district, regardless of whether it exists by
12 operation of law or is conducted on a voluntary basis by the
13 board. Any teacher dismissed as a result of such decrease or
14 discontinuance shall be paid all earned compensation on or
15 before the third business day following the last day of pupil
16 attendance in the regular school term.

17 If the board has any vacancies for the following school
18 term or within one calendar year from the beginning of the
19 following school term, the positions thereby becoming
20 available shall be tendered to the teachers so removed or
21 dismissed so far as they are legally qualified to hold such
22 positions; provided, however, that if the number of honorable
23 dismissal notices based on economic necessity exceeds 15% of
24 the number of full time equivalent positions filled by
25 certified employees (excluding principals and administrative
26 personnel) during the preceding school year, then if the board

1 has any vacancies for the following school term or within 2
2 calendar years from the beginning of the following school term,
3 the positions so becoming available shall be tendered to the
4 teachers who were so notified and removed or dismissed whenever
5 they are legally qualified to hold such positions. Each board
6 shall, in consultation with any exclusive employee
7 representatives, each year establish a list, categorized by
8 positions, showing the length of continuing service of each
9 teacher who is qualified to hold any such positions, unless an
10 alternative method of determining a sequence of dismissal is
11 established as provided for in this Section, in which case a
12 list shall be made in accordance with the alternative method.
13 Copies of the list shall be distributed to the exclusive
14 employee representative on or before February 1 of each year.
15 Whenever the number of honorable dismissal notices based upon
16 economic necessity exceeds 5, or 150% of the average number of
17 teachers honorably dismissed in the preceding 3 years,
18 whichever is more, then the board also shall hold a public
19 hearing on the question of the dismissals. Following the
20 hearing and board review the action to approve any such
21 reduction shall require a majority vote of the board members.

22 (b) This subsection (b) applies only to honorable
23 dismissals and recalls in which the notice of dismissal is
24 provided during the 2011-2012 school term or a subsequent
25 school term. If any teacher, whether or not in contractual
26 continued service, is removed or dismissed as a result of a

1 decision of a school board to decrease the number of teachers
2 employed by the board, a decision of a school board to
3 discontinue some particular type of teaching service, or a
4 reduction in the number of programs or positions in a special
5 education joint agreement, then written notice must be mailed
6 to the teacher and also given to the teacher either by
7 certified mail, return receipt requested, or personal delivery
8 with receipt at least 21 ~~45~~ days in advance of the effective
9 date of dismissal ~~before the end of the school term~~, together
10 with a statement of honorable dismissal and the reason
11 therefor, and in all such cases the sequence of dismissal shall
12 occur in accordance with this subsection (b); except that this
13 subsection (b) shall not impair the operation of any
14 affirmative action program in the school district, regardless
15 of whether it exists by operation of law or is conducted on a
16 voluntary basis by the board.

17 Each teacher must be categorized into one or more positions
18 for which the teacher is qualified to hold, based upon legal
19 qualifications and any other qualifications established in a
20 district or joint agreement job description, on or before the
21 May 10 prior to the school year during which the sequence of
22 dismissal is determined. Within each position and subject to
23 agreements made by the joint committee on honorable dismissals
24 that are authorized by subsection (c) of this Section, the
25 school district or joint agreement must establish 4 groupings
26 of teachers qualified to hold the position as follows:

1 (1) Grouping one shall consist of each teacher who is
2 not in contractual continued service and who (i) has not
3 received a performance evaluation rating, (ii) is employed
4 for one school term or less to replace a teacher on leave,
5 or (iii) is employed on a part-time basis. "Part-time
6 basis" for the purposes of this subsection (b) means a
7 teacher who is employed to teach less than a full-day,
8 teacher workload or less than 5 days of the normal student
9 attendance week, unless otherwise provided for in a
10 collective bargaining agreement between the district and
11 the exclusive representative of the district's teachers.
12 For the purposes of this Section, a teacher (A) who is
13 employed as a full-time teacher but who actually teaches or
14 is otherwise present and participating in the district's
15 educational program for less than a school term or (B) who,
16 in the immediately previous school term, was employed on a
17 full-time basis and actually taught or was otherwise
18 present and participated in the district's educational
19 program for 120 days or more is not considered employed on
20 a part-time basis.

21 (2) Grouping 2 shall consist of each teacher with a
22 Needs Improvement or Unsatisfactory performance evaluation
23 rating on either of the teacher's last 2 performance
24 evaluation ratings.

25 (3) Grouping 3 shall consist of each teacher with a
26 performance evaluation rating of at least Satisfactory or

1 Proficient on both of the teacher's last 2 performance
2 evaluation ratings, if 2 ratings are available, or on the
3 teacher's last performance evaluation rating, if only one
4 rating is available, unless the teacher qualifies for
5 placement into grouping 4.

6 (4) Grouping 4 shall consist of each teacher whose last
7 2 performance evaluation ratings are Excellent and each
8 teacher with 2 Excellent performance evaluation ratings
9 out of the teacher's last 3 performance evaluation ratings
10 with a third rating of Satisfactory or Proficient.

11 Among teachers qualified to hold a position, teachers must
12 be dismissed in the order of their groupings, with teachers in
13 grouping one dismissed first and teachers in grouping 4
14 dismissed last.

15 Within grouping one, the sequence of dismissal must be at
16 the discretion of the school district or joint agreement.
17 Within grouping 2, the sequence of dismissal must be based upon
18 average performance evaluation ratings, with the teacher or
19 teachers with the lowest average performance evaluation rating
20 dismissed first. A teacher's average performance evaluation
21 rating must be calculated using the average of the teacher's
22 last 2 performance evaluation ratings, if 2 ratings are
23 available, or the teacher's last performance evaluation
24 rating, if only one rating is available, using the following
25 numerical values: 4 for Excellent; 3 for Proficient or
26 Satisfactory; 2 for Needs Improvement; and 1 for

1 Unsatisfactory. As between or among teachers in grouping 2 with
2 the same average performance evaluation rating and within each
3 of groupings 3 and 4, the teacher or teachers with the shorter
4 length of continuing service with the school district or joint
5 agreement must be dismissed first unless an alternative method
6 of determining the sequence of dismissal is established in a
7 collective bargaining agreement or contract between the board
8 and a professional faculty members' organization.

9 Each board, including the governing board of a joint
10 agreement, shall, in consultation with any exclusive employee
11 representatives, each year establish a sequence of honorable
12 dismissal list categorized by positions and the groupings
13 defined in this subsection (b). Copies of the list showing each
14 teacher by name and categorized by positions and the groupings
15 defined in this subsection (b) must be distributed to the
16 exclusive bargaining representative at least 75 days before the
17 end of the school term, provided that the school district or
18 joint agreement may, with notice to any exclusive employee
19 representatives, move teachers from grouping one into another
20 grouping during the period of time from 75 days until 45 days
21 before the end of the school term. Each year, each board shall
22 also establish, in consultation with any exclusive employee
23 representatives, a list showing the length of continuing
24 service of each teacher who is qualified to hold any such
25 positions, unless an alternative method of determining a
26 sequence of dismissal is established as provided for in this

1 Section, in which case a list must be made in accordance with
2 the alternative method. Copies of the list must be distributed
3 to the exclusive employee representative at least 75 days
4 before the end of the school term.

5 Any teacher dismissed as a result of such decrease or
6 discontinuance must be paid all earned compensation on or
7 before the third business day following the last day of pupil
8 attendance in the regular school term.

9 If the board or joint agreement has any vacancies for the
10 following school term or within one calendar year from the
11 beginning of the following school term, the positions thereby
12 becoming available must be tendered to the teachers so removed
13 or dismissed who were in groupings 3 or 4 of the sequence of
14 dismissal and are qualified to hold the positions, based upon
15 legal qualifications and any other qualifications established
16 in a district or joint agreement job description, on or before
17 the May 10 prior to the date of the positions becoming
18 available, provided that if the number of honorable dismissal
19 notices based on economic necessity exceeds 15% of the number
20 of full-time equivalent positions filled by certified
21 employees (excluding principals and administrative personnel)
22 during the preceding school year, then the recall period is for
23 the following school term or within 2 calendar years from the
24 beginning of the following school term. If the board or joint
25 agreement has any vacancies within the period from the
26 beginning of the following school term through February 1 of

1 the following school term (unless a date later than February 1,
2 but no later than 6 months from the beginning of the following
3 school term, is established in a collective bargaining
4 agreement), the positions thereby becoming available must be
5 tendered to the teachers so removed or dismissed who were in
6 grouping 2 of the sequence of dismissal due to one "needs
7 improvement" rating on either of the teacher's last 2
8 performance evaluation ratings, provided that, if 2 ratings are
9 available, the other performance evaluation rating used for
10 grouping purposes is "satisfactory", "proficient", or
11 "excellent", and are qualified to hold the positions, based
12 upon legal qualifications and any other qualifications
13 established in a district or joint agreement job description,
14 on or before the May 10 prior to the date of the positions
15 becoming available. On and after the effective date of this
16 amendatory Act of the 98th General Assembly, the preceding
17 sentence shall apply to teachers removed or dismissed by
18 honorable dismissal, even if notice of honorable dismissal
19 occurred during the 2013-2014 school year. Among teachers
20 eligible for recall pursuant to the preceding sentence, the
21 order of recall must be in inverse order of dismissal, unless
22 an alternative order of recall is established in a collective
23 bargaining agreement or contract between the board and a
24 professional faculty members' organization. Whenever the
25 number of honorable dismissal notices based upon economic
26 necessity exceeds 5 notices or 150% of the average number of

1 teachers honorably dismissed in the preceding 3 years,
2 whichever is more, then the school board or governing board of
3 a joint agreement, as applicable, shall also hold a public
4 hearing on the question of the dismissals. Following the
5 hearing and board review, the action to approve any such
6 reduction shall require a majority vote of the board members.

7 For purposes of this subsection (b), subject to agreement
8 on an alternative definition reached by the joint committee
9 described in subsection (c) of this Section, a teacher's
10 performance evaluation rating means the overall performance
11 evaluation rating resulting from an annual or biennial
12 performance evaluation conducted pursuant to Article 24A of
13 this Code by the school district or joint agreement determining
14 the sequence of dismissal, not including any performance
15 evaluation conducted during or at the end of a remediation
16 period. No more than one evaluation rating each school term
17 shall be one of the evaluation ratings used for the purpose of
18 determining the sequence of dismissal. Except as otherwise
19 provided in this subsection for any performance evaluations
20 conducted during or at the end of a remediation period, if
21 multiple performance evaluations are conducted in a school
22 term, only the rating from the last evaluation conducted prior
23 to establishing the sequence of honorable dismissal list in
24 such school term shall be the one evaluation rating from that
25 school term used for the purpose of determining the sequence of
26 dismissal. Averaging ratings from multiple evaluations is not

1 permitted unless otherwise agreed to in a collective bargaining
2 agreement or contract between the board and a professional
3 faculty members' organization. The preceding 3 sentences are
4 not a legislative declaration that existing law does or does
5 not already require that only one performance evaluation each
6 school term shall be used for the purpose of determining the
7 sequence of dismissal. For performance evaluation ratings
8 determined prior to September 1, 2012, any school district or
9 joint agreement with a performance evaluation rating system
10 that does not use either of the rating category systems
11 specified in subsection (d) of Section 24A-5 of this Code for
12 all teachers must establish a basis for assigning each teacher
13 a rating that complies with subsection (d) of Section 24A-5 of
14 this Code for all of the performance evaluation ratings that
15 are to be used to determine the sequence of dismissal. A
16 teacher's grouping and ranking on a sequence of honorable
17 dismissal shall be deemed a part of the teacher's performance
18 evaluation, and that information shall be disclosed to the
19 exclusive bargaining representative as part of a sequence of
20 honorable dismissal list, notwithstanding any laws prohibiting
21 disclosure of such information. A performance evaluation
22 rating may be used to determine the sequence of dismissal,
23 notwithstanding the pendency of any grievance resolution or
24 arbitration procedures relating to the performance evaluation.
25 If a teacher has received at least one performance evaluation
26 rating conducted by the school district or joint agreement

1 determining the sequence of dismissal and a subsequent
2 performance evaluation is not conducted in any school year in
3 which such evaluation is required to be conducted under Section
4 24A-5 of this Code, the teacher's performance evaluation rating
5 for that school year for purposes of determining the sequence
6 of dismissal is deemed Proficient. If a performance evaluation
7 rating is nullified as the result of an arbitration,
8 administrative agency, or court determination, then the school
9 district or joint agreement is deemed to have conducted a
10 performance evaluation for that school year, but the
11 performance evaluation rating may not be used in determining
12 the sequence of dismissal.

13 Nothing in this subsection (b) shall be construed as
14 limiting the right of a school board or governing board of a
15 joint agreement to dismiss a teacher not in contractual
16 continued service in accordance with Section 24-11 of this
17 Code.

18 Any provisions regarding the sequence of honorable
19 dismissals and recall of honorably dismissed teachers in a
20 collective bargaining agreement entered into on or before
21 January 1, 2011 and in effect on the effective date of this
22 amendatory Act of the 97th General Assembly that may conflict
23 with this amendatory Act of the 97th General Assembly shall
24 remain in effect through the expiration of such agreement or
25 June 30, 2013, whichever is earlier.

26 (c) Each school district and special education joint

1 agreement must use a joint committee composed of equal
2 representation selected by the school board and its teachers
3 or, if applicable, the exclusive bargaining representative of
4 its teachers, to address the matters described in paragraphs
5 (1) through (5) of this subsection (c) pertaining to honorable
6 dismissals under subsection (b) of this Section.

7 (1) The joint committee must consider and may agree to
8 criteria for excluding from grouping 2 and placing into
9 grouping 3 a teacher whose last 2 performance evaluations
10 include a Needs Improvement and either a Proficient or
11 Excellent.

12 (2) The joint committee must consider and may agree to
13 an alternative definition for grouping 4, which definition
14 must take into account prior performance evaluation
15 ratings and may take into account other factors that relate
16 to the school district's or program's educational
17 objectives. An alternative definition for grouping 4 may
18 not permit the inclusion of a teacher in the grouping with
19 a Needs Improvement or Unsatisfactory performance
20 evaluation rating on either of the teacher's last 2
21 performance evaluation ratings.

22 (3) The joint committee may agree to including within
23 the definition of a performance evaluation rating a
24 performance evaluation rating administered by a school
25 district or joint agreement other than the school district
26 or joint agreement determining the sequence of dismissal.

1 (4) For each school district or joint agreement that
2 administers performance evaluation ratings that are
3 inconsistent with either of the rating category systems
4 specified in subsection (d) of Section 24A-5 of this Code,
5 the school district or joint agreement must consult with
6 the joint committee on the basis for assigning a rating
7 that complies with subsection (d) of Section 24A-5 of this
8 Code to each performance evaluation rating that will be
9 used in a sequence of dismissal.

10 (5) Upon request by a joint committee member submitted
11 to the employing board by no later than 10 days after the
12 distribution of the sequence of honorable dismissal list, a
13 representative of the employing board shall, within 5 days
14 after the request, provide to members of the joint
15 committee a list showing the most recent and prior
16 performance evaluation ratings of each teacher identified
17 only by length of continuing service in the district or
18 joint agreement and not by name. If, after review of this
19 list, a member of the joint committee has a good faith
20 belief that a disproportionate number of teachers with
21 greater length of continuing service with the district or
22 joint agreement have received a recent performance
23 evaluation rating lower than the prior rating, the member
24 may request that the joint committee review the list to
25 assess whether such a trend may exist. Following the joint
26 committee's review, but by no later than the end of the

1 applicable school term, the joint committee or any member
2 or members of the joint committee may submit a report of
3 the review to the employing board and exclusive bargaining
4 representative, if any. Nothing in this paragraph (5) shall
5 impact the order of honorable dismissal or a school
6 district's or joint agreement's authority to carry out a
7 dismissal in accordance with subsection (b) of this
8 Section.

9 Agreement by the joint committee as to a matter requires
10 the majority vote of all committee members, and if the joint
11 committee does not reach agreement on a matter, then the
12 otherwise applicable requirements of subsection (b) of this
13 Section shall apply. Except as explicitly set forth in this
14 subsection (c), a joint committee has no authority to agree to
15 any further modifications to the requirements for honorable
16 dismissals set forth in subsection (b) of this Section. The
17 joint committee must be established, and the first meeting of
18 the joint committee each school year must occur on or before
19 December 1.

20 The joint committee must reach agreement on a matter on or
21 before February 1 of a school year in order for the agreement
22 of the joint committee to apply to the sequence of dismissal
23 determined during that school year. Subject to the February 1
24 deadline for agreements, the agreement of a joint committee on
25 a matter shall apply to the sequence of dismissal until the
26 agreement is amended or terminated by the joint committee.

1 (d) Notwithstanding anything to the contrary in this
2 subsection (d), the requirements and dismissal procedures of
3 Section 24-16.5 of this Code shall apply to any dismissal
4 sought under Section 24-16.5 of this Code.

5 (1) If a dismissal of a teacher in contractual
6 continued service is sought for any reason or cause other
7 than an honorable dismissal under subsections (a) or (b) of
8 this Section or a dismissal sought under Section 24-16.5 of
9 this Code, including those under Section 10-22.4, the board
10 must first approve a motion containing specific charges by
11 a majority vote of all its members. Written notice of such
12 charges, including a bill of particulars and the teacher's
13 right to request a hearing, must be mailed to the teacher
14 and also given to the teacher either by certified mail,
15 return receipt requested, or personal delivery with
16 receipt within 5 days of the adoption of the motion. Any
17 written notice sent on or after July 1, 2012 shall inform
18 the teacher of the right to request a hearing before a
19 mutually selected hearing officer, with the cost of the
20 hearing officer split equally between the teacher and the
21 board, or a hearing before a board-selected hearing
22 officer, with the cost of the hearing officer paid by the
23 board.

