



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

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

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

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

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

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

1 (b-3).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 \$738,014,500.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 after May 1, 1998.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

8 (50 ILCS 470/33)

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

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

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

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

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

1 the taxable real property within the STAR bond district.

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

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

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

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

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

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

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

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

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

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

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

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

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

1 follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 Sec. 50. Special tax allocation fund.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 improved part of the redevelopment project area:

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

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

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

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

1 not including housing and property maintenance codes.

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

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

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

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

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

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

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

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

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

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

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

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

26 (A) Obsolete platting of vacant land that results

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 original use.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 agreement.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 the redevelopment plan for the redevelopment project area.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 project is at or over its student capacity;

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

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

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

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

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

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

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

26 Any library district seeking payment under this

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

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

20 (9) Payment in lieu of taxes;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (1) The total equalized assessed value of the

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 (65 ILCS 5/11-74.6-35)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 50 as follows:

2 (65 ILCS 110/50)

3 Sec. 50. Special tax allocation fund.

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

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

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

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

26 (c) When the economic development projects costs,

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

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

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

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

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

5 Section 45. The School Code is amended by changing Sections
6 1A-8, 1B-5, 1B-6, 1B-7, 1B-8, 1C-1, 1D-1, 1E-20, 1F-20, 1F-62,
7 1H-20, 1H-70, 2-3.25g, 2-3.33, 2-3.51.5, 2-3.66, 2-3.66b,
8 2-3.84, 2-3.109a, 3-14.21, 7-14A, 10-17a, 10-19, 10-22.5a,
9 10-22.20, 10-22.34c, 10-29, 11E-135, 13A-8, 13B-20.20, 13B-45,
10 13B-50, 13B-50.10, 13B-50.15, 14-7.02b, 14-13.01, 14C-1,
11 14C-12, 17-1, 17-1.2, 17-1.5, 17-2.11, 17-2A, 18-4.3, 18-8.05,
12 18-8.10, 18-9, 18-12, 26-16, 27-6, 27-7, 27-8.1, 27-24.2,
13 27A-9, 27A-11, 29-5, 34-2.3, 34-18, 34-18.30, and 34-43.1 and
14 by adding Sections 17-3.6, 17-6.5, 18-8.15, 22-62, and 34-54.5
15 as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 Any financial profile compiled and distributed by the State

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

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

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

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

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

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

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

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

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

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

1 previous fiscal year.

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

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

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

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

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

6 (a) to sue and be sued;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

7 (105 ILCS 5/1C-1)

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

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

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

18 (105 ILCS 5/1D-1)

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

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

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

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

25 (c) The educational services block grant shall include the
26 following programs: Regular and Vocational Transportation,

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

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

26 (d) For fiscal year 1996 through fiscal year 2017 ~~and each~~

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

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

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

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

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

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

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

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

9 (Source: P.A. 97-238, eff. 8-2-11; 97-324, eff. 8-12-11;
10 97-813, eff. 7-13-12.)

11 (105 ILCS 5/1E-20)

12 (This Section scheduled to be repealed in accordance with
13 105 ILCS 5/1E-165)

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

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

1 after receiving notice, appoint a successor to serve out that
2 member's term. The State Superintendent may remove a member for
3 incompetence, malfeasance, neglect of duty, or other just
4 cause.

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

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

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

26 (b) The first meeting of the Authority shall be held at the

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

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

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

10 (105 ILCS 5/1F-20)

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

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

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

1 Superintendent may remove a member for incompetence,
2 malfeasance, neglect of duty, or other just cause.

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

11 Authority members shall be paid a stipend approved by the
12 State Superintendent of not more than \$100 per meeting and may
13 be reimbursed by the State Board for travel and other necessary
14 expenses incurred in the performance of their official duties.
15 Unless paid from bonds issued under Section 1F-65 of this Code,
16 the amount reimbursed members for their expenses shall be
17 charged to the school district as part of any emergency
18 financial assistance and incorporated as a part of the terms
19 and conditions for repayment of the assistance or shall be
20 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. 94-234, eff. 7-1-06.)

9 (105 ILCS 5/1F-62)

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

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

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

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

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

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

1 Authority. An emergency financial assistance grant shall not
2 exceed \$1,000 times the number of such pupils. A district may
3 receive both a loan and a grant.

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

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

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

1 by the State Board.

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

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

1 the district, including principal and interest, as established
2 by the School Finance Authority.

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

4 (105 ILCS 5/1H-20)

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

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

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

24 (c) Panel members may be reimbursed by the State Board for
25 travel and other necessary expenses incurred in the performance

1 of their official duties. The amount reimbursed members for
2 their expenses shall be charged to the school district as part
3 of any emergency financial assistance and incorporated as a
4 part of the terms and conditions for repayment of the
5 assistance or shall be deducted from the district's general
6 State aid or evidence-based funding as provided in Section
7 1H-65 of this Code.

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

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

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

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

20 (105 ILCS 5/1H-70)

21 Sec. 1H-70. Tax anticipation warrants, tax anticipation
22 notes, revenue anticipation certificates or notes, general
23 State aid or evidence-based funding anticipation certificates,
24 and lines of credit. With the approval of the State
25 Superintendent and provided that the district is unable to

1 secure short-term financing after 3 attempts, a Panel shall
2 have the same power as a district to do the following:

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

7 (2) issue tax anticipation notes under the provisions
8 of the Tax Anticipation Note Act against taxes levied by
9 either the school board or the Panel pursuant to Section
10 1H-25 of this Code;

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

13 (4) issue general State aid or evidence-based funding
14 anticipation certificates under the provisions of Section
15 18-18 of this Code; and

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

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

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

24 (105 ILCS 5/2-3.25g) (from Ch. 122, par. 2-3.25g)

25 Sec. 2-3.25g. Waiver or modification of mandates within the

1 School Code and administrative rules and regulations.

2 (a) In this Section:

3 "Board" means a school board or the governing board or
4 administrative district, as the case may be, for a joint
5 agreement.

6 "Eligible applicant" means a school district, joint
7 agreement made up of school districts, or regional
8 superintendent of schools on behalf of schools and programs
9 operated by the regional office of education.

10 "Implementation date" has the meaning set forth in
11 Section 24A-2.5 of this Code.

12 "State Board" means the State Board of Education.

13 (b) Notwithstanding any other provisions of this School
14 Code or any other law of this State to the contrary, eligible
15 applicants may petition the State Board of Education for the
16 waiver or modification of the mandates of this School Code or
17 of the administrative rules and regulations promulgated by the
18 State Board of Education. Waivers or modifications of
19 administrative rules and regulations and modifications of
20 mandates of this School Code may be requested when an eligible
21 applicant demonstrates that it can address the intent of the
22 rule or mandate in a more effective, efficient, or economical
23 manner or when necessary to stimulate innovation or improve
24 student performance. Waivers of mandates of the School Code may
25 be requested when the waivers are necessary to stimulate
26 innovation or improve student performance. Waivers may not be

1 requested from laws, rules, and regulations pertaining to
2 special education, teacher educator licensure, teacher tenure
3 and seniority, or Section 5-2.1 of this Code or from compliance
4 with the No Child Left Behind Act of 2001 (Public Law 107-110).
5 Eligible applicants may not seek a waiver or seek a
6 modification of a mandate regarding the requirements for (i)
7 student performance data to be a significant factor in teacher
8 or principal evaluations or (ii) teachers and principals to be
9 rated using the 4 categories of "excellent", "proficient",
10 "needs improvement", or "unsatisfactory". On September 1,
11 2014, any previously authorized waiver or modification from
12 such requirements shall terminate.

13 (c) Eligible applicants, as a matter of inherent managerial
14 policy, and any Independent Authority established under
15 Section 2-3.25f-5 of this Code may submit an application for a
16 waiver or modification authorized under this Section. Each
17 application must include a written request by the eligible
18 applicant or Independent Authority and must demonstrate that
19 the intent of the mandate can be addressed in a more effective,
20 efficient, or economical manner or be based upon a specific
21 plan for improved student performance and school improvement.
22 Any eligible applicant requesting a waiver or modification for
23 the reason that intent of the mandate can be addressed in a
24 more economical manner shall include in the application a
25 fiscal analysis showing current expenditures on the mandate and
26 projected savings resulting from the waiver or modification.