24 Before setting a hearing on charges stemming from
25 causes that are considered remediable, a board must give
26 the teacher reasonable warning in writing, stating

1 specifically the causes that, if not removed, may result in
2 charges; however, no such written warning is required if
3 the causes have been the subject of a remediation plan
4 pursuant to Article 24A of this Code.

5 If, in the opinion of the board, the interests of the
6 school require it, the board may suspend the teacher
7 without pay, pending the hearing, but if the board's
8 dismissal or removal is not sustained, the teacher shall
9 not suffer the loss of any salary or benefits by reason of
10 the suspension.

11 (2) No hearing upon the charges is required unless the
12 teacher within 17 days after receiving notice requests in
13 writing of the board that a hearing be scheduled before a
14 mutually selected hearing officer or a hearing officer
15 selected by the board. The secretary of the school board
16 shall forward a copy of the notice to the State Board of
17 Education.

18 (3) Within 5 business days after receiving a notice of
19 hearing in which either notice to the teacher was sent
20 before July 1, 2012 or, if the notice was sent on or after
21 July 1, 2012, the teacher has requested a hearing before a
22 mutually selected hearing officer, the State Board of
23 Education shall provide a list of 5 prospective, impartial
24 hearing officers from the master list of qualified,
25 impartial hearing officers maintained by the State Board of
26 Education. Each person on the master list must (i) be

1 accredited by a national arbitration organization and have
2 had a minimum of 5 years of experience directly related to
3 labor and employment relations matters between employers
4 and employees or their exclusive bargaining
5 representatives and (ii) beginning September 1, 2012, have
6 participated in training provided or approved by the State
7 Board of Education for teacher dismissal hearing officers
8 so that he or she is familiar with issues generally
9 involved in evaluative and non-evaluative dismissals.

10 If notice to the teacher was sent before July 1, 2012
11 or, if the notice was sent on or after July 1, 2012, the
12 teacher has requested a hearing before a mutually selected
13 hearing officer, the board and the teacher or their legal
14 representatives within 3 business days shall alternately
15 strike one name from the list provided by the State Board
16 of Education until only one name remains. Unless waived by
17 the teacher, the teacher shall have the right to proceed
18 first with the striking. Within 3 business days of receipt
19 of the list provided by the State Board of Education, the
20 board and the teacher or their legal representatives shall
21 each have the right to reject all prospective hearing
22 officers named on the list and notify the State Board of
23 Education of such rejection. Within 3 business days after
24 receiving this notification, the State Board of Education
25 shall appoint a qualified person from the master list who
26 did not appear on the list sent to the parties to serve as

1 the hearing officer, unless the parties notify it that they
2 have chosen to alternatively select a hearing officer under
3 paragraph (4) of this subsection (d).

4 If the teacher has requested a hearing before a hearing
5 officer selected by the board, the board shall select one
6 name from the master list of qualified impartial hearing
7 officers maintained by the State Board of Education within
8 3 business days after receipt and shall notify the State
9 Board of Education of its selection.

10 A hearing officer mutually selected by the parties,
11 selected by the board, or selected through an alternative
12 selection process under paragraph (4) of this subsection
13 (d) (A) must not be a resident of the school district, (B)
14 must be available to commence the hearing within 75 days
15 and conclude the hearing within 120 days after being
16 selected as the hearing officer, and (C) must issue a
17 decision as to whether the teacher must be dismissed and
18 give a copy of that decision to both the teacher and the
19 board within 30 days from the conclusion of the hearing or
20 closure of the record, whichever is later.

21 (4) In the alternative to selecting a hearing officer
22 from the list received from the State Board of Education or
23 accepting the appointment of a hearing officer by the State
24 Board of Education or if the State Board of Education
25 cannot provide a list or appoint a hearing officer that
26 meets the foregoing requirements, the board and the teacher

1 or their legal representatives may mutually agree to select
2 an impartial hearing officer who is not on the master list
3 either by direct appointment by the parties or by using
4 procedures for the appointment of an arbitrator
5 established by the Federal Mediation and Conciliation
6 Service or the American Arbitration Association. The
7 parties shall notify the State Board of Education of their
8 intent to select a hearing officer using an alternative
9 procedure within 3 business days of receipt of a list of
10 prospective hearing officers provided by the State Board of
11 Education, notice of appointment of a hearing officer by
12 the State Board of Education, or receipt of notice from the
13 State Board of Education that it cannot provide a list that
14 meets the foregoing requirements, whichever is later.

15 (5) If the notice of dismissal was sent to the teacher
16 before July 1, 2012, the fees and costs for the hearing
17 officer must be paid by the State Board of Education. If
18 the notice of dismissal was sent to the teacher on or after
19 July 1, 2012, the hearing officer's fees and costs must be
20 paid as follows in this paragraph (5). The fees and
21 permissible costs for the hearing officer must be
22 determined by the State Board of Education. If the board
23 and the teacher or their legal representatives mutually
24 agree to select an impartial hearing officer who is not on
25 a list received from the State Board of Education, they may
26 agree to supplement the fees determined by the State Board

1 to the hearing officer, at a rate consistent with the
2 hearing officer's published professional fees. If the
3 hearing officer is mutually selected by the parties, then
4 the board and the teacher or their legal representatives
5 shall each pay 50% of the fees and costs and any
6 supplemental allowance to which they agree. If the hearing
7 officer is selected by the board, then the board shall pay
8 100% of the hearing officer's fees and costs. The fees and
9 costs must be paid to the hearing officer within 14 days
10 after the board and the teacher or their legal
11 representatives receive the hearing officer's decision set
12 forth in paragraph (7) of this subsection (d).

13 (6) The teacher is required to answer the bill of
14 particulars and aver affirmative matters in his or her
15 defense, and the time for initially doing so and the time
16 for updating such answer and defenses after pre-hearing
17 discovery must be set by the hearing officer. The State
18 Board of Education shall promulgate rules so that each
19 party has a fair opportunity to present its case and to
20 ensure that the dismissal process proceeds in a fair and
21 expeditious manner. These rules shall address, without
22 limitation, discovery and hearing scheduling conferences;
23 the teacher's initial answer and affirmative defenses to
24 the bill of particulars and the updating of that
25 information after pre-hearing discovery; provision for
26 written interrogatories and requests for production of

1 documents; the requirement that each party initially
2 disclose to the other party and then update the disclosure
3 no later than 10 calendar days prior to the commencement of
4 the hearing, the names and addresses of persons who may be
5 called as witnesses at the hearing, a summary of the facts
6 or opinions each witness will testify to, and all other
7 documents and materials, including information maintained
8 electronically, relevant to its own as well as the other
9 party's case (the hearing officer may exclude witnesses and
10 exhibits not identified and shared, except those offered in
11 rebuttal for which the party could not reasonably have
12 anticipated prior to the hearing); pre-hearing discovery
13 and preparation, including provision for written
14 interrogatories and requests for production of documents,
15 provided that discovery depositions are prohibited; the
16 conduct of the hearing; the right of each party to be
17 represented by counsel, the offer of evidence and witnesses
18 and the cross-examination of witnesses; the authority of
19 the hearing officer to issue subpoenas and subpoenas duces
20 tecum, provided that the hearing officer may limit the
21 number of witnesses to be subpoenaed on behalf of each
22 party to no more than 7; the length of post-hearing briefs;
23 and the form, length, and content of hearing officers'
24 decisions. The hearing officer shall hold a hearing and
25 render a final decision for dismissal pursuant to Article
26 24A of this Code or shall report to the school board

1 findings of fact and a recommendation as to whether or not
2 the teacher must be dismissed for conduct. The hearing
3 officer shall commence the hearing within 75 days and
4 conclude the hearing within 120 days after being selected
5 as the hearing officer, provided that the hearing officer
6 may modify these timelines upon the showing of good cause
7 or mutual agreement of the parties. Good cause for the
8 purpose of this subsection (d) shall mean the illness or
9 otherwise unavoidable emergency of the teacher, district
10 representative, their legal representatives, the hearing
11 officer, or an essential witness as indicated in each
12 party's pre-hearing submission. In a dismissal hearing
13 pursuant to Article 24A of this Code, the hearing officer
14 shall consider and give weight to all of the teacher's
15 evaluations written pursuant to Article 24A that are
16 relevant to the issues in the hearing.

17 Each party shall have no more than 3 days to present
18 its case, unless extended by the hearing officer to enable
19 a party to present adequate evidence and testimony,
20 including due to the other party's cross-examination of the
21 party's witnesses, for good cause or by mutual agreement of
22 the parties. The State Board of Education shall define in
23 rules the meaning of "day" for such purposes. All testimony
24 at the hearing shall be taken under oath administered by
25 the hearing officer. The hearing officer shall cause a
26 record of the proceedings to be kept and shall employ a

1 competent reporter to take stenographic or stenotype notes
2 of all the testimony. The costs of the reporter's
3 attendance and services at the hearing shall be paid by the
4 party or parties who are responsible for paying the fees
5 and costs of the hearing officer. Either party desiring a
6 transcript of the hearing shall pay for the cost thereof.
7 Any post-hearing briefs must be submitted by the parties by
8 no later than 21 days after a party's receipt of the
9 transcript of the hearing, unless extended by the hearing
10 officer for good cause or by mutual agreement of the
11 parties.

12 (7) The hearing officer shall, within 30 days from the
13 conclusion of the hearing or closure of the record,
14 whichever is later, make a decision as to whether or not
15 the teacher shall be dismissed pursuant to Article 24A of
16 this Code or report to the school board findings of fact
17 and a recommendation as to whether or not the teacher shall
18 be dismissed for cause and shall give a copy of the
19 decision or findings of fact and recommendation to both the
20 teacher and the school board. If a hearing officer fails
21 without good cause, specifically provided in writing to
22 both parties and the State Board of Education, to render a
23 decision or findings of fact and recommendation within 30
24 days after the hearing is concluded or the record is
25 closed, whichever is later, the parties may mutually agree
26 to select a hearing officer pursuant to the alternative

1 procedure, as provided in this Section, to rehear the
2 charges heard by the hearing officer who failed to render a
3 decision or findings of fact and recommendation or to
4 review the record and render a decision. If any hearing
5 officer fails without good cause, specifically provided in
6 writing to both parties and the State Board of Education,
7 to render a decision or findings of fact and recommendation
8 within 30 days after the hearing is concluded or the record
9 is closed, whichever is later, the hearing officer shall be
10 removed from the master list of hearing officers maintained
11 by the State Board of Education for not more than 24
12 months. The parties and the State Board of Education may
13 also take such other actions as it deems appropriate,
14 including recovering, reducing, or withholding any fees
15 paid or to be paid to the hearing officer. If any hearing
16 officer repeats such failure, he or she must be permanently
17 removed from the master list maintained by the State Board
18 of Education and may not be selected by parties through the
19 alternative selection process under this paragraph (7) or
20 paragraph (4) of this subsection (d). The board shall not
21 lose jurisdiction to discharge a teacher if the hearing
22 officer fails to render a decision or findings of fact and
23 recommendation within the time specified in this Section.
24 If the decision of the hearing officer for dismissal
25 pursuant to Article 24A of this Code or of the school board
26 for dismissal for cause is in favor of the teacher, then

1 the hearing officer or school board shall order
2 reinstatement to the same or substantially equivalent
3 position and shall determine the amount for which the
4 school board is liable, including, but not limited to, loss
5 of income and benefits.

6 (8) The school board, within 45 days after receipt of
7 the hearing officer's findings of fact and recommendation
8 as to whether (i) the conduct at issue occurred, (ii) the
9 conduct that did occur was remediable, and (iii) the
10 proposed dismissal should be sustained, shall issue a
11 written order as to whether the teacher must be retained or
12 dismissed for cause from its employ. The school board's
13 written order shall incorporate the hearing officer's
14 findings of fact, except that the school board may modify
15 or supplement the findings of fact if, in its opinion, the
16 findings of fact are against the manifest weight of the
17 evidence.

18 If the school board dismisses the teacher
19 notwithstanding the hearing officer's findings of fact and
20 recommendation, the school board shall make a conclusion in
21 its written order, giving its reasons therefor, and such
22 conclusion and reasons must be included in its written
23 order. The failure of the school board to strictly adhere
24 to the timelines contained in this Section shall not render
25 it without jurisdiction to dismiss the teacher. The school
26 board shall not lose jurisdiction to discharge the teacher

1 for cause if the hearing officer fails to render a
2 recommendation within the time specified in this Section.
3 The decision of the school board is final, unless reviewed
4 as provided in paragraph (9) of this subsection (d).

5 If the school board retains the teacher, the school
6 board shall enter a written order stating the amount of
7 back pay and lost benefits, less mitigation, to be paid to
8 the teacher, within 45 days after its retention order.
9 Should the teacher object to the amount of the back pay and
10 lost benefits or amount mitigated, the teacher shall give
11 written objections to the amount within 21 days. If the
12 parties fail to reach resolution within 7 days, the dispute
13 shall be referred to the hearing officer, who shall
14 consider the school board's written order and teacher's
15 written objection and determine the amount to which the
16 school board is liable. The costs of the hearing officer's
17 review and determination must be paid by the board.

18 (9) The decision of the hearing officer pursuant to
19 Article 24A of this Code or of the school board's decision
20 to dismiss for cause is final unless reviewed as provided
21 in Section 24-16 of this Act. If the school board's
22 decision to dismiss for cause is contrary to the hearing
23 officer's recommendation, the court on review shall give
24 consideration to the school board's decision and its
25 supplemental findings of fact, if applicable, and the
26 hearing officer's findings of fact and recommendation in

1 making its decision. In the event such review is
2 instituted, the school board shall be responsible for
3 preparing and filing the record of proceedings, and such
4 costs associated therewith must be divided equally between
5 the parties.

6 (10) If a decision of the hearing officer for dismissal
7 pursuant to Article 24A of this Code or of the school board
8 for dismissal for cause is adjudicated upon review or
9 appeal in favor of the teacher, then the trial court shall
10 order reinstatement and shall remand the matter to the
11 school board with direction for entry of an order setting
12 the amount of back pay, lost benefits, and costs, less
13 mitigation. The teacher may challenge the school board's
14 order setting the amount of back pay, lost benefits, and
15 costs, less mitigation, through an expedited arbitration
16 procedure, with the costs of the arbitrator borne by the
17 school board.

18 Any teacher who is reinstated by any hearing or
19 adjudication brought under this Section shall be assigned
20 by the board to a position substantially similar to the one
21 which that teacher held prior to that teacher's suspension
22 or dismissal.

23 (11) Subject to any later effective date referenced in
24 this Section for a specific aspect of the dismissal
25 process, the changes made by Public Act 97-8 shall apply to
26 dismissals instituted on or after September 1, 2011. Any

1 dismissal instituted prior to September 1, 2011 must be
2 carried out in accordance with the requirements of this
3 Section prior to amendment by Public Act 97-8.

4 (e) Nothing contained in this amendatory Act of the 98th
5 General Assembly repeals, supersedes, invalidates, or
6 nullifies final decisions in lawsuits pending on the effective
7 date of this amendatory Act of the 98th General Assembly in
8 Illinois courts involving the interpretation of Public Act
9 97-8.

10 (Source: P.A. 98-513, eff. 1-1-14; 98-648, eff. 7-1-14; 99-78,
11 eff. 7-20-15.)

12 (105 ILCS 5/26-16)

13 Sec. 26-16. Graduation incentives program.

14 (a) The General Assembly finds that it is critical to
15 provide options for children to succeed in school. The purpose
16 of this Section is to provide incentives for and encourage all
17 Illinois students who have experienced or are experiencing
18 difficulty in the traditional education system to enroll in
19 alternative programs.

20 (b) Any student who is below the age of 20 years is
21 eligible to enroll in a graduation incentives program if he or
22 she:

23 (1) is considered a dropout pursuant to Section 26-2a
24 of this Code;

25 (2) has been suspended or expelled pursuant to Section

1 10-22.6 or 34-19 of this Code;

2 (3) is pregnant or is a parent;

3 (4) has been assessed as chemically dependent; or

4 (5) is enrolled in a bilingual education or LEP
5 program.

6 (c) The following programs qualify as graduation
7 incentives programs for students meeting the criteria
8 established in this Section:

9 (1) Any public elementary or secondary education
10 graduation incentives program established by a school
11 district or by a regional office of education.

12 (2) Any alternative learning opportunities program
13 established pursuant to Article 13B of this Code.

14 (3) Vocational or job training courses approved by the
15 State Superintendent of Education that are available
16 through the Illinois public community college system.
17 Students may apply for reimbursement of 50% of tuition
18 costs for one course per semester or a maximum of 3 courses
19 per school year. Subject to available funds, students may
20 apply for reimbursement of up to 100% of tuition costs upon
21 a showing of employment within 6 months after completion of
22 a vocational or job training program. The qualifications
23 for reimbursement shall be established by the State
24 Superintendent of Education by rule.

25 (4) Job and career programs approved by the State
26 Superintendent of Education that are available through

1 Illinois-accredited private business and vocational
2 schools. Subject to available funds, pupils may apply for
3 reimbursement of up to 100% of tuition costs upon a showing
4 of employment within 6 months after completion of a job or
5 career program. The State Superintendent of Education
6 shall establish, by rule, the qualifications for
7 reimbursement, criteria for determining reimbursement
8 amounts, and limits on reimbursement.

9 (5) Adult education courses that offer preparation for
10 high school equivalency testing.

11 (d) Graduation incentives programs established by school
12 districts are entitled to claim general State aid and
13 evidence-based funding, subject to Sections 13B-50, 13B-50.5,
14 and 13B-50.10 of this Code. Graduation incentives programs
15 operated by regional offices of education are entitled to
16 receive general State aid and evidence-based funding at the
17 foundation level of support per pupil enrolled. A school
18 district must ensure that its graduation incentives program
19 receives supplemental general State aid, transportation
20 reimbursements, and special education resources, if
21 appropriate, for students enrolled in the program.

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

23 (105 ILCS 5/27-8.1) (from Ch. 122, par. 27-8.1)

24 (Text of Section before amendment by P.A. 99-927)

25 Sec. 27-8.1. Health examinations and immunizations.

1 (1) In compliance with rules and regulations which the
2 Department of Public Health shall promulgate, and except as
3 hereinafter provided, all children in Illinois shall have a
4 health examination as follows: within one year prior to
5 entering kindergarten or the first grade of any public,
6 private, or parochial elementary school; upon entering the
7 sixth and ninth grades of any public, private, or parochial
8 school; prior to entrance into any public, private, or
9 parochial nursery school; and, irrespective of grade,
10 immediately prior to or upon entrance into any public, private,
11 or parochial school or nursery school, each child shall present
12 proof of having been examined in accordance with this Section
13 and the rules and regulations promulgated hereunder. Any child
14 who received a health examination within one year prior to
15 entering the fifth grade for the 2007-2008 school year is not
16 required to receive an additional health examination in order
17 to comply with the provisions of Public Act 95-422 when he or
18 she attends school for the 2008-2009 school year, unless the
19 child is attending school for the first time as provided in
20 this paragraph.

21 A tuberculosis skin test screening shall be included as a
22 required part of each health examination included under this
23 Section if the child resides in an area designated by the
24 Department of Public Health as having a high incidence of
25 tuberculosis. Additional health examinations of pupils,
26 including eye examinations, may be required when deemed

1 necessary by school authorities. Parents are encouraged to have
2 their children undergo eye examinations at the same points in
3 time required for health examinations.

4 (1.5) In compliance with rules adopted by the Department of
5 Public Health and except as otherwise provided in this Section,
6 all children in kindergarten and the second and sixth grades of
7 any public, private, or parochial school shall have a dental
8 examination. Each of these children shall present proof of
9 having been examined by a dentist in accordance with this
10 Section and rules adopted under this Section before May 15th of
11 the school year. If a child in the second or sixth grade fails
12 to present proof by May 15th, the school may hold the child's
13 report card until one of the following occurs: (i) the child
14 presents proof of a completed dental examination or (ii) the
15 child presents proof that a dental examination will take place
16 within 60 days after May 15th. The Department of Public Health
17 shall establish, by rule, a waiver for children who show an
18 undue burden or a lack of access to a dentist. Each public,
19 private, and parochial school must give notice of this dental
20 examination requirement to the parents and guardians of
21 students at least 60 days before May 15th of each school year.

22 (1.10) Except as otherwise provided in this Section, all
23 children enrolling in kindergarten in a public, private, or
24 parochial school on or after the effective date of this
25 amendatory Act of the 95th General Assembly and any student
26 enrolling for the first time in a public, private, or parochial

1 school on or after the effective date of this amendatory Act of
2 the 95th General Assembly shall have an eye examination. Each
3 of these children shall present proof of having been examined
4 by a physician licensed to practice medicine in all of its
5 branches or a licensed optometrist within the previous year, in
6 accordance with this Section and rules adopted under this
7 Section, before October 15th of the school year. If the child
8 fails to present proof by October 15th, the school may hold the
9 child's report card until one of the following occurs: (i) the
10 child presents proof of a completed eye examination or (ii) the
11 child presents proof that an eye examination will take place
12 within 60 days after October 15th. The Department of Public
13 Health shall establish, by rule, a waiver for children who show
14 an undue burden or a lack of access to a physician licensed to
15 practice medicine in all of its branches who provides eye
16 examinations or to a licensed optometrist. Each public,
17 private, and parochial school must give notice of this eye
18 examination requirement to the parents and guardians of
19 students in compliance with rules of the Department of Public
20 Health. Nothing in this Section shall be construed to allow a
21 school to exclude a child from attending because of a parent's
22 or guardian's failure to obtain an eye examination for the
23 child.

24 (2) The Department of Public Health shall promulgate rules
25 and regulations specifying the examinations and procedures
26 that constitute a health examination, which shall include the

1 collection of data relating to obesity (including at a minimum,
2 date of birth, gender, height, weight, blood pressure, and date
3 of exam), and a dental examination and may recommend by rule
4 that certain additional examinations be performed. The rules
5 and regulations of the Department of Public Health shall
6 specify that a tuberculosis skin test screening shall be
7 included as a required part of each health examination included
8 under this Section if the child resides in an area designated
9 by the Department of Public Health as having a high incidence
10 of tuberculosis. The Department of Public Health shall specify
11 that a diabetes screening as defined by rule shall be included
12 as a required part of each health examination. Diabetes testing
13 is not required.

14 Physicians licensed to practice medicine in all of its
15 branches, licensed advanced practice nurses, or licensed
16 physician assistants shall be responsible for the performance
17 of the health examinations, other than dental examinations, eye
18 examinations, and vision and hearing screening, and shall sign
19 all report forms required by subsection (4) of this Section
20 that pertain to those portions of the health examination for
21 which the physician, advanced practice nurse, or physician
22 assistant is responsible. If a registered nurse performs any
23 part of a health examination, then a physician licensed to
24 practice medicine in all of its branches must review and sign
25 all required report forms. Licensed dentists shall perform all
26 dental examinations and shall sign all report forms required by

1 subsection (4) of this Section that pertain to the dental
2 examinations. Physicians licensed to practice medicine in all
3 its branches or licensed optometrists shall perform all eye
4 examinations required by this Section and shall sign all report
5 forms required by subsection (4) of this Section that pertain
6 to the eye examination. For purposes of this Section, an eye
7 examination shall at a minimum include history, visual acuity,
8 subjective refraction to best visual acuity near and far,
9 internal and external examination, and a glaucoma evaluation,
10 as well as any other tests or observations that in the
11 professional judgment of the doctor are necessary. Vision and
12 hearing screening tests, which shall not be considered
13 examinations as that term is used in this Section, shall be
14 conducted in accordance with rules and regulations of the
15 Department of Public Health, and by individuals whom the
16 Department of Public Health has certified. In these rules and
17 regulations, the Department of Public Health shall require that
18 individuals conducting vision screening tests give a child's
19 parent or guardian written notification, before the vision
20 screening is conducted, that states, "Vision screening is not a
21 substitute for a complete eye and vision evaluation by an eye
22 doctor. Your child is not required to undergo this vision
23 screening if an optometrist or ophthalmologist has completed
24 and signed a report form indicating that an examination has
25 been administered within the previous 12 months."

26 (3) Every child shall, at or about the same time as he or

1 she receives a health examination required by subsection (1) of
2 this Section, present to the local school proof of having
3 received such immunizations against preventable communicable
4 diseases as the Department of Public Health shall require by
5 rules and regulations promulgated pursuant to this Section and
6 the Communicable Disease Prevention Act.

7 (4) The individuals conducting the health examination,
8 dental examination, or eye examination shall record the fact of
9 having conducted the examination, and such additional
10 information as required, including for a health examination
11 data relating to obesity (including at a minimum, date of
12 birth, gender, height, weight, blood pressure, and date of
13 exam), on uniform forms which the Department of Public Health
14 and the State Board of Education shall prescribe for statewide
15 use. The examiner shall summarize on the report form any
16 condition that he or she suspects indicates a need for special
17 services, including for a health examination factors relating
18 to obesity. The individuals confirming the administration of
19 required immunizations shall record as indicated on the form
20 that the immunizations were administered.

21 (5) If a child does not submit proof of having had either
22 the health examination or the immunization as required, then
23 the child shall be examined or receive the immunization, as the
24 case may be, and present proof by October 15 of the current
25 school year, or by an earlier date of the current school year
26 established by a school district. To establish a date before

1 October 15 of the current school year for the health
2 examination or immunization as required, a school district must
3 give notice of the requirements of this Section 60 days prior
4 to the earlier established date. If for medical reasons one or
5 more of the required immunizations must be given after October
6 15 of the current school year, or after an earlier established
7 date of the current school year, then the child shall present,
8 by October 15, or by the earlier established date, a schedule
9 for the administration of the immunizations and a statement of
10 the medical reasons causing the delay, both the schedule and
11 the statement being issued by the physician, advanced practice
12 nurse, physician assistant, registered nurse, or local health
13 department that will be responsible for administration of the
14 remaining required immunizations. If a child does not comply by
15 October 15, or by the earlier established date of the current
16 school year, with the requirements of this subsection, then the
17 local school authority shall exclude that child from school
18 until such time as the child presents proof of having had the
19 health examination as required and presents proof of having
20 received those required immunizations which are medically
21 possible to receive immediately. During a child's exclusion
22 from school for noncompliance with this subsection, the child's
23 parents or legal guardian shall be considered in violation of
24 Section 26-1 and subject to any penalty imposed by Section
25 26-10. This subsection (5) does not apply to dental
26 examinations and eye examinations. If the student is an

1 out-of-state transfer student and does not have the proof
2 required under this subsection (5) before October 15 of the
3 current year or whatever date is set by the school district,
4 then he or she may only attend classes (i) if he or she has
5 proof that an appointment for the required vaccinations has
6 been scheduled with a party authorized to submit proof of the
7 required vaccinations. If the proof of vaccination required
8 under this subsection (5) is not submitted within 30 days after
9 the student is permitted to attend classes, then the student is
10 not to be permitted to attend classes until proof of the
11 vaccinations has been properly submitted. No school district or
12 employee of a school district shall be held liable for any
13 injury or illness to another person that results from admitting
14 an out-of-state transfer student to class that has an
15 appointment scheduled pursuant to this subsection (5).

16 (6) Every school shall report to the State Board of
17 Education by November 15, in the manner which that agency shall
18 require, the number of children who have received the necessary
19 immunizations and the health examination (other than a dental
20 examination or eye examination) as required, indicating, of
21 those who have not received the immunizations and examination
22 as required, the number of children who are exempt from health
23 examination and immunization requirements on religious or
24 medical grounds as provided in subsection (8). On or before
25 December 1 of each year, every public school district and
26 registered nonpublic school shall make publicly available the

1 immunization data they are required to submit to the State
2 Board of Education by November 15. The immunization data made
3 publicly available must be identical to the data the school
4 district or school has reported to the State Board of
5 Education.

6 Every school shall report to the State Board of Education
7 by June 30, in the manner that the State Board requires, the
8 number of children who have received the required dental
9 examination, indicating, of those who have not received the
10 required dental examination, the number of children who are
11 exempt from the dental examination on religious grounds as
12 provided in subsection (8) of this Section and the number of
13 children who have received a waiver under subsection (1.5) of
14 this Section.

15 Every school shall report to the State Board of Education
16 by June 30, in the manner that the State Board requires, the
17 number of children who have received the required eye
18 examination, indicating, of those who have not received the
19 required eye examination, the number of children who are exempt
20 from the eye examination as provided in subsection (8) of this
21 Section, the number of children who have received a waiver
22 under subsection (1.10) of this Section, and the total number
23 of children in noncompliance with the eye examination
24 requirement.

25 The reported information under this subsection (6) shall be
26 provided to the Department of Public Health by the State Board

1 of Education.

2 (7) Upon determining that the number of pupils who are
3 required to be in compliance with subsection (5) of this
4 Section is below 90% of the number of pupils enrolled in the
5 school district, 10% of each State aid payment made pursuant to
6 Section 18-8.05 or 18-8.15 to the school district for such year
7 may be withheld by the State Board of Education until the
8 number of students in compliance with subsection (5) is the
9 applicable specified percentage or higher.

10 (8) Children of parents or legal guardians who object to
11 health, dental, or eye examinations or any part thereof, to
12 immunizations, or to vision and hearing screening tests on
13 religious grounds shall not be required to undergo the
14 examinations, tests, or immunizations to which they so object
15 if such parents or legal guardians present to the appropriate
16 local school authority a signed Certificate of Religious
17 Exemption detailing the grounds for objection and the specific
18 immunizations, tests, or examinations to which they object. The
19 grounds for objection must set forth the specific religious
20 belief that conflicts with the examination, test,
21 immunization, or other medical intervention. The signed
22 certificate shall also reflect the parent's or legal guardian's
23 understanding of the school's exclusion policies in the case of
24 a vaccine-preventable disease outbreak or exposure. The
25 certificate must also be signed by the authorized examining
26 health care provider responsible for the performance of the

1 child's health examination confirming that the provider
2 provided education to the parent or legal guardian on the
3 benefits of immunization and the health risks to the student
4 and to the community of the communicable diseases for which
5 immunization is required in this State. However, the health
6 care provider's signature on the certificate reflects only that
7 education was provided and does not allow a health care
8 provider grounds to determine a religious exemption. Those
9 receiving immunizations required under this Code shall be
10 provided with the relevant vaccine information statements that
11 are required to be disseminated by the federal National
12 Childhood Vaccine Injury Act of 1986, which may contain
13 information on circumstances when a vaccine should not be
14 administered, prior to administering a vaccine. A healthcare
15 provider may consider including without limitation the
16 nationally accepted recommendations from federal agencies such
17 as the Advisory Committee on Immunization Practices, the
18 information outlined in the relevant vaccine information
19 statement, and vaccine package inserts, along with the
20 healthcare provider's clinical judgment, to determine whether
21 any child may be more susceptible to experiencing an adverse
22 vaccine reaction than the general population, and, if so, the
23 healthcare provider may exempt the child from an immunization
24 or adopt an individualized immunization schedule. The
25 Certificate of Religious Exemption shall be created by the
26 Department of Public Health and shall be made available and

1 used by parents and legal guardians by the beginning of the
2 2015-2016 school year. Parents or legal guardians must submit
3 the Certificate of Religious Exemption to their local school
4 authority prior to entering kindergarten, sixth grade, and
5 ninth grade for each child for which they are requesting an
6 exemption. The religious objection stated need not be directed
7 by the tenets of an established religious organization.
8 However, general philosophical or moral reluctance to allow
9 physical examinations, eye examinations, immunizations, vision
10 and hearing screenings, or dental examinations does not provide
11 a sufficient basis for an exception to statutory requirements.
12 The local school authority is responsible for determining if
13 the content of the Certificate of Religious Exemption
14 constitutes a valid religious objection. The local school
15 authority shall inform the parent or legal guardian of
16 exclusion procedures, in accordance with the Department's
17 rules under Part 690 of Title 77 of the Illinois Administrative
18 Code, at the time the objection is presented.

19 If the physical condition of the child is such that any one
20 or more of the immunizing agents should not be administered,
21 the examining physician, advanced practice nurse, or physician
22 assistant responsible for the performance of the health
23 examination shall endorse that fact upon the health examination
24 form.

25 Exempting a child from the health, dental, or eye
26 examination does not exempt the child from participation in the

1 program of physical education training provided in Sections
2 27-5 through 27-7 of this Code.

3 (9) For the purposes of this Section, "nursery schools"
4 means those nursery schools operated by elementary school
5 systems or secondary level school units or institutions of
6 higher learning.

7 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;
8 99-249, eff. 8-3-15; 99-642, eff. 7-28-16.)

9 (Text of Section after amendment by P.A. 99-927)

10 Sec. 27-8.1. Health examinations and immunizations.

11 (1) In compliance with rules and regulations which the
12 Department of Public Health shall promulgate, and except as
13 hereinafter provided, all children in Illinois shall have a
14 health examination as follows: within one year prior to
15 entering kindergarten or the first grade of any public,
16 private, or parochial elementary school; upon entering the
17 sixth and ninth grades of any public, private, or parochial
18 school; prior to entrance into any public, private, or
19 parochial nursery school; and, irrespective of grade,
20 immediately prior to or upon entrance into any public, private,
21 or parochial school or nursery school, each child shall present
22 proof of having been examined in accordance with this Section
23 and the rules and regulations promulgated hereunder. Any child
24 who received a health examination within one year prior to
25 entering the fifth grade for the 2007-2008 school year is not

1 required to receive an additional health examination in order
2 to comply with the provisions of Public Act 95-422 when he or
3 she attends school for the 2008-2009 school year, unless the
4 child is attending school for the first time as provided in
5 this paragraph.

6 A tuberculosis skin test screening shall be included as a
7 required part of each health examination included under this
8 Section if the child resides in an area designated by the
9 Department of Public Health as having a high incidence of
10 tuberculosis. Additional health examinations of pupils,
11 including eye examinations, may be required when deemed
12 necessary by school authorities. Parents are encouraged to have
13 their children undergo eye examinations at the same points in
14 time required for health examinations.

15 (1.5) In compliance with rules adopted by the Department of
16 Public Health and except as otherwise provided in this Section,
17 all children in kindergarten and the second and sixth grades of
18 any public, private, or parochial school shall have a dental
19 examination. Each of these children shall present proof of
20 having been examined by a dentist in accordance with this
21 Section and rules adopted under this Section before May 15th of
22 the school year. If a child in the second or sixth grade fails
23 to present proof by May 15th, the school may hold the child's
24 report card until one of the following occurs: (i) the child
25 presents proof of a completed dental examination or (ii) the
26 child presents proof that a dental examination will take place

1 within 60 days after May 15th. The Department of Public Health
2 shall establish, by rule, a waiver for children who show an
3 undue burden or a lack of access to a dentist. Each public,
4 private, and parochial school must give notice of this dental
5 examination requirement to the parents and guardians of
6 students at least 60 days before May 15th of each school year.