1 Applications and plans developed by eligible applicants must be
2 approved by the board or regional superintendent of schools
3 applying on behalf of schools or programs operated by the
4 regional office of education following a public hearing on the
5 application and plan and the opportunity for the board or
6 regional superintendent to hear testimony from staff directly
7 involved in its implementation, parents, and students. The time
8 period for such testimony shall be separate from the time
9 period established by the eligible applicant for public comment
10 on other matters. If the applicant is a school district or
11 joint agreement requesting a waiver or modification of Section
12 27-6 of this Code, the public hearing shall be held on a day
13 other than the day on which a regular meeting of the board is
14 held.

15 (c-5) If the applicant is a school district, then the
16 district shall post information that sets forth the time, date,
17 place, and general subject matter of the public hearing on its
18 Internet website at least 14 days prior to the hearing. If the
19 district is requesting to increase the fee charged for driver
20 education authorized pursuant to Section 27-24.2 of this Code,
21 the website information shall include the proposed amount of
22 the fee the district will request. All school districts must
23 publish a notice of the public hearing at least 7 days prior to
24 the hearing in a newspaper of general circulation within the
25 school district that sets forth the time, date, place, and
26 general subject matter of the hearing. Districts requesting to

1 increase the fee charged for driver education shall include in
2 the published notice the proposed amount of the fee the
3 district will request. If the applicant is a joint agreement or
4 regional superintendent, then the joint agreement or regional
5 superintendent shall post information that sets forth the time,
6 date, place, and general subject matter of the public hearing
7 on its Internet website at least 14 days prior to the hearing.
8 If the joint agreement or regional superintendent is requesting
9 to increase the fee charged for driver education authorized
10 pursuant to Section 27-24.2 of this Code, the website
11 information shall include the proposed amount of the fee the
12 applicant will request. All joint agreements and regional
13 superintendents must publish a notice of the public hearing at
14 least 7 days prior to the hearing in a newspaper of general
15 circulation in each school district that is a member of the
16 joint agreement or that is served by the educational service
17 region that sets forth the time, date, place, and general
18 subject matter of the hearing, provided that a notice appearing
19 in a newspaper generally circulated in more than one school
20 district shall be deemed to fulfill this requirement with
21 respect to all of the affected districts. Joint agreements or
22 regional superintendents requesting to increase the fee
23 charged for driver education shall include in the published
24 notice the proposed amount of the fee the applicant will
25 request. The eligible applicant must notify in writing the
26 affected exclusive collective bargaining agent and those State

1 legislators representing the eligible applicant's territory of
2 its intent to seek approval of a waiver or modification and of
3 the hearing to be held to take testimony from staff. The
4 affected exclusive collective bargaining agents shall be
5 notified of such public hearing at least 7 days prior to the
6 date of the hearing and shall be allowed to attend such public
7 hearing. The eligible applicant shall attest to compliance with
8 all of the notification and procedural requirements set forth
9 in this Section.

10 (d) A request for a waiver or modification of
11 administrative rules and regulations or for a modification of
12 mandates contained in this School Code shall be submitted to
13 the State Board of Education within 15 days after approval by
14 the board or regional superintendent of schools. The
15 application as submitted to the State Board of Education shall
16 include a description of the public hearing. ~~Except with~~
17 ~~respect to contracting for adaptive driver education, an~~
18 ~~eligible applicant wishing to request a modification or waiver~~
19 ~~of administrative rules of the State Board of Education~~
20 ~~regarding contracting with a commercial driver training school~~
21 ~~to provide the course of study authorized under Section 27-24.2~~
22 ~~of this Code must provide evidence with its application that~~
23 ~~the commercial driver training school with which it will~~
24 ~~contract holds a license issued by the Secretary of State under~~
25 ~~Article IV of Chapter 6 of the Illinois Vehicle Code and that~~
26 ~~each instructor employed by the commercial driver training~~