7 (1.10) Except as otherwise provided in this Section, all
8 children enrolling in kindergarten in a public, private, or
9 parochial school on or after the effective date of this
10 amendatory Act of the 95th General Assembly and any student
11 enrolling for the first time in a public, private, or parochial
12 school on or after the effective date of this amendatory Act of
13 the 95th General Assembly shall have an eye examination. Each
14 of these children shall present proof of having been examined
15 by a physician licensed to practice medicine in all of its
16 branches or a licensed optometrist within the previous year, in
17 accordance with this Section and rules adopted under this
18 Section, before October 15th of the school year. If the child
19 fails to present proof by October 15th, the school may hold the
20 child's report card until one of the following occurs: (i) the
21 child presents proof of a completed eye examination or (ii) the
22 child presents proof that an eye examination will take place
23 within 60 days after October 15th. The Department of Public
24 Health shall establish, by rule, a waiver for children who show
25 an undue burden or a lack of access to a physician licensed to
26 practice medicine in all of its branches who provides eye

1 examinations or to a licensed optometrist. Each public,
2 private, and parochial school must give notice of this eye
3 examination requirement to the parents and guardians of
4 students in compliance with rules of the Department of Public
5 Health. Nothing in this Section shall be construed to allow a
6 school to exclude a child from attending because of a parent's
7 or guardian's failure to obtain an eye examination for the
8 child.

9 (2) The Department of Public Health shall promulgate rules
10 and regulations specifying the examinations and procedures
11 that constitute a health examination, which shall include an
12 age-appropriate developmental screening, an age-appropriate
13 social and emotional screening, and the collection of data
14 relating to obesity (including at a minimum, date of birth,
15 gender, height, weight, blood pressure, and date of exam), and
16 a dental examination and may recommend by rule that certain
17 additional examinations be performed. The rules and
18 regulations of the Department of Public Health shall specify
19 that a tuberculosis skin test screening shall be included as a
20 required part of each health examination included under this
21 Section if the child resides in an area designated by the
22 Department of Public Health as having a high incidence of
23 tuberculosis. With respect to the developmental screening and
24 the social and emotional screening, the Department of Public
25 Health must develop rules and appropriate revisions to the
26 Child Health Examination form in conjunction with a statewide

1 organization representing school boards; a statewide
2 organization representing pediatricians; statewide
3 organizations representing individuals holding Illinois
4 educator licenses with school support personnel endorsements,
5 including school social workers, school psychologists, and
6 school nurses; a statewide organization representing
7 children's mental health experts; a statewide organization
8 representing school principals; the Director of Healthcare and
9 Family Services or his or her designee, the State
10 Superintendent of Education or his or her designee; and
11 representatives of other appropriate State agencies and, at a
12 minimum, must recommend the use of validated screening tools
13 appropriate to the child's age or grade, and, with regard to
14 the social and emotional screening, require recording only
15 whether or not the screening was completed. The rules shall
16 take into consideration the screening recommendations of the
17 American Academy of Pediatrics and must be consistent with the
18 State Board of Education's social and emotional learning
19 standards. The Department of Public Health shall specify that a
20 diabetes screening as defined by rule shall be included as a
21 required part of each health examination. Diabetes testing is
22 not required.

23 Physicians licensed to practice medicine in all of its
24 branches, licensed advanced practice nurses, or licensed
25 physician assistants shall be responsible for the performance
26 of the health examinations, other than dental examinations, eye

1 examinations, and vision and hearing screening, and shall sign
2 all report forms required by subsection (4) of this Section
3 that pertain to those portions of the health examination for
4 which the physician, advanced practice nurse, or physician
5 assistant is responsible. If a registered nurse performs any
6 part of a health examination, then a physician licensed to
7 practice medicine in all of its branches must review and sign
8 all required report forms. Licensed dentists shall perform all
9 dental examinations and shall sign all report forms required by
10 subsection (4) of this Section that pertain to the dental
11 examinations. Physicians licensed to practice medicine in all
12 its branches or licensed optometrists shall perform all eye
13 examinations required by this Section and shall sign all report
14 forms required by subsection (4) of this Section that pertain
15 to the eye examination. For purposes of this Section, an eye
16 examination shall at a minimum include history, visual acuity,
17 subjective refraction to best visual acuity near and far,
18 internal and external examination, and a glaucoma evaluation,
19 as well as any other tests or observations that in the
20 professional judgment of the doctor are necessary. Vision and
21 hearing screening tests, which shall not be considered
22 examinations as that term is used in this Section, shall be
23 conducted in accordance with rules and regulations of the
24 Department of Public Health, and by individuals whom the
25 Department of Public Health has certified. In these rules and
26 regulations, the Department of Public Health shall require that

1 individuals conducting vision screening tests give a child's
2 parent or guardian written notification, before the vision
3 screening is conducted, that states, "Vision screening is not a
4 substitute for a complete eye and vision evaluation by an eye
5 doctor. Your child is not required to undergo this vision
6 screening if an optometrist or ophthalmologist has completed
7 and signed a report form indicating that an examination has
8 been administered within the previous 12 months."

9 (2.5) With respect to the developmental screening and the
10 social and emotional screening portion of the health
11 examination, each child may present proof of having been
12 screened in accordance with this Section and the rules adopted
13 under this Section before October 15th of the school year. With
14 regard to the social and emotional screening only, the
15 examining health care provider shall only record whether or not
16 the screening was completed. If the child fails to present
17 proof of the developmental screening or the social and
18 emotional screening portions of the health examination by
19 October 15th of the school year, qualified school support
20 personnel may, with a parent's or guardian's consent, offer the
21 developmental screening or the social and emotional screening
22 to the child. Each public, private, and parochial school must
23 give notice of the developmental screening and social and
24 emotional screening requirements to the parents and guardians
25 of students in compliance with the rules of the Department of
26 Public Health. Nothing in this Section shall be construed to

1 allow a school to exclude a child from attending because of a
2 parent's or guardian's failure to obtain a developmental
3 screening or a social and emotional screening for the child.
4 Once a developmental screening or a social and emotional
5 screening is completed and proof has been presented to the
6 school, the school may, with a parent's or guardian's consent,
7 make available appropriate school personnel to work with the
8 parent or guardian, the child, and the provider who signed the
9 screening form to obtain any appropriate evaluations and
10 services as indicated on the form and in other information and
11 documentation provided by the parents, guardians, or provider.

12 (3) Every child shall, at or about the same time as he or
13 she receives a health examination required by subsection (1) of
14 this Section, present to the local school proof of having
15 received such immunizations against preventable communicable
16 diseases as the Department of Public Health shall require by
17 rules and regulations promulgated pursuant to this Section and
18 the Communicable Disease Prevention Act.

19 (4) The individuals conducting the health examination,
20 dental examination, or eye examination shall record the fact of
21 having conducted the examination, and such additional
22 information as required, including for a health examination
23 data relating to obesity (including at a minimum, date of
24 birth, gender, height, weight, blood pressure, and date of
25 exam), on uniform forms which the Department of Public Health
26 and the State Board of Education shall prescribe for statewide

1 use. The examiner shall summarize on the report form any
2 condition that he or she suspects indicates a need for special
3 services, including for a health examination factors relating
4 to obesity. The duty to summarize on the report form does not
5 apply to social and emotional screenings. The confidentiality
6 of the information and records relating to the developmental
7 screening and the social and emotional screening shall be
8 determined by the statutes, rules, and professional ethics
9 governing the type of provider conducting the screening. The
10 individuals confirming the administration of required
11 immunizations shall record as indicated on the form that the
12 immunizations were administered.

13 (5) If a child does not submit proof of having had either
14 the health examination or the immunization as required, then
15 the child shall be examined or receive the immunization, as the
16 case may be, and present proof by October 15 of the current
17 school year, or by an earlier date of the current school year
18 established by a school district. To establish a date before
19 October 15 of the current school year for the health
20 examination or immunization as required, a school district must
21 give notice of the requirements of this Section 60 days prior
22 to the earlier established date. If for medical reasons one or
23 more of the required immunizations must be given after October
24 15 of the current school year, or after an earlier established
25 date of the current school year, then the child shall present,
26 by October 15, or by the earlier established date, a schedule

1 for the administration of the immunizations and a statement of
2 the medical reasons causing the delay, both the schedule and
3 the statement being issued by the physician, advanced practice
4 nurse, physician assistant, registered nurse, or local health
5 department that will be responsible for administration of the
6 remaining required immunizations. If a child does not comply by
7 October 15, or by the earlier established date of the current
8 school year, with the requirements of this subsection, then the
9 local school authority shall exclude that child from school
10 until such time as the child presents proof of having had the
11 health examination as required and presents proof of having
12 received those required immunizations which are medically
13 possible to receive immediately. During a child's exclusion
14 from school for noncompliance with this subsection, the child's
15 parents or legal guardian shall be considered in violation of
16 Section 26-1 and subject to any penalty imposed by Section
17 26-10. This subsection (5) does not apply to dental
18 examinations, eye examinations, and the developmental
19 screening and the social and emotional screening portions of
20 the health examination. If the student is an out-of-state
21 transfer student and does not have the proof required under
22 this subsection (5) before October 15 of the current year or
23 whatever date is set by the school district, then he or she may
24 only attend classes (i) if he or she has proof that an
25 appointment for the required vaccinations has been scheduled
26 with a party authorized to submit proof of the required

1 vaccinations. If the proof of vaccination required under this
2 subsection (5) is not submitted within 30 days after the
3 student is permitted to attend classes, then the student is not
4 to be permitted to attend classes until proof of the
5 vaccinations has been properly submitted. No school district or
6 employee of a school district shall be held liable for any
7 injury or illness to another person that results from admitting
8 an out-of-state transfer student to class that has an
9 appointment scheduled pursuant to this subsection (5).

10 (6) Every school shall report to the State Board of
11 Education by November 15, in the manner which that agency shall
12 require, the number of children who have received the necessary
13 immunizations and the health examination (other than a dental
14 examination or eye examination) as required, indicating, of
15 those who have not received the immunizations and examination
16 as required, the number of children who are exempt from health
17 examination and immunization requirements on religious or
18 medical grounds as provided in subsection (8). On or before
19 December 1 of each year, every public school district and
20 registered nonpublic school shall make publicly available the
21 immunization data they are required to submit to the State
22 Board of Education by November 15. The immunization data made
23 publicly available must be identical to the data the school
24 district or school has reported to the State Board of
25 Education.

26 Every school shall report to the State Board of Education

1 by June 30, in the manner that the State Board requires, the
2 number of children who have received the required dental
3 examination, indicating, of those who have not received the
4 required dental examination, the number of children who are
5 exempt from the dental examination on religious grounds as
6 provided in subsection (8) of this Section and the number of
7 children who have received a waiver under subsection (1.5) of
8 this Section.

9 Every school shall report to the State Board of Education
10 by June 30, in the manner that the State Board requires, the
11 number of children who have received the required eye
12 examination, indicating, of those who have not received the
13 required eye examination, the number of children who are exempt
14 from the eye examination as provided in subsection (8) of this
15 Section, the number of children who have received a waiver
16 under subsection (1.10) of this Section, and the total number
17 of children in noncompliance with the eye examination
18 requirement.

19 The reported information under this subsection (6) shall be
20 provided to the Department of Public Health by the State Board
21 of Education.

22 (7) Upon determining that the number of pupils who are
23 required to be in compliance with subsection (5) of this
24 Section is below 90% of the number of pupils enrolled in the
25 school district, 10% of each State aid payment made pursuant to
26 Section 18-8.05 or 18-8.15 to the school district for such year

1 may be withheld by the State Board of Education until the
2 number of students in compliance with subsection (5) is the
3 applicable specified percentage or higher.

4 (8) Children of parents or legal guardians who object to
5 health, dental, or eye examinations or any part thereof, to
6 immunizations, or to vision and hearing screening tests on
7 religious grounds shall not be required to undergo the
8 examinations, tests, or immunizations to which they so object
9 if such parents or legal guardians present to the appropriate
10 local school authority a signed Certificate of Religious
11 Exemption detailing the grounds for objection and the specific
12 immunizations, tests, or examinations to which they object. The
13 grounds for objection must set forth the specific religious
14 belief that conflicts with the examination, test,
15 immunization, or other medical intervention. The signed
16 certificate shall also reflect the parent's or legal guardian's
17 understanding of the school's exclusion policies in the case of
18 a vaccine-preventable disease outbreak or exposure. The
19 certificate must also be signed by the authorized examining
20 health care provider responsible for the performance of the
21 child's health examination confirming that the provider
22 provided education to the parent or legal guardian on the
23 benefits of immunization and the health risks to the student
24 and to the community of the communicable diseases for which
25 immunization is required in this State. However, the health
26 care provider's signature on the certificate reflects only that

1 education was provided and does not allow a health care
2 provider grounds to determine a religious exemption. Those
3 receiving immunizations required under this Code shall be
4 provided with the relevant vaccine information statements that
5 are required to be disseminated by the federal National
6 Childhood Vaccine Injury Act of 1986, which may contain
7 information on circumstances when a vaccine should not be
8 administered, prior to administering a vaccine. A healthcare
9 provider may consider including without limitation the
10 nationally accepted recommendations from federal agencies such
11 as the Advisory Committee on Immunization Practices, the
12 information outlined in the relevant vaccine information
13 statement, and vaccine package inserts, along with the
14 healthcare provider's clinical judgment, to determine whether
15 any child may be more susceptible to experiencing an adverse
16 vaccine reaction than the general population, and, if so, the
17 healthcare provider may exempt the child from an immunization
18 or adopt an individualized immunization schedule. The
19 Certificate of Religious Exemption shall be created by the
20 Department of Public Health and shall be made available and
21 used by parents and legal guardians by the beginning of the
22 2015-2016 school year. Parents or legal guardians must submit
23 the Certificate of Religious Exemption to their local school
24 authority prior to entering kindergarten, sixth grade, and
25 ninth grade for each child for which they are requesting an
26 exemption. The religious objection stated need not be directed

1 by the tenets of an established religious organization.
2 However, general philosophical or moral reluctance to allow
3 physical examinations, eye examinations, immunizations, vision
4 and hearing screenings, or dental examinations does not provide
5 a sufficient basis for an exception to statutory requirements.
6 The local school authority is responsible for determining if
7 the content of the Certificate of Religious Exemption
8 constitutes a valid religious objection. The local school
9 authority shall inform the parent or legal guardian of
10 exclusion procedures, in accordance with the Department's
11 rules under Part 690 of Title 77 of the Illinois Administrative
12 Code, at the time the objection is presented.

13 If the physical condition of the child is such that any one
14 or more of the immunizing agents should not be administered,
15 the examining physician, advanced practice nurse, or physician
16 assistant responsible for the performance of the health
17 examination shall endorse that fact upon the health examination
18 form.

19 Exempting a child from the health, dental, or eye
20 examination does not exempt the child from participation in the
21 program of physical education training provided in Sections
22 27-5 through 27-7 of this Code.

23 (9) For the purposes of this Section, "nursery schools"
24 means those nursery schools operated by elementary school
25 systems or secondary level school units or institutions of
26 higher learning.

1 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;
2 99-249, eff. 8-3-15; 99-642, eff. 7-28-16; 99-927, eff.
3 6-1-17.)

4 (105 ILCS 5/27A-9)

5 Sec. 27A-9. Term of charter; renewal.

6 (a) For charters granted before January 1, 2017 (the
7 effective date of Public Act 99-840) ~~this amendatory Act of the~~
8 ~~99th General Assembly~~, a charter may be granted for a period
9 not less than 5 and not more than 10 school years. For charters
10 granted on or after January 1, 2017 (the effective date of
11 Public Act 99-840) ~~this amendatory Act of the 99th General~~
12 ~~Assembly~~, a charter shall be granted for a period of 5 school
13 years. For charters renewed before January 1, 2017 (the
14 effective date of Public Act 99-840) ~~this amendatory Act of the~~
15 ~~99th General Assembly~~, a charter may be renewed in incremental
16 periods not to exceed 5 school years. For charters renewed on
17 or after January 1, 2017 (the effective date of Public Act
18 99-840) ~~this amendatory Act of the 99th General Assembly~~, a
19 charter may be renewed in incremental periods not to exceed 10
20 school years; however, the Commission may renew a charter only
21 in incremental periods not to exceed 5 years. Authorizers shall
22 ensure that every charter granted on or after January 1, 2017
23 (the effective date of Public Act 99-840) ~~this amendatory Act~~
24 ~~of the 99th General Assembly~~ includes standards and goals for
25 academic, organizational, and financial performance. A charter

1 must meet all standards and goals for academic, organizational,
2 and financial performance set forth by the authorizer in order
3 to be renewed for a term in excess of 5 years but not more than
4 10 years. If an authorizer fails to establish standards and
5 goals, a charter shall not be renewed for a term in excess of 5
6 years. Nothing contained in this Section shall require an
7 authorizer to grant a full 10-year renewal term to any
8 particular charter school, but an authorizer may award a full
9 10-year renewal term to charter schools that have a
10 demonstrated track record of improving student performance.