1 ~~school to provide instruction to students served by the school~~
2 ~~district holds a valid teaching certificate or teaching~~
3 ~~license, as applicable, issued under the requirements of this~~
4 ~~Code and rules of the State Board of Education. Such evidence~~
5 ~~must include, but need not be limited to, a list of each~~
6 ~~instructor assigned to teach students served by the school~~
7 ~~district, which list shall include the instructor's name,~~
8 ~~personal identification number as required by the State Board~~
9 ~~of Education, birth date, and driver's license number. If the~~
10 ~~modification or waiver is granted, then the eligible applicant~~
11 ~~shall notify the State Board of Education of any changes in the~~
12 ~~personnel providing instruction within 15 calendar days after~~
13 ~~an instructor leaves the program or a new instructor is hired.~~
14 ~~Such notification shall include the instructor's name,~~
15 ~~personal identification number as required by the State Board~~
16 ~~of Education, birth date, and driver's license number. If a~~
17 ~~school district maintains an Internet website, then the~~
18 ~~district shall post a copy of the final contract between the~~
19 ~~district and the commercial driver training school on the~~
20 ~~district's Internet website. If no Internet website exists,~~
21 ~~then the district shall make available the contract upon~~
22 ~~request. A record of all materials in relation to the~~
23 ~~application for contracting must be maintained by the school~~
24 ~~district and made available to parents and guardians upon~~
25 ~~request. The instructor's date of birth and driver's license~~
26 ~~number and any other personally identifying information as~~

1 ~~deemed by the federal Driver's Privacy Protection Act of 1994~~
2 ~~must be redacted from any public materials.~~ Following receipt
3 of the waiver or modification request, the State Board shall
4 have 45 days to review the application and request. If the
5 State Board fails to disapprove the application within that 45
6 day period, the waiver or modification shall be deemed granted.
7 The State Board may disapprove any request if it is not based
8 upon sound educational practices, endangers the health or
9 safety of students or staff, compromises equal opportunities
10 for learning, or fails to demonstrate that the intent of the
11 rule or mandate can be addressed in a more effective,
12 efficient, or economical manner or have improved student
13 performance as a primary goal. Any request disapproved by the
14 State Board may be appealed to the General Assembly by the
15 eligible applicant as outlined in this Section.

16 A request for a waiver from mandates contained in this
17 School Code shall be submitted to the State Board within 15
18 days after approval by the board or regional superintendent of
19 schools. The application as submitted to the State Board of
20 Education shall include a description of the public hearing.
21 The description shall include, but need not be limited to, the
22 means of notice, the number of people in attendance, the number
23 of people who spoke as proponents or opponents of the waiver, a
24 brief description of their comments, and whether there were any
25 written statements submitted. The State Board shall review the
26 applications and requests for completeness and shall compile

1 the requests in reports to be filed with the General Assembly.
2 The State Board shall file reports outlining the waivers
3 requested by eligible applicants and appeals by eligible
4 applicants of requests disapproved by the State Board with the
5 Senate and the House of Representatives before each March 1 and
6 October 1. The General Assembly may disapprove the report of
7 the State Board in whole or in part within 60 calendar days
8 after each house of the General Assembly next convenes after
9 the report is filed by adoption of a resolution by a record
10 vote of the majority of members elected in each house. If the
11 General Assembly fails to disapprove any waiver request or
12 appealed request within such 60 day period, the waiver or
13 modification shall be deemed granted. Any resolution adopted by
14 the General Assembly disapproving a report of the State Board
15 in whole or in part shall be binding on the State Board.

16 (e) An approved waiver or modification (except a waiver
17 from or modification to a physical education mandate) may
18 remain in effect for a period not to exceed 5 school years and
19 may be renewed upon application by the eligible applicant.
20 However, such waiver or modification may be changed within that
21 5-year period by a board or regional superintendent of schools
22 applying on behalf of schools or programs operated by the
23 regional office of education following the procedure as set
24 forth in this Section for the initial waiver or modification
25 request. If neither the State Board of Education nor the
26 General Assembly disapproves, the change is deemed granted.