11 (b) A charter school renewal proposal submitted to the
12 local school board or the Commission, as the chartering entity,
13 shall contain:

14 (1) A report on the progress of the charter school in
15 achieving the goals, objectives, pupil performance
16 standards, content standards, and other terms of the
17 initial approved charter proposal; and

18 (2) A financial statement that discloses the costs of
19 administration, instruction, and other spending categories
20 for the charter school that is understandable to the
21 general public and that will allow comparison of those
22 costs to other schools or other comparable organizations,
23 in a format required by the State Board.

24 (c) A charter may be revoked or not renewed if the local
25 school board or the Commission, as the chartering entity,
26 clearly demonstrates that the charter school did any of the

1 following, or otherwise failed to comply with the requirements
2 of this law:

3 (1) Committed a material violation of any of the
4 conditions, standards, or procedures set forth in the
5 charter.

6 (2) Failed to meet or make reasonable progress toward
7 achievement of the content standards or pupil performance
8 standards identified in the charter.

9 (3) Failed to meet generally accepted standards of
10 fiscal management.

11 (4) Violated any provision of law from which the
12 charter school was not exempted.

13 In the case of revocation, the local school board or the
14 Commission, as the chartering entity, shall notify the charter
15 school in writing of the reason why the charter is subject to
16 revocation. The charter school shall submit a written plan to
17 the local school board or the Commission, whichever is
18 applicable, to rectify the problem. The plan shall include a
19 timeline for implementation, which shall not exceed 2 years or
20 the date of the charter's expiration, whichever is earlier. If
21 the local school board or the Commission, as the chartering
22 entity, finds that the charter school has failed to implement
23 the plan of remediation and adhere to the timeline, then the
24 chartering entity shall revoke the charter. Except in
25 situations of an emergency where the health, safety, or
26 education of the charter school's students is at risk, the

1 revocation shall take place at the end of a school year.
2 Nothing in Public Act 96-105 ~~this amendatory Act of the 96th~~
3 ~~General Assembly~~ shall be construed to prohibit an
4 implementation timetable that is less than 2 years in duration.

5 (d) (Blank).

6 (e) Notice of a local school board's decision to deny,
7 revoke, l or not ~~to~~ renew a charter shall be provided to the
8 Commission and the State Board. The Commission may reverse a
9 local board's decision if the Commission finds that the charter
10 school or charter school proposal (i) is in compliance with
11 this Article, and (ii) is in the best interests of the students
12 it is designed to serve. The Commission may condition the
13 granting of an appeal on the acceptance by the charter school
14 of funding in an amount less than that requested in the
15 proposal submitted to the local school board. Final decisions
16 of the Commission shall be subject to judicial review under the
17 Administrative Review Law.

18 (f) Notwithstanding other provisions of this Article, if
19 the Commission on appeal reverses a local board's decision or
20 if a charter school is approved by referendum, the Commission
21 shall act as the authorized chartering entity for the charter
22 school. The Commission shall approve the charter and shall
23 perform all functions under this Article otherwise performed by
24 the local school board. The State Board shall determine whether
25 the charter proposal approved by the Commission is consistent
26 with the provisions of this Article and, if the approved

1 proposal complies, certify the proposal pursuant to this
2 Article. The State Board shall report the aggregate number of
3 charter school pupils resident in a school district to that
4 district and shall notify the district of the amount of funding
5 to be paid by the State Board to the charter school enrolling
6 such students. The Commission shall require the charter school
7 to maintain accurate records of daily attendance that shall be
8 deemed sufficient to file claims under Section 18-8.05 or
9 18-8.15 notwithstanding any other requirements of that Section
10 regarding hours of instruction and teacher certification. The
11 State Board shall withhold from funds otherwise due the
12 district the funds authorized by this Article to be paid to the
13 charter school and shall pay such amounts to the charter
14 school.

15 (g) For charter schools authorized by the Commission, the
16 Commission shall quarterly certify to the State Board the
17 student enrollment for each of its charter schools.

18 (h) For charter schools authorized by the Commission, the
19 State Board shall pay directly to a charter school any federal
20 or State aid attributable to a student with a disability
21 attending the school.

22 (Source: P.A. 98-739, eff. 7-16-14; 99-840, eff. 1-1-17;
23 revised 10-27-16.)

24 (105 ILCS 5/27A-11)

25 Sec. 27A-11. Local financing.

1 (a) For purposes of the School Code, pupils enrolled in a
2 charter school shall be included in the pupil enrollment of the
3 school district within which the pupil resides. Each charter
4 school (i) shall determine the school district in which each
5 pupil who is enrolled in the charter school resides, (ii) shall
6 report the aggregate number of pupils resident of a school
7 district who are enrolled in the charter school to the school
8 district in which those pupils reside, and (iii) shall maintain
9 accurate records of daily attendance that shall be deemed
10 sufficient to file claims under Section 18-8 or 18-8.15
11 notwithstanding any other requirements of that Section
12 regarding hours of instruction and teacher certification.

13 (b) Except for a charter school established by referendum
14 under Section 27A-6.5, as part of a charter school contract,
15 the charter school and the local school board shall agree on
16 funding and any services to be provided by the school district
17 to the charter school. Agreed funding that a charter school is
18 to receive from the local school board for a school year shall
19 be paid in equal quarterly installments with the payment of the
20 installment for the first quarter being made not later than
21 July 1, unless the charter establishes a different payment
22 schedule. However, if a charter school dismisses a pupil from
23 the charter school after receiving a quarterly payment, the
24 charter school shall return to the school district, on a
25 quarterly basis, the prorated portion of public funding
26 provided for the education of that pupil for the time the

1 student is not enrolled at the charter school. Likewise, if a
2 pupil transfers to a charter school between quarterly payments,
3 the school district shall provide, on a quarterly basis, a
4 prorated portion of the public funding to the charter school to
5 provide for the education of that pupil.

6 All services centrally or otherwise provided by the school
7 district including, but not limited to, rent, food services,
8 custodial services, maintenance, curriculum, media services,
9 libraries, transportation, and warehousing shall be subject to
10 negotiation between a charter school and the local school board
11 and paid for out of the revenues negotiated pursuant to this
12 subsection (b); provided that the local school board shall not
13 attempt, by negotiation or otherwise, to obligate a charter
14 school to provide pupil transportation for pupils for whom a
15 district is not required to provide transportation under the
16 criteria set forth in subsection (a) (13) of Section 27A-7.

17 In no event shall the funding be less than 97% ~~75%~~ or more
18 than 103% ~~125%~~ of the school district's per capita student
19 tuition multiplied by the number of students residing in the
20 district who are enrolled in the charter school.

21 It is the intent of the General Assembly that funding and
22 service agreements under this subsection (b) shall be neither a
23 financial incentive nor a financial disincentive to the
24 establishment of a charter school.

25 The charter school may set and collect reasonable fees.
26 Fees collected from students enrolled at a charter school shall

1 be retained by the charter school.

2 (c) Notwithstanding subsection (b) of this Section, the
3 proportionate share of State and federal resources generated by
4 students with disabilities or staff serving them shall be
5 directed to charter schools enrolling those students by their
6 school districts or administrative units. The proportionate
7 share of moneys generated under other federal or State
8 categorical aid programs shall be directed to charter schools
9 serving students eligible for that aid.

10 (d) The governing body of a charter school is authorized to
11 accept gifts, donations, or grants of any kind made to the
12 charter school and to expend or use gifts, donations, or grants
13 in accordance with the conditions prescribed by the donor;
14 however, a gift, donation, or grant may not be accepted by the
15 governing body if it is subject to any condition contrary to
16 applicable law or contrary to the terms of the contract between
17 the charter school and the local school board. Charter schools
18 shall be encouraged to solicit and utilize community volunteer
19 speakers and other instructional resources when providing
20 instruction on the Holocaust and other historical events.

21 (e) (Blank).

22 (f) The Commission shall provide technical assistance to
23 persons and groups preparing or revising charter applications.

24 (g) At the non-renewal or revocation of its charter, each
25 charter school shall refund to the local board of education all
26 unspent funds.

1 (h) A charter school is authorized to incur temporary,
2 short term debt to pay operating expenses in anticipation of
3 receipt of funds from the local school board.

4 (Source: P.A. 98-640, eff. 6-9-14; 98-739, eff. 7-16-14; 99-78,
5 eff. 7-20-15.)

6 (105 ILCS 5/27A-11.5)

7 Sec. 27A-11.5. State financing. The State Board of
8 Education shall make the following funds available to school
9 districts and charter schools:

10 (1) From a separate appropriation made to the State
11 Board for purposes of this subdivision (1), the State Board
12 shall make transition impact aid available to school
13 districts that approve a new charter school or that have
14 funds withheld by the State Board to fund a new charter
15 school that is chartered by the Commission. The amount of
16 the aid shall equal 90% of the per capita funding paid to
17 the charter school during the first year of its initial
18 charter term, 65% of the per capita funding paid to the
19 charter school during the second year of its initial term,
20 and 35% of the per capita funding paid to the charter
21 school during the third year of its initial term. This
22 transition impact aid shall be paid to the local school
23 board in equal quarterly installments, with the payment of
24 the installment for the first quarter being made by August
25 1st immediately preceding the first, second, and third

1 years of the initial term. The district shall file an
2 application for this aid with the State Board in a format
3 designated by the State Board. If the appropriation is
4 insufficient in any year to pay all approved claims, the
5 impact aid shall be prorated. However, for fiscal year
6 2004, the State Board of Education shall pay approved
7 claims only for charter schools with a valid charter
8 granted prior to June 1, 2003. If any funds remain after
9 these claims have been paid, then the State Board of
10 Education may pay all other approved claims on a pro rata
11 basis. Transition impact aid shall be paid beginning in the
12 1999-2000 school year for charter schools that are in the
13 first, second, or third year of their initial term.
14 Transition impact aid shall not be paid for any charter
15 school that is proposed and created by one or more boards
16 of education, as authorized under the provisions of Public
17 Act 91-405.

18 (2) From a separate appropriation made for the purpose
19 of this subdivision (2), the State Board shall make grants
20 to charter schools to pay their start-up costs of acquiring
21 educational materials and supplies, textbooks, electronic
22 textbooks and the technological equipment necessary to
23 gain access to and use electronic textbooks, furniture, and
24 other equipment or materials needed during their initial
25 term. The State Board shall annually establish the time and
26 manner of application for these grants, which shall not

1 exceed \$250 per student enrolled in the charter school.

2 (3) The Charter Schools Revolving Loan Fund is created
3 as a special fund in the State treasury. Federal funds,
4 such other funds as may be made available for costs
5 associated with the establishment of charter schools in
6 Illinois, and amounts repaid by charter schools that have
7 received a loan from the Charter Schools Revolving Loan
8 Fund shall be deposited into the Charter Schools Revolving
9 Loan Fund, and the moneys in the Charter Schools Revolving
10 Loan Fund shall be appropriated to the State Board and used
11 to provide interest-free loans to charter schools. These
12 funds shall be used to pay start-up costs of acquiring
13 educational materials and supplies, textbooks, electronic
14 textbooks and the technological equipment necessary to
15 gain access to and use electronic textbooks, furniture, and
16 other equipment or materials needed in the initial term of
17 the charter school and for acquiring and remodeling a
18 suitable physical plant, within the initial term of the
19 charter school. A charter school that has had its charter
20 renewed at least one time and is in good standing with its
21 authorizer may use funds to acquire furniture and other
22 equipment or materials needed in the renewed term of the
23 charter school and for acquiring and remodeling a suitable
24 physical plant within the renewed term of the charter
25 school. Loans shall be limited to one loan per charter
26 school and shall not exceed \$750 per student enrolled in

1 the charter school. A loan shall be repaid by the end of
2 the initial term of the charter school. The State Board may
3 deduct amounts necessary to repay the loan from funds due
4 to the charter school or may require that the local school
5 board that authorized the charter school deduct such
6 amounts from funds due the charter school and remit these
7 amounts to the State Board, provided that the local school
8 board shall not be responsible for repayment of the loan.
9 The State Board may use up to 3% of the appropriation to
10 contract with a non-profit entity to administer the loan
11 program.

12 (4) A charter school may apply for and receive, subject
13 to the same restrictions applicable to school districts,
14 any grant administered by the State Board that is available
15 for school districts.

16 (Source: P.A. 98-739, eff. 7-16-14; 99-840, eff. 1-1-17.)

17 (105 ILCS 5/34-2.3) (from Ch. 122, par. 34-2.3)

18 Sec. 34-2.3. Local school councils - Powers and duties.
19 Each local school council shall have and exercise, consistent
20 with the provisions of this Article and the powers and duties
21 of the board of education, the following powers and duties:

22 1. (A) To annually evaluate the performance of the
23 principal of the attendance center using a Board approved
24 principal evaluation form, which shall include the evaluation
25 of (i) student academic improvement, as defined by the school

1 improvement plan, (ii) student absenteeism rates at the school,
2 (iii) instructional leadership, (iv) the effective
3 implementation of programs, policies, or strategies to improve
4 student academic achievement, (v) school management, and (vi)
5 any other factors deemed relevant by the local school council,
6 including, without limitation, the principal's communication
7 skills and ability to create and maintain a student-centered
8 learning environment, to develop opportunities for
9 professional development, and to encourage parental
10 involvement and community partnerships to achieve school
11 improvement;

12 (B) to determine in the manner provided by subsection (c)
13 of Section 34-2.2 and subdivision 1.5 of this Section whether
14 the performance contract of the principal shall be renewed; and

15 (C) to directly select, in the manner provided by
16 subsection (c) of Section 34-2.2, a new principal (including a
17 new principal to fill a vacancy) -- without submitting any list
18 of candidates for that position to the general superintendent
19 as provided in paragraph 2 of this Section -- to serve under a
20 4 year performance contract; provided that (i) the
21 determination of whether the principal's performance contract
22 is to be renewed, based upon the evaluation required by
23 subdivision 1.5 of this Section, shall be made no later than
24 150 days prior to the expiration of the current
25 performance-based contract of the principal, (ii) in cases
26 where such performance contract is not renewed -- a direct

1 selection of a new principal -- to serve under a 4 year
2 performance contract shall be made by the local school council
3 no later than 45 days prior to the expiration of the current
4 performance contract of the principal, and (iii) a selection by
5 the local school council of a new principal to fill a vacancy
6 under a 4 year performance contract shall be made within 90
7 days after the date such vacancy occurs. A Council shall be
8 required, if requested by the principal, to provide in writing
9 the reasons for the council's not renewing the principal's
10 contract.

11 1.5. The local school council's determination of whether to
12 renew the principal's contract shall be based on an evaluation
13 to assess the educational and administrative progress made at
14 the school during the principal's current performance-based
15 contract. The local school council shall base its evaluation on
16 (i) student academic improvement, as defined by the school
17 improvement plan, (ii) student absenteeism rates at the school,
18 (iii) instructional leadership, (iv) the effective
19 implementation of programs, policies, or strategies to improve
20 student academic achievement, (v) school management, and (vi)
21 any other factors deemed relevant by the local school council,
22 including, without limitation, the principal's communication
23 skills and ability to create and maintain a student-centered
24 learning environment, to develop opportunities for
25 professional development, and to encourage parental
26 involvement and community partnerships to achieve school

1 improvement. If a local school council fails to renew the
2 performance contract of a principal rated by the general
3 superintendent, or his or her designee, in the previous years'
4 evaluations as meeting or exceeding expectations, the
5 principal, within 15 days after the local school council's
6 decision not to renew the contract, may request a review of the
7 local school council's principal non-retention decision by a
8 hearing officer appointed by the American Arbitration
9 Association. A local school council member or members or the
10 general superintendent may support the principal's request for
11 review. During the period of the hearing officer's review of
12 the local school council's decision on whether or not to retain
13 the principal, the local school council shall maintain all
14 authority to search for and contract with a person to serve as
15 interim or acting principal, or as the principal of the
16 attendance center under a 4-year performance contract,
17 provided that any performance contract entered into by the
18 local school council shall be voidable or modified in
19 accordance with the decision of the hearing officer. The
20 principal may request review only once while at that attendance
21 center. If a local school council renews the contract of a
22 principal who failed to obtain a rating of "meets" or "exceeds
23 expectations" in the general superintendent's evaluation for
24 the previous year, the general superintendent, within 15 days
25 after the local school council's decision to renew the
26 contract, may request a review of the local school council's

1 principal retention decision by a hearing officer appointed by
2 the American Arbitration Association. The general
3 superintendent may request a review only once for that
4 principal at that attendance center. All requests to review the
5 retention or non-retention of a principal shall be submitted to
6 the general superintendent, who shall, in turn, forward such
7 requests, within 14 days of receipt, to the American
8 Arbitration Association. The general superintendent shall send
9 a contemporaneous copy of the request that was forwarded to the
10 American Arbitration Association to the principal and to each
11 local school council member and shall inform the local school
12 council of its rights and responsibilities under the
13 arbitration process, including the local school council's
14 right to representation and the manner and process by which the
15 Board shall pay the costs of the council's representation. If
16 the local school council retains the principal and the general
17 superintendent requests a review of the retention decision, the
18 local school council and the general superintendent shall be
19 considered parties to the arbitration, a hearing officer shall
20 be chosen between those 2 parties pursuant to procedures
21 promulgated by the State Board of Education, and the principal
22 may retain counsel and participate in the arbitration. If the
23 local school council does not retain the principal and the
24 principal requests a review of the retention decision, the
25 local school council and the principal shall be considered
26 parties to the arbitration and a hearing officer shall be

1 chosen between those 2 parties pursuant to procedures
2 promulgated by the State Board of Education. The hearing shall
3 begin (i) within 45 days after the initial request for review
4 is submitted by the principal to the general superintendent or
5 (ii) if the initial request for review is made by the general
6 superintendent, within 45 days after that request is mailed to
7 the American Arbitration Association. The hearing officer
8 shall render a decision within 45 days after the hearing begins
9 and within 90 days after the initial request for review. The
10 Board shall contract with the American Arbitration Association
11 for all of the hearing officer's reasonable and necessary
12 costs. In addition, the Board shall pay any reasonable costs
13 incurred by a local school council for representation before a
14 hearing officer.