1 An approved waiver from or modification to a physical
2 education mandate may remain in effect for a period not to
3 exceed 2 school years and may be renewed no more than 2 times
4 upon application by the eligible applicant. An approved waiver
5 from or modification to a physical education mandate may be
6 changed within the 2-year period by the board or regional
7 superintendent of schools, whichever is applicable, following
8 the procedure set forth in this Section for the initial waiver
9 or modification request. If neither the State Board of
10 Education nor the General Assembly disapproves, the change is
11 deemed granted.

12 (f) (Blank).

13 (Source: P.A. 98-513, eff. 1-1-14; 98-739, eff. 7-16-14;
14 98-1155, eff. 1-9-15; 99-78, eff. 7-20-15.)

15 (105 ILCS 5/2-3.33) (from Ch. 122, par. 2-3.33)

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

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

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

22 This paragraph applies to all requests for recomputation of
23 a general State aid or evidence-based funding claim received
24 after June 30, 2003. In recomputing a general State aid or
25 evidence-based funding claim that was originally calculated
26 using an extension limitation equalized assessed valuation

1 under paragraph (3) of subsection (G) of Section 18-8.05 of
2 this Code or Section 18-8.15 of this Code, a qualifying
3 reduction in equalized assessed valuation shall be deducted
4 from the extension limitation equalized assessed valuation
5 that was used in calculating the original claim.

6 From the total amount of general State aid or
7 evidence-based funding to be provided to districts,
8 adjustments as a result of recomputation under this Section
9 together with adjustments under Section 2-3.84 must not exceed
10 \$25 million, in the aggregate for all districts under both
11 Sections combined, of the general State aid or evidence-based
12 funding appropriation in any fiscal year; if necessary, amounts
13 shall be prorated among districts. If it is necessary to
14 prorate claims under this paragraph, then that portion of each
15 prorated claim that is approved but not paid in the current
16 fiscal year may be resubmitted as a valid claim in the
17 following fiscal year.

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

19 (105 ILCS 5/2-3.51.5)

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

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

1 attendance figure prior to receiving funds under this Section.
2 The State Board of Education shall promulgate rules and
3 regulations necessary for the implementation of this program.

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

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

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

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

17 (105 ILCS 5/2-3.66) (from Ch. 122, par. 2-3.66)

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

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

1 programs and courses which are conducted pursuant to this
2 Section. School districts and regional offices of education may
3 claim general State aid under Section 18-8.05 or evidence-based
4 funding under Section 18-8.15 for students enrolled in truants'
5 alternative and optional education programs, provided that
6 such students are receiving services that are supplemental to a
7 program leading to a high school diploma and are otherwise
8 eligible to be claimed for general State aid under Section
9 18-8.05 or evidence-based funding under Section 18-8.15, as
10 applicable.

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

12 (105 ILCS 5/2-3.66b)

13 Sec. 2-3.66b. IHOPE Program.

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

21 (b) The IHOPE Program shall award grants, subject to
22 appropriation for this purpose, to educational service regions
23 and a school district organized under Article 34 of this Code
24 from appropriated funds to assist in establishing
25 instructional programs and other services designed to

1 re-enroll high school dropouts. From any funds appropriated for
2 the IHOPE Program, the State Board of Education may use up to
3 5% for administrative costs, including the performance of a
4 program evaluation and the hiring of staff to implement and
5 administer the program.

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

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

1 as graduating from his or her district of residence.

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

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

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

1 IHOPE Plan that was developed. These other entities may include
2 school districts, public community colleges, or not-for-profit
3 community-based organizations or a cooperative partnership
4 among these entities.

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

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

1 (f) IHOPE categories of programming may include the
2 following:

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

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

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

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

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

24 (1) Small programs (70 to 100 students) at a separate
25 school site with a distinct identity. Programs may be
26 larger with specific need and justification, keeping