15 1.10. The hearing officer shall conduct a hearing, which
16 shall include (i) a review of the principal's performance,
17 evaluations, and other evidence of the principal's service at
18 the school, (ii) reasons provided by the local school council
19 for its decision, and (iii) documentation evidencing views of
20 interested persons, including, without limitation, students,
21 parents, local school council members, school faculty and
22 staff, the principal, the general superintendent or his or her
23 designee, and members of the community. The burden of proof in
24 establishing that the local school council's decision was
25 arbitrary and capricious shall be on the party requesting the
26 arbitration, and this party shall sustain the burden by a

1 preponderance of the evidence. The hearing officer shall set
2 the local school council decision aside if that decision, in
3 light of the record developed at the hearing, is arbitrary and
4 capricious. The decision of the hearing officer may not be
5 appealed to the Board or the State Board of Education. If the
6 hearing officer decides that the principal shall be retained,
7 the retention period shall not exceed 2 years.

8 2. In the event (i) the local school council does not renew
9 the performance contract of the principal, or the principal
10 fails to receive a satisfactory rating as provided in
11 subsection (h) of Section 34-8.3, or the principal is removed
12 for cause during the term of his or her performance contract in
13 the manner provided by Section 34-85, or a vacancy in the
14 position of principal otherwise occurs prior to the expiration
15 of the term of a principal's performance contract, and (ii) the
16 local school council fails to directly select a new principal
17 to serve under a 4 year performance contract, the local school
18 council in such event shall submit to the general
19 superintendent a list of 3 candidates -- listed in the local
20 school council's order of preference -- for the position of
21 principal, one of which shall be selected by the general
22 superintendent to serve as principal of the attendance center.
23 If the general superintendent fails or refuses to select one of
24 the candidates on the list to serve as principal within 30 days
25 after being furnished with the candidate list, the general
26 superintendent shall select and place a principal on an interim

1 basis (i) for a period not to exceed one year or (ii) until the
2 local school council selects a new principal with 7 affirmative
3 votes as provided in subsection (c) of Section 34-2.2,
4 whichever occurs first. If the local school council fails or
5 refuses to select and appoint a new principal, as specified by
6 subsection (c) of Section 34-2.2, the general superintendent
7 may select and appoint a new principal on an interim basis for
8 an additional year or until a new contract principal is
9 selected by the local school council. There shall be no
10 discrimination on the basis of race, sex, creed, color or
11 disability unrelated to ability to perform in connection with
12 the submission of candidates for, and the selection of a
13 candidate to serve as principal of an attendance center. No
14 person shall be directly selected, listed as a candidate for,
15 or selected to serve as principal of an attendance center (i)
16 if such person has been removed for cause from employment by
17 the Board or (ii) if such person does not hold a valid
18 administrative certificate issued or exchanged under Article
19 21 and endorsed as required by that Article for the position of
20 principal. A principal whose performance contract is not
21 renewed as provided under subsection (c) of Section 34-2.2 may
22 nevertheless, if otherwise qualified and certified as herein
23 provided and if he or she has received a satisfactory rating as
24 provided in subsection (h) of Section 34-8.3, be included by a
25 local school council as one of the 3 candidates listed in order
26 of preference on any candidate list from which one person is to

1 be selected to serve as principal of the attendance center
2 under a new performance contract. The initial candidate list
3 required to be submitted by a local school council to the
4 general superintendent in cases where the local school council
5 does not renew the performance contract of its principal and
6 does not directly select a new principal to serve under a 4
7 year performance contract shall be submitted not later than 30
8 days prior to the expiration of the current performance
9 contract. In cases where the local school council fails or
10 refuses to submit the candidate list to the general
11 superintendent no later than 30 days prior to the expiration of
12 the incumbent principal's contract, the general superintendent
13 may appoint a principal on an interim basis for a period not to
14 exceed one year, during which time the local school council
15 shall be able to select a new principal with 7 affirmative
16 votes as provided in subsection (c) of Section 34-2.2. In cases
17 where a principal is removed for cause or a vacancy otherwise
18 occurs in the position of principal and the vacancy is not
19 filled by direct selection by the local school council, the
20 candidate list shall be submitted by the local school council
21 to the general superintendent within 90 days after the date
22 such removal or vacancy occurs. In cases where the local school
23 council fails or refuses to submit the candidate list to the
24 general superintendent within 90 days after the date of the
25 vacancy, the general superintendent may appoint a principal on
26 an interim basis for a period of one year, during which time

1 the local school council shall be able to select a new
2 principal with 7 affirmative votes as provided in subsection
3 (c) of Section 34-2.2.

4 2.5. Whenever a vacancy in the office of a principal occurs
5 for any reason, the vacancy shall be filled in the manner
6 provided by this Section by the selection of a new principal to
7 serve under a 4 year performance contract.

8 3. To establish additional criteria to be included as part
9 of the performance contract of its principal, provided that
10 such additional criteria shall not discriminate on the basis of
11 race, sex, creed, color or disability unrelated to ability to
12 perform, and shall not be inconsistent with the uniform 4 year
13 performance contract for principals developed by the board as
14 provided in Section 34-8.1 of the School Code or with other
15 provisions of this Article governing the authority and
16 responsibility of principals.

17 4. To approve the expenditure plan prepared by the
18 principal with respect to all funds allocated and distributed
19 to the attendance center by the Board. The expenditure plan
20 shall be administered by the principal. Notwithstanding any
21 other provision of this Act or any other law, any expenditure
22 plan approved and administered under this Section 34-2.3 shall
23 be consistent with and subject to the terms of any contract for
24 services with a third party entered into by the Chicago School
25 Reform Board of Trustees or the board under this Act.

26 Via a supermajority vote of 7 members of the local school

1 council or 8 members of a high school local school council, the
2 Council may transfer allocations pursuant to Section 34-2.3
3 within funds; provided that such a transfer is consistent with
4 applicable law and collective bargaining agreements.

5 Beginning in fiscal year 1991 and in each fiscal year
6 thereafter, the Board may reserve up to 1% of its total fiscal
7 year budget for distribution on a prioritized basis to schools
8 throughout the school system in order to assure adequate
9 programs to meet the needs of special student populations as
10 determined by the Board. This distribution shall take into
11 account the needs catalogued in the Systemwide Plan and the
12 various local school improvement plans of the local school
13 councils. Information about these centrally funded programs
14 shall be distributed to the local school councils so that their
15 subsequent planning and programming will account for these
16 provisions.

17 Beginning in fiscal year 1991 and in each fiscal year
18 thereafter, from other amounts available in the applicable
19 fiscal year budget, the board shall allocate a lump sum amount
20 to each local school based upon such formula as the board shall
21 determine taking into account the special needs of the student
22 body. The local school principal shall develop an expenditure
23 plan in consultation with the local school council, the
24 professional personnel leadership committee and with all other
25 school personnel, which reflects the priorities and activities
26 as described in the school's local school improvement plan and

1 is consistent with applicable law and collective bargaining
2 agreements and with board policies and standards; however, the
3 local school council shall have the right to request waivers of
4 board policy from the board of education and waivers of
5 employee collective bargaining agreements pursuant to Section
6 34-8.1a.

7 The expenditure plan developed by the principal with
8 respect to amounts available from the fund for prioritized
9 special needs programs and the allocated lump sum amount must
10 be approved by the local school council.

11 The lump sum allocation shall take into account the
12 following principles:

13 a. Teachers: Each school shall be allocated funds equal
14 to the amount appropriated in the previous school year for
15 compensation for teachers (regular grades kindergarten
16 through 12th grade) plus whatever increases in
17 compensation have been negotiated contractually or through
18 longevity as provided in the negotiated agreement.
19 Adjustments shall be made due to layoff or reduction in
20 force, lack of funds or work, change in subject
21 requirements, enrollment changes, or contracts with third
22 parties for the performance of services or to rectify any
23 inconsistencies with system-wide allocation formulas or
24 for other legitimate reasons.

25 b. Other personnel: Funds for other teacher
26 certificated and uncertificated personnel paid through

1 non-categorical funds shall be provided according to
2 system-wide formulas based on student enrollment and the
3 special needs of the school as determined by the Board.

4 c. Non-compensation items: Appropriations for all
5 non-compensation items shall be based on system-wide
6 formulas based on student enrollment and on the special
7 needs of the school or factors related to the physical
8 plant, including but not limited to textbooks, electronic
9 textbooks and the technological equipment necessary to
10 gain access to and use electronic textbooks, supplies,
11 electricity, equipment, and routine maintenance.

12 d. Funds for categorical programs: Schools shall
13 receive personnel and funds based on, and shall use such
14 personnel and funds in accordance with State and Federal
15 requirements applicable to each categorical program
16 provided to meet the special needs of the student body
17 (including but not limited to, Federal Chapter I,
18 Bilingual, and Special Education).

19 d.1. Funds for State Title I: Each school shall receive
20 funds based on State and Board requirements applicable to
21 each State Title I pupil provided to meet the special needs
22 of the student body. Each school shall receive the
23 proportion of funds as provided in Section 18-8 or 18-8.15
24 to which they are entitled. These funds shall be spent only
25 with the budgetary approval of the Local School Council as
26 provided in Section 34-2.3.

1 e. The Local School Council shall have the right to
2 request the principal to close positions and open new ones
3 consistent with the provisions of the local school
4 improvement plan provided that these decisions are
5 consistent with applicable law and collective bargaining
6 agreements. If a position is closed, pursuant to this
7 paragraph, the local school shall have for its use the
8 system-wide average compensation for the closed position.

9 f. Operating within existing laws and collective
10 bargaining agreements, the local school council shall have
11 the right to direct the principal to shift expenditures
12 within funds.

13 g. (Blank).

14 Any funds unexpended at the end of the fiscal year shall be
15 available to the board of education for use as part of its
16 budget for the following fiscal year.

17 5. To make recommendations to the principal concerning
18 textbook selection and concerning curriculum developed
19 pursuant to the school improvement plan which is consistent
20 with systemwide curriculum objectives in accordance with
21 Sections 34-8 and 34-18 of the School Code and in conformity
22 with the collective bargaining agreement.

23 6. To advise the principal concerning the attendance and
24 disciplinary policies for the attendance center, subject to the
25 provisions of this Article and Article 26, and consistent with
26 the uniform system of discipline established by the board

1 pursuant to Section 34-19.

2 7. To approve a school improvement plan developed as
3 provided in Section 34-2.4. The process and schedule for plan
4 development shall be publicized to the entire school community,
5 and the community shall be afforded the opportunity to make
6 recommendations concerning the plan. At least twice a year the
7 principal and local school council shall report publicly on
8 progress and problems with respect to plan implementation.

9 8. To evaluate the allocation of teaching resources and
10 other certificated and uncertificated staff to the attendance
11 center to determine whether such allocation is consistent with
12 and in furtherance of instructional objectives and school
13 programs reflective of the school improvement plan adopted for
14 the attendance center; and to make recommendations to the
15 board, the general superintendent and the principal concerning
16 any reallocation of teaching resources or other staff whenever
17 the council determines that any such reallocation is
18 appropriate because the qualifications of any existing staff at
19 the attendance center do not adequately match or support
20 instructional objectives or school programs which reflect the
21 school improvement plan.

22 9. To make recommendations to the principal and the general
23 superintendent concerning their respective appointments, after
24 August 31, 1989, and in the manner provided by Section 34-8 and
25 Section 34-8.1, of persons to fill any vacant, additional or
26 newly created positions for teachers at the attendance center

1 or at attendance centers which include the attendance center
2 served by the local school council.

3 10. To request of the Board the manner in which training
4 and assistance shall be provided to the local school council.
5 Pursuant to Board guidelines a local school council is
6 authorized to direct the Board of Education to contract with
7 personnel or not-for-profit organizations not associated with
8 the school district to train or assist council members. If
9 training or assistance is provided by contract with personnel
10 or organizations not associated with the school district, the
11 period of training or assistance shall not exceed 30 hours
12 during a given school year; person shall not be employed on a
13 continuous basis longer than said period and shall not have
14 been employed by the Chicago Board of Education within the
15 preceding six months. Council members shall receive training in
16 at least the following areas:

17 1. school budgets;

18 2. educational theory pertinent to the attendance
19 center's particular needs, including the development of
20 the school improvement plan and the principal's
21 performance contract; and

22 3. personnel selection.

23 Council members shall, to the greatest extent possible,
24 complete such training within 90 days of election.

25 11. In accordance with systemwide guidelines contained in
26 the System-Wide Educational Reform Goals and Objectives Plan,

1 criteria for evaluation of performance shall be established for
2 local school councils and local school council members. If a
3 local school council persists in noncompliance with systemwide
4 requirements, the Board may impose sanctions and take necessary
5 corrective action, consistent with Section 34-8.3.

6 12. Each local school council shall comply with the Open
7 Meetings Act and the Freedom of Information Act. Each local
8 school council shall issue and transmit to its school community
9 a detailed annual report accounting for its activities
10 programmatically and financially. Each local school council
11 shall convene at least 2 well-publicized meetings annually with
12 its entire school community. These meetings shall include
13 presentation of the proposed local school improvement plan, of
14 the proposed school expenditure plan, and the annual report,
15 and shall provide an opportunity for public comment.

16 13. Each local school council is encouraged to involve
17 additional non-voting members of the school community in
18 facilitating the council's exercise of its responsibilities.

19 14. The local school council may adopt a school uniform or
20 dress code policy that governs the attendance center and that
21 is necessary to maintain the orderly process of a school
22 function or prevent endangerment of student health or safety,
23 consistent with the policies and rules of the Board of
24 Education. A school uniform or dress code policy adopted by a
25 local school council: (i) shall not be applied in such manner
26 as to discipline or deny attendance to a transfer student or

1 any other student for noncompliance with that policy during
2 such period of time as is reasonably necessary to enable the
3 student to acquire a school uniform or otherwise comply with
4 the dress code policy that is in effect at the attendance
5 center into which the student's enrollment is transferred; and
6 (ii) shall include criteria and procedures under which the
7 local school council will accommodate the needs of or otherwise
8 provide appropriate resources to assist a student from an
9 indigent family in complying with an applicable school uniform
10 or dress code policy. A student whose parents or legal
11 guardians object on religious grounds to the student's
12 compliance with an applicable school uniform or dress code
13 policy shall not be required to comply with that policy if the
14 student's parents or legal guardians present to the local
15 school council a signed statement of objection detailing the
16 grounds for the objection.

17 15. All decisions made and actions taken by the local
18 school council in the exercise of its powers and duties shall
19 comply with State and federal laws, all applicable collective
20 bargaining agreements, court orders and rules properly
21 promulgated by the Board.

22 15a. To grant, in accordance with board rules and policies,
23 the use of assembly halls and classrooms when not otherwise
24 needed, including lighting, heat, and attendants, for public
25 lectures, concerts, and other educational and social
26 activities.

1 15b. To approve, in accordance with board rules and
2 policies, receipts and expenditures for all internal accounts
3 of the attendance center, and to approve all fund-raising
4 activities by nonschool organizations that use the school
5 building.

6 16. (Blank).

7 17. Names and addresses of local school council members
8 shall be a matter of public record.

9 (Source: P.A. 96-1403, eff. 7-29-10.)

10 (105 ILCS 5/34-18) (from Ch. 122, par. 34-18)

11 Sec. 34-18. Powers of the board. The board shall exercise
12 general supervision and jurisdiction over the public education
13 and the public school system of the city, and, except as
14 otherwise provided by this Article, shall have power:

15 1. To make suitable provision for the establishment and
16 maintenance throughout the year or for such portion thereof
17 as it may direct, not less than 9 months, of schools of all
18 grades and kinds, including normal schools, high schools,
19 night schools, schools for defectives and delinquents,
20 parental and truant schools, schools for the blind, the
21 deaf and persons with physical disabilities, schools or
22 classes in manual training, constructural and vocational
23 teaching, domestic arts and physical culture, vocation and
24 extension schools and lecture courses, and all other
25 educational courses and facilities, including

1 establishing, equipping, maintaining and operating
2 playgrounds and recreational programs, when such programs
3 are conducted in, adjacent to, or connected with any public
4 school under the general supervision and jurisdiction of
5 the board; provided that the calendar for the school term
6 and any changes must be submitted to and approved by the
7 State Board of Education before the calendar or changes may
8 take effect, and provided that in allocating funds from
9 year to year for the operation of all attendance centers
10 within the district, the board shall ensure that
11 supplemental general State aid or supplemental grant funds
12 are allocated and applied in accordance with Section 18-8,
13 ~~or~~ 18-8.05, or 18-8.15. To admit to such schools without
14 charge foreign exchange students who are participants in an
15 organized exchange student program which is authorized by
16 the board. The board shall permit all students to enroll in
17 apprenticeship programs in trade schools operated by the
18 board, whether those programs are union-sponsored or not.
19 No student shall be refused admission into or be excluded
20 from any course of instruction offered in the common
21 schools by reason of that student's sex. No student shall
22 be denied equal access to physical education and
23 interscholastic athletic programs supported from school
24 district funds or denied participation in comparable
25 physical education and athletic programs solely by reason
26 of the student's sex. Equal access to programs supported

1 from school district funds and comparable programs will be
2 defined in rules promulgated by the State Board of
3 Education in consultation with the Illinois High School
4 Association. Notwithstanding any other provision of this
5 Article, neither the board of education nor any local
6 school council or other school official shall recommend
7 that children with disabilities be placed into regular
8 education classrooms unless those children with
9 disabilities are provided with supplementary services to
10 assist them so that they benefit from the regular classroom
11 instruction and are included on the teacher's regular
12 education class register;

13 2. To furnish lunches to pupils, to make a reasonable
14 charge therefor, and to use school funds for the payment of
15 such expenses as the board may determine are necessary in
16 conducting the school lunch program;

17 3. To co-operate with the circuit court;

18 4. To make arrangements with the public or quasi-public
19 libraries and museums for the use of their facilities by
20 teachers and pupils of the public schools;

21 5. To employ dentists and prescribe their duties for
22 the purpose of treating the pupils in the schools, but
23 accepting such treatment shall be optional with parents or
24 guardians;

25 6. To grant the use of assembly halls and classrooms
26 when not otherwise needed, including light, heat, and

1 attendants, for free public lectures, concerts, and other
2 educational and social interests, free of charge, under
3 such provisions and control as the principal of the
4 affected attendance center may prescribe;

5 7. To apportion the pupils to the several schools;
6 provided that no pupil shall be excluded from or segregated
7 in any such school on account of his color, race, sex, or
8 nationality. The board shall take into consideration the
9 prevention of segregation and the elimination of
10 separation of children in public schools because of color,
11 race, sex, or nationality. Except that children may be
12 committed to or attend parental and social adjustment
13 schools established and maintained either for boys or girls
14 only. All records pertaining to the creation, alteration or
15 revision of attendance areas shall be open to the public.
16 Nothing herein shall limit the board's authority to
17 establish multi-area attendance centers or other student
18 assignment systems for desegregation purposes or
19 otherwise, and to apportion the pupils to the several
20 schools. Furthermore, beginning in school year 1994-95,
21 pursuant to a board plan adopted by October 1, 1993, the
22 board shall offer, commencing on a phased-in basis, the
23 opportunity for families within the school district to
24 apply for enrollment of their children in any attendance
25 center within the school district which does not have
26 selective admission requirements approved by the board.

1 The appropriate geographical area in which such open
2 enrollment may be exercised shall be determined by the
3 board of education. Such children may be admitted to any
4 such attendance center on a space available basis after all
5 children residing within such attendance center's area
6 have been accommodated. If the number of applicants from
7 outside the attendance area exceed the space available,
8 then successful applicants shall be selected by lottery.
9 The board of education's open enrollment plan must include
10 provisions that allow low income students to have access to
11 transportation needed to exercise school choice. Open
12 enrollment shall be in compliance with the provisions of
13 the Consent Decree and Desegregation Plan cited in Section
14 34-1.01;

15 8. To approve programs and policies for providing
16 transportation services to students. Nothing herein shall
17 be construed to permit or empower the State Board of
18 Education to order, mandate, or require busing or other
19 transportation of pupils for the purpose of achieving
20 racial balance in any school;

21 9. Subject to the limitations in this Article, to
22 establish and approve system-wide curriculum objectives
23 and standards, including graduation standards, which
24 reflect the multi-cultural diversity in the city and are
25 consistent with State law, provided that for all purposes
26 of this Article courses or proficiency in American Sign

1 Language shall be deemed to constitute courses or
2 proficiency in a foreign language; and to employ principals
3 and teachers, appointed as provided in this Article, and
4 fix their compensation. The board shall prepare such
5 reports related to minimal competency testing as may be
6 requested by the State Board of Education, and in addition
7 shall monitor and approve special education and bilingual
8 education programs and policies within the district to
9 assure that appropriate services are provided in
10 accordance with applicable State and federal laws to
11 children requiring services and education in those areas;

12 10. To employ non-teaching personnel or utilize
13 volunteer personnel for: (i) non-teaching duties not
14 requiring instructional judgment or evaluation of pupils,
15 including library duties; and (ii) supervising study
16 halls, long distance teaching reception areas used
17 incident to instructional programs transmitted by
18 electronic media such as computers, video, and audio,
19 detention and discipline areas, and school-sponsored
20 extracurricular activities. The board may further utilize
21 volunteer non-certificated personnel or employ
22 non-certificated personnel to assist in the instruction of
23 pupils under the immediate supervision of a teacher holding
24 a valid certificate, directly engaged in teaching subject
25 matter or conducting activities; provided that the teacher
26 shall be continuously aware of the non-certificated

1 persons' activities and shall be able to control or modify
2 them. The general superintendent shall determine
3 qualifications of such personnel and shall prescribe rules
4 for determining the duties and activities to be assigned to
5 such personnel;

6 10.5. To utilize volunteer personnel from a regional
7 School Crisis Assistance Team (S.C.A.T.), created as part
8 of the Safe to Learn Program established pursuant to
9 Section 25 of the Illinois Violence Prevention Act of 1995,
10 to provide assistance to schools in times of violence or
11 other traumatic incidents within a school community by
12 providing crisis intervention services to lessen the
13 effects of emotional trauma on individuals and the
14 community; the School Crisis Assistance Team Steering
15 Committee shall determine the qualifications for
16 volunteers;

17 11. To provide television studio facilities in not to
18 exceed one school building and to provide programs for
19 educational purposes, provided, however, that the board
20 shall not construct, acquire, operate, or maintain a
21 television transmitter; to grant the use of its studio
22 facilities to a licensed television station located in the
23 school district; and to maintain and operate not to exceed
24 one school radio transmitting station and provide programs
25 for educational purposes;

26 12. To offer, if deemed appropriate, outdoor education

1 courses, including field trips within the State of
2 Illinois, or adjacent states, and to use school educational
3 funds for the expense of the said outdoor educational
4 programs, whether within the school district or not;

5 13. During that period of the calendar year not
6 embraced within the regular school term, to provide and
7 conduct courses in subject matters normally embraced in the
8 program of the schools during the regular school term and
9 to give regular school credit for satisfactory completion
10 by the student of such courses as may be approved for
11 credit by the State Board of Education;

12 14. To insure against any loss or liability of the
13 board, the former School Board Nominating Commission,
14 Local School Councils, the Chicago Schools Academic
15 Accountability Council, or the former Subdistrict Councils
16 or of any member, officer, agent or employee thereof,
17 resulting from alleged violations of civil rights arising
18 from incidents occurring on or after September 5, 1967 or
19 from the wrongful or negligent act or omission of any such
20 person whether occurring within or without the school
21 premises, provided the officer, agent or employee was, at
22 the time of the alleged violation of civil rights or
23 wrongful act or omission, acting within the scope of his
24 employment or under direction of the board, the former
25 School Board Nominating Commission, the Chicago Schools
26 Academic Accountability Council, Local School Councils, or

1 the former Subdistrict Councils; and to provide for or
2 participate in insurance plans for its officers and
3 employees, including but not limited to retirement
4 annuities, medical, surgical and hospitalization benefits
5 in such types and amounts as may be determined by the
6 board; provided, however, that the board shall contract for
7 such insurance only with an insurance company authorized to
8 do business in this State. Such insurance may include
9 provision for employees who rely on treatment by prayer or
10 spiritual means alone for healing, in accordance with the
11 tenets and practice of a recognized religious
12 denomination;

13 15. To contract with the corporate authorities of any
14 municipality or the county board of any county, as the case
15 may be, to provide for the regulation of traffic in parking
16 areas of property used for school purposes, in such manner
17 as is provided by Section 11-209 of The Illinois Vehicle
18 Code, approved September 29, 1969, as amended;

19 16. (a) To provide, on an equal basis, access to a high
20 school campus and student directory information to the
21 official recruiting representatives of the armed forces of
22 Illinois and the United States for the purposes of
23 informing students of the educational and career
24 opportunities available in the military if the board has
25 provided such access to persons or groups whose purpose is
26 to acquaint students with educational or occupational

1 opportunities available to them. The board is not required
2 to give greater notice regarding the right of access to
3 recruiting representatives than is given to other persons
4 and groups. In this paragraph 16, "directory information"
5 means a high school student's name, address, and telephone
6 number.

7 (b) If a student or his or her parent or guardian
8 submits a signed, written request to the high school before
9 the end of the student's sophomore year (or if the student
10 is a transfer student, by another time set by the high
11 school) that indicates that the student or his or her
12 parent or guardian does not want the student's directory
13 information to be provided to official recruiting
14 representatives under subsection (a) of this Section, the
15 high school may not provide access to the student's
16 directory information to these recruiting representatives.
17 The high school shall notify its students and their parents
18 or guardians of the provisions of this subsection (b).

19 (c) A high school may require official recruiting
20 representatives of the armed forces of Illinois and the
21 United States to pay a fee for copying and mailing a
22 student's directory information in an amount that is not
23 more than the actual costs incurred by the high school.

24 (d) Information received by an official recruiting
25 representative under this Section may be used only to
26 provide information to students concerning educational and

1 career opportunities available in the military and may not
2 be released to a person who is not involved in recruiting
3 students for the armed forces of Illinois or the United
4 States;

5 17. (a) To sell or market any computer program
6 developed by an employee of the school district, provided
7 that such employee developed the computer program as a
8 direct result of his or her duties with the school district
9 or through the utilization of the school district resources
10 or facilities. The employee who developed the computer
11 program shall be entitled to share in the proceeds of such
12 sale or marketing of the computer program. The distribution
13 of such proceeds between the employee and the school
14 district shall be as agreed upon by the employee and the
15 school district, except that neither the employee nor the
16 school district may receive more than 90% of such proceeds.
17 The negotiation for an employee who is represented by an
18 exclusive bargaining representative may be conducted by
19 such bargaining representative at the employee's request.

20 (b) For the purpose of this paragraph 17:

21 (1) "Computer" means an internally programmed,
22 general purpose digital device capable of
23 automatically accepting data, processing data and
24 supplying the results of the operation.

25 (2) "Computer program" means a series of coded
26 instructions or statements in a form acceptable to a

1 computer, which causes the computer to process data in
2 order to achieve a certain result.

3 (3) "Proceeds" means profits derived from
4 marketing or sale of a product after deducting the
5 expenses of developing and marketing such product;

6 18. To delegate to the general superintendent of
7 schools, by resolution, the authority to approve contracts
8 and expenditures in amounts of \$10,000 or less;

9 19. Upon the written request of an employee, to
10 withhold from the compensation of that employee any dues,
11 payments or contributions payable by such employee to any
12 labor organization as defined in the Illinois Educational
13 Labor Relations Act. Under such arrangement, an amount
14 shall be withheld from each regular payroll period which is
15 equal to the pro rata share of the annual dues plus any
16 payments or contributions, and the board shall transmit
17 such withholdings to the specified labor organization
18 within 10 working days from the time of the withholding;

19 19a. Upon receipt of notice from the comptroller of a
20 municipality with a population of 500,000 or more, a county
21 with a population of 3,000,000 or more, the Cook County
22 Forest Preserve District, the Chicago Park District, the
23 Metropolitan Water Reclamation District, the Chicago
24 Transit Authority, or a housing authority of a municipality
25 with a population of 500,000 or more that a debt is due and
26 owing the municipality, the county, the Cook County Forest

1 Preserve District, the Chicago Park District, the
2 Metropolitan Water Reclamation District, the Chicago
3 Transit Authority, or the housing authority by an employee
4 of the Chicago Board of Education, to withhold, from the
5 compensation of that employee, the amount of the debt that
6 is due and owing and pay the amount withheld to the
7 municipality, the county, the Cook County Forest Preserve
8 District, the Chicago Park District, the Metropolitan
9 Water Reclamation District, the Chicago Transit Authority,
10 or the housing authority; provided, however, that the
11 amount deducted from any one salary or wage payment shall
12 not exceed 25% of the net amount of the payment. Before the
13 Board deducts any amount from any salary or wage of an
14 employee under this paragraph, the municipality, the
15 county, the Cook County Forest Preserve District, the
16 Chicago Park District, the Metropolitan Water Reclamation
17 District, the Chicago Transit Authority, or the housing
18 authority shall certify that (i) the employee has been
19 afforded an opportunity for a hearing to dispute the debt
20 that is due and owing the municipality, the county, the
21 Cook County Forest Preserve District, the Chicago Park
22 District, the Metropolitan Water Reclamation District, the
23 Chicago Transit Authority, or the housing authority and
24 (ii) the employee has received notice of a wage deduction
25 order and has been afforded an opportunity for a hearing to
26 object to the order. For purposes of this paragraph, "net

1 amount" means that part of the salary or wage payment
2 remaining after the deduction of any amounts required by
3 law to be deducted and "debt due and owing" means (i) a
4 specified sum of money owed to the municipality, the
5 county, the Cook County Forest Preserve District, the
6 Chicago Park District, the Metropolitan Water Reclamation
7 District, the Chicago Transit Authority, or the housing
8 authority for services, work, or goods, after the period
9 granted for payment has expired, or (ii) a specified sum of
10 money owed to the municipality, the county, the Cook County
11 Forest Preserve District, the Chicago Park District, the
12 Metropolitan Water Reclamation District, the Chicago
13 Transit Authority, or the housing authority pursuant to a
14 court order or order of an administrative hearing officer
15 after the exhaustion of, or the failure to exhaust,
16 judicial review;

17 20. The board is encouraged to employ a sufficient
18 number of certified school counselors to maintain a
19 student/counselor ratio of 250 to 1 by July 1, 1990. Each
20 counselor shall spend at least 75% of his work time in
21 direct contact with students and shall maintain a record of
22 such time;

23 21. To make available to students vocational and career
24 counseling and to establish 5 special career counseling
25 days for students and parents. On these days
26 representatives of local businesses and industries shall

1 be invited to the school campus and shall inform students
2 of career opportunities available to them in the various
3 businesses and industries. Special consideration shall be
4 given to counseling minority students as to career
5 opportunities available to them in various fields. For the
6 purposes of this paragraph, minority student means a person
7 who is any of the following:

8 (a) American Indian or Alaska Native (a person having
9 origins in any of the original peoples of North and South
10 America, including Central America, and who maintains
11 tribal affiliation or community attachment).

12 (b) Asian (a person having origins in any of the
13 original peoples of the Far East, Southeast Asia, or the
14 Indian subcontinent, including, but not limited to,
15 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,
16 the Philippine Islands, Thailand, and Vietnam).

17 (c) Black or African American (a person having origins
18 in any of the black racial groups of Africa). Terms such as
19 "Haitian" or "Negro" can be used in addition to "Black or
20 African American".

21 (d) Hispanic or Latino (a person of Cuban, Mexican,
22 Puerto Rican, South or Central American, or other Spanish
23 culture or origin, regardless of race).

24 (e) Native Hawaiian or Other Pacific Islander (a person
25 having origins in any of the original peoples of Hawaii,
26 Guam, Samoa, or other Pacific Islands).

1 Counseling days shall not be in lieu of regular school
2 days;

3 22. To report to the State Board of Education the
4 annual student dropout rate and number of students who
5 graduate from, transfer from or otherwise leave bilingual
6 programs;

7 23. Except as otherwise provided in the Abused and
8 Neglected Child Reporting Act or other applicable State or
9 federal law, to permit school officials to withhold, from
10 any person, information on the whereabouts of any child
11 removed from school premises when the child has been taken
12 into protective custody as a victim of suspected child
13 abuse. School officials shall direct such person to the
14 Department of Children and Family Services, or to the local
15 law enforcement agency if appropriate;

16 24. To develop a policy, based on the current state of
17 existing school facilities, projected enrollment and
18 efficient utilization of available resources, for capital
19 improvement of schools and school buildings within the
20 district, addressing in that policy both the relative
21 priority for major repairs, renovations and additions to
22 school facilities, and the advisability or necessity of
23 building new school facilities or closing existing schools
24 to meet current or projected demographic patterns within
25 the district;

26 25. To make available to the students in every high

1 school attendance center the ability to take all courses
2 necessary to comply with the Board of Higher Education's
3 college entrance criteria effective in 1993;

4 26. To encourage mid-career changes into the teaching
5 profession, whereby qualified professionals become
6 certified teachers, by allowing credit for professional
7 employment in related fields when determining point of
8 entry on teacher pay scale;

9 27. To provide or contract out training programs for
10 administrative personnel and principals with revised or
11 expanded duties pursuant to this Act in order to assure
12 they have the knowledge and skills to perform their duties;

13 28. To establish a fund for the prioritized special
14 needs programs, and to allocate such funds and other lump
15 sum amounts to each attendance center in a manner
16 consistent with the provisions of part 4 of Section 34-2.3.
17 Nothing in this paragraph shall be construed to require any
18 additional appropriations of State funds for this purpose;

19 29. (Blank);

20 30. Notwithstanding any other provision of this Act or
21 any other law to the contrary, to contract with third
22 parties for services otherwise performed by employees,
23 including those in a bargaining unit, and to layoff those
24 employees upon 14 days written notice to the affected
25 employees. Those contracts may be for a period not to
26 exceed 5 years and may be awarded on a system-wide basis.

1 The board may not operate more than 30 contract schools,
2 provided that the board may operate an additional 5
3 contract turnaround schools pursuant to item (5.5) of
4 subsection (d) of Section 34-8.3 of this Code;

5 31. To promulgate rules establishing procedures
6 governing the layoff or reduction in force of employees and
7 the recall of such employees, including, but not limited
8 to, criteria for such layoffs, reductions in force or
9 recall rights of such employees and the weight to be given
10 to any particular criterion. Such criteria shall take into
11 account factors including, but not be limited to,
12 qualifications, certifications, experience, performance
13 ratings or evaluations, and any other factors relating to
14 an employee's job performance;

15 32. To develop a policy to prevent nepotism in the
16 hiring of personnel or the selection of contractors;

17 33. To enter into a partnership agreement, as required
18 by Section 34-3.5 of this Code, and, notwithstanding any
19 other provision of law to the contrary, to promulgate
20 policies, enter into contracts, and take any other action
21 necessary to accomplish the objectives and implement the
22 requirements of that agreement; and

23 34. To establish a Labor Management Council to the
24 board comprised of representatives of the board, the chief
25 executive officer, and those labor organizations that are
26 the exclusive representatives of employees of the board and

1 to promulgate policies and procedures for the operation of
2 the Council.

3 The specifications of the powers herein granted are not to
4 be construed as exclusive but the board shall also exercise all
5 other powers that they may be requisite or proper for the
6 maintenance and the development of a public school system, not
7 inconsistent with the other provisions of this Article or
8 provisions of this Code which apply to all school districts.

9 In addition to the powers herein granted and authorized to
10 be exercised by the board, it shall be the duty of the board to
11 review or to direct independent reviews of special education
12 expenditures and services. The board shall file a report of
13 such review with the General Assembly on or before May 1, 1990.

14 (Source: P.A. 99-143, eff. 7-27-15.)

15 (105 ILCS 5/34-18.30)

16 Sec. 34-18.30. Dependents of military personnel; no
17 tuition charge. If, at the time of enrollment, a dependent of
18 United States military personnel is housed in temporary housing
19 located outside of the school district, but will be living
20 within the district within 60 days after the time of initial
21 enrollment, the dependent must be allowed to enroll, subject to
22 the requirements of this Section, and must not be charged
23 tuition. Any United States military personnel attempting to
24 enroll a dependent under this Section shall provide proof that
25 the dependent will be living within the district within 60 days

1 after the time of initial enrollment. Proof of residency may
2 include, but is not limited to, postmarked mail addressed to
3 the military personnel and sent to an address located within
4 the district, a lease agreement for occupancy of a residence
5 located within the district, or proof of ownership of a
6 residence located within the district. Non-resident dependents
7 of United States military personnel attending school on a
8 tuition-free basis may be counted for the purposes of
9 determining the apportionment of State aid provided under
10 Section 18-8.05 or 18-8.15 of this Code.

11 (Source: P.A. 95-331, eff. 8-21-07.)

12 (105 ILCS 5/34-43.1) (from Ch. 122, par. 34-43.1)

13 Sec. 34-43.1. (A) Limitation of noninstructional costs. It
14 is the purpose of this Section to establish for the Board of
15 Education and the general superintendent of schools
16 requirements and standards which maximize the proportion of
17 school district resources in direct support of educational,
18 program, and building maintenance and safety services for the
19 pupils of the district, and which correspondingly minimize the
20 amount and proportion of such resources associated with
21 centralized administration, administrative support services,
22 and other noninstructional services.

23 For the 1989-90 school year and for all subsequent school
24 years, the Board of Education shall undertake budgetary and
25 expenditure control actions which limit the administrative

1 expenditures of the Board of Education to levels, as provided
2 for in this Section, which represent an average of the
3 administrative expenses of all school districts in this State
4 not subject to Article 34.

5 (B) Certification of expenses by the State Superintendent
6 of Education. The State Superintendent of Education shall
7 annually certify, on or before May 1, to the Board of Education
8 and the School Finance Authority, for the applicable school
9 year, the following information:

10 (1) the annual expenditures of all school districts of
11 the State not subject to Article 34 properly attributable
12 to expenditure functions defined by the rules and
13 regulations of the State Board of Education as: 2210
14 (Improvement of Instructional Services); 2300 (Support
15 Services - General Administration) excluding, however,
16 2320 (Executive Administrative Services); 2490 (Other
17 Support Services - School Administration); 2500 (Support
18 Services - Business); 2600 (Support Services - Central);

19 (2) the total annual expenditures of all school
20 districts not subject to Article 34 attributable to the
21 Education Fund, the Operations, Building and Maintenance
22 Fund, the Transportation Fund and the Illinois Municipal
23 Retirement Fund of the several districts, as defined by the
24 rules and regulations of the State Board of Education; and

25 (3) a ratio, to be called the statewide average of
26 administrative expenditures, derived by dividing the

1 expenditures certified pursuant to paragraph (B) (1) by the
2 expenditures certified pursuant to paragraph (B) (2).

3 For purposes of the annual certification of expenditures
4 and ratios required by this Section, the "applicable year" of
5 certification shall initially be the 1986-87 school year and,
6 in sequent years, each succeeding school year.

7 The State Superintendent of Education shall consult with
8 the Board of Education to ascertain whether particular
9 expenditure items allocable to the administrative functions
10 enumerated in paragraph (B) (1) are appropriately or
11 necessarily higher in the applicable school district than in
12 the rest of the State due to noncomparable factors. The State
13 Superintendent shall also review the relevant cost proportions
14 in other large urban school districts. The State Superintendent
15 shall also review the expenditure categories in paragraph
16 (B) (1) to ascertain whether they contain school-level
17 expenses. If he or she finds that adjustments to the formula
18 are appropriate or necessary to establish a more fair and
19 comparable standard for administrative cost for the Board of
20 Education or to exclude school-level expenses, the State
21 Superintendent shall recommend to the School Finance Authority
22 rules and regulations adjusting particular subcategories in
23 this subsection (B) or adjusting certain costs in determining
24 the budget and expenditure items properly attributable to the
25 functions or otherwise adjust the formula.

26 (C) Administrative expenditure limitations. The annual

1 budget of the Board of Education, as adopted and implemented,
2 and the related annual expenditures for the school year, shall
3 reflect a limitation on administrative outlays as required by
4 the following provisions, taking into account any adjustments
5 established by the State Superintendent of Education: (1) the
6 budget and expenditures of the Board of Education for the
7 1989-90 school year shall reflect a ratio of administrative
8 expenditures to total expenditures equal to or less than the
9 statewide average of administrative expenditures for the
10 1986-87 school year as certified by the State Superintendent of
11 Education pursuant to paragraph (B)(3); (2) for the 1990-91
12 school year and for all subsequent school years, the budget and
13 expenditures of the Board of Education shall reflect a ratio of
14 administrative expenditures to total expenditures equal to or
15 less than the statewide average of administrative expenditures
16 certified by the State Superintendent of Education for the
17 applicable year pursuant to paragraph (B)(3); (3) if for any
18 school year the budget of the Board of Education reflects a
19 ratio of administrative expenditures to total expenditures
20 which exceeds the applicable statewide average, the Board of
21 Education shall reduce expenditure items allocable to the
22 administrative functions enumerated in paragraph (B)(1) such
23 that the Board of Education's ratio of administrative
24 expenditures to total expenditures is equal to or less than the
25 applicable statewide average ratio.

26 For purposes of this Section, the ratio of administrative

1 expenditures to the total expenditures of the Board of
2 Education, as applied to the budget of the Board of Education,
3 shall mean: the budgeted expenditure items of the Board of
4 Education properly attributable to the expenditure functions
5 identified in paragraph (B)(1) divided by the total budgeted
6 expenditures of the Board of Education properly attributable to
7 the Board of Education funds corresponding to those funds
8 identified in paragraph (B)(2), exclusive of any monies
9 budgeted for payment to the Public School Teachers' Pension and
10 Retirement System, attributable to payments due from the
11 General Funds of the State of Illinois.

12 The annual expenditure of the Board of Education for 2320
13 (Executive Administrative Services) for the 1989-90 school
14 year shall be no greater than the 2320 expenditure for the
15 1988-89 school year. The annual expenditure of the Board of
16 Education for 2320 for the 1990-91 school year and each
17 subsequent school year shall be no greater than the 2320
18 expenditure for the immediately preceding school year or the
19 1988-89 school year, whichever is less. This annual expenditure
20 limitation may be adjusted in each year in an amount not to
21 exceed any change effective during the applicable school year
22 in salary to be paid under the collective bargaining agreement
23 with instructional personnel to which the Board is a party and
24 in benefit costs either required by law or such collective
25 bargaining agreement.

26 (D) Cost control measures. In undertaking actions to

1 control or reduce expenditure items necessitated by the
2 administrative expenditure limitations of this Section, the
3 Board of Education shall give priority consideration to
4 reductions or cost controls with the least effect upon direct
5 services to students or instructional services for pupils, and
6 upon the safety and well-being of pupils, and, as applicable,
7 with the particular costs or functions to which the Board of
8 Education is higher than the statewide average.

9 For purposes of assuring that the cost control priorities
10 of this subsection (D) are met, the State Superintendent of
11 Education shall, with the assistance of the Board of Education,
12 review the cost allocation practices of the Board of Education,
13 and the State Superintendent of Education shall thereafter
14 recommend to the School Finance Authority rules and regulations
15 which define administrative areas which most impact upon the
16 direct and instructional needs of students and upon the safety
17 and well-being of the pupils of the district. No position
18 closed shall be reopened using State or federal categorical
19 funds.

20 (E) Report of Audited Information. For the 1988-89 school
21 year and for all subsequent school years, the Board of
22 Education shall file with the State Board of Education the
23 Annual Financial Report and its audit, as required by the rules
24 of the State Board of Education. Such reports shall be filed no
25 later than February 15 following the end of the school year of
26 the Board of Education, beginning with the report to be filed

1 no later than February 15, 1990 for the 1988-89 school year.

2 As part of the required Annual Financial Report, the Board
3 of Education shall provide a detailed accounting of the central
4 level, district, bureau and department costs and personnel
5 included within expenditure functions included in paragraph
6 (B)(1). The nature and detail of the reporting required for
7 these functions shall be prescribed by the State Board of
8 Education in rules and regulations. A copy of this detailed
9 accounting shall also be provided annually to the School
10 Finance Authority and the public. This report shall contain a
11 reconciliation to the board of education's adopted budget for
12 that fiscal year, specifically delineating administrative
13 functions.

14 If the information required under this Section is not
15 provided by the Board of Education in a timely manner, or is
16 initially or subsequently determined by the State
17 Superintendent of Education to be incomplete or inaccurate, the
18 State Superintendent shall, in writing, notify the Board of
19 Education of reporting deficiencies. The Board of Education
20 shall, within 60 days of such notice, address the reporting
21 deficiencies identified. If the State Superintendent of
22 Education does not receive satisfactory response to these
23 reporting deficiencies within 60 days, the next payment of
24 general State aid or evidence-based funding due the Board of
25 Education under Section 18-8 or Section 18-8.15, as applicable,
26 and all subsequent payments, shall be withheld by the State

1 Superintendent of Education until the enumerated deficiencies
2 have been addressed.

3 Utilizing the Annual Financial Report, the State
4 Superintendent of Education shall certify on or before May 1 to
5 the School Finance Authority the Board of Education's ratio of
6 administrative expenditures to total expenditures for the
7 1988-89 school year and for each succeeding school year. Such
8 certification shall indicate the extent to which the
9 administrative expenditure ratio of the Board of Education
10 conformed to the limitations required in subsection (C) of this
11 Section, taking into account any adjustments of the limitations
12 which may have been recommended by the State Superintendent of
13 Education to the School Finance Authority. In deriving the
14 administrative expenditure ratio of the Chicago Board of
15 Education, the State Superintendent of Education shall utilize
16 the definition of this ratio prescribed in subsection (C) of
17 this Section, except that the actual expenditures of the Board
18 of Education shall be substituted for budgeted expenditure
19 items.

20 (F) Approval and adjustments to administrative expenditure
21 limitations. The School Finance Authority organized under
22 Article 34A shall monitor the Board of Education's adherence to
23 the requirements of this Section. As part of its responsibility
24 the School Finance Authority shall determine whether the Board
25 of Education's budget for the next school year, and the
26 expenditures for a prior school year, comply with the

1 limitation of administrative expenditures required by this
2 Section. The Board of Education and the State Board of
3 Education shall provide such information as is required by the
4 School Finance Authority in order for the Authority to
5 determine compliance with the provisions of this Section. If
6 the Authority determines that the budget proposed by the Board
7 of Education does not meet the cost control requirements of
8 this Section, the Board of Education shall undertake budgetary
9 reductions, consistent with the requirements of this Section,
10 to bring the proposed budget into compliance with such cost
11 control limitations.

12 If, in formulating cost control and cost reduction
13 alternatives, the Board of Education believes that meeting the
14 cost control requirements of this Section related to the budget
15 for the ensuing year would impair the education, safety, or
16 well-being of the pupils of the school district, the Board of
17 Education may request that the School Finance Authority make
18 adjustments to the limitations required by this Section. The
19 Board of Education shall specify the amount, nature, and
20 reasons for the relief required and shall also identify cost
21 reductions which can be made in expenditure functions not
22 enumerated in paragraph (B) (1), which would serve the purposes
23 of this Section.

24 The School Finance Authority shall consult with the State
25 Superintendent of Education concerning the reasonableness from
26 an educational administration perspective of the adjustments

1 sought by the Board of Education. The School Finance Authority
2 shall provide an opportunity for the public to comment upon the
3 reasonableness of the Board's request. If, after such
4 consultation, the School Finance Authority determines that all
5 or a portion of the adjustments sought by the Board of
6 Education are reasonably appropriate or necessary, the
7 Authority may grant such relief from the provisions of this
8 Section which the Authority deems appropriate. Adjustments so
9 granted apply only to the specific school year for which the
10 request was made.

11 In the event that the School Finance Authority determines
12 that the Board of Education has failed to achieve the required
13 administrative expenditure limitations for a prior school
14 year, or if the Authority determines that the Board of
15 Education has not met the requirements of subsection (F), the
16 Authority shall make recommendations to the Board of Education
17 concerning appropriate corrective actions. If the Board of
18 Education fails to provide adequate assurance to the Authority
19 that appropriate corrective actions have been or will be taken,
20 the Authority may, within 60 days thereafter, require the board
21 to adjust its current budget to correct for the prior year's
22 shortage or may recommend to the members of the General
23 Assembly and the Governor such sanctions or remedial actions as
24 will serve to deter any further such failures on the part of
25 the Board of Education.

26 To assist the Authority in its monitoring

1 responsibilities, the Board of Education shall provide such
2 reports and information as are from time to time required by
3 the Authority.

4 (G) Independent reviews of administrative expenditures.
5 The School Finance Authority may direct independent reviews of
6 the administrative and administrative support expenditures and
7 services and other non-instructional expenditure functions of
8 the Board of Education. The Board of Education shall afford
9 full cooperation to the School Finance Authority in such review
10 activity. The purpose of such reviews shall be to verify
11 specific targets for improved operating efficiencies of the
12 Board of Education, to identify other areas of potential
13 efficiencies, and to assure full and proper compliance by the
14 Board of Education with all requirements of this Section.

15 In the conduct of reviews under this subsection, the
16 Authority may request the assistance and consultation of the
17 State Superintendent of Education with regard to questions of
18 efficiency and effectiveness in educational administration.

19 (H) Reports to Governor and General Assembly. On or before
20 May 1, 1991 and no less frequently than yearly thereafter, the
21 School Finance Authority shall provide to the Governor, the
22 State Board of Education, and the members of the General
23 Assembly an annual report, as outlined in Section 34A-606,
24 which includes the following information: (1) documenting the
25 compliance or non-compliance of the Board of Education with the
26 requirements of this Section; (2) summarizing the costs,

1 findings, and recommendations of any reviews directed by the
2 School Finance Authority, and the response to such
3 recommendations made by the Board of Education; and (3)
4 recommending sanctions or legislation necessary to fulfill the
5 intent of this Section.

6 (Source: P.A. 86-124; 86-1477.)

7 Section 50. The Educational Opportunity for Military
8 Children Act is amended by changing Section 25 as follows:

9 (105 ILCS 70/25)

10 Sec. 25. Tuition for children of active duty military
11 personnel who are transfer students. If a student who is a
12 child of active duty military personnel is (i) placed with a
13 non-custodial parent and (ii) as a result of placement, must
14 attend a non-resident school district, then the student must
15 not be charged the tuition of the school that the student
16 attends as a result of placement with the non-custodial parent
17 and the student must be counted in the calculation of average
18 daily attendance under Section 18-8.05 or 18-8.15 of the School
19 Code.

20 (Source: P.A. 98-673, eff. 6-30-14.)

21 Section 95. Savings clause. Any repeal or amendment made by
22 this Act shall not affect or impair any of the following: suits
23 pending or rights existing at the time this Act takes effect;

1 any grant or conveyance made or right acquired or cause of
2 action now existing under any Section, Article, or Act repealed
3 or amended by this Act; the validity of any bonds or other
4 obligations issued or sold and constituting valid obligations
5 of the issuing authority at the time this Act takes effect; the
6 validity of any contract; the validity of any tax levied under
7 any law in effect prior to the effective date of this Act; or
8 any offense committed, act done, penalty, punishment, or
9 forfeiture incurred or any claim, right, power, or remedy
10 accrued under any law in effect prior to the effective date of
11 this Act.

12 Section 97. No acceleration or delay. Where this Act makes
13 changes in a statute that is represented in this Act by text
14 that is not yet or no longer in effect (for example, a Section
15 represented by multiple versions), the use of that text does
16 not accelerate or delay the taking effect of (i) the changes
17 made by this Act or (ii) provisions derived from any other
18 Public Act.

19 Section 99. Effective date. This Act takes effect upon
20 becoming law, but this Act does not take effect at all unless
21 Senate Bills 1125 and 2172 of the 100th General Assembly become
22 law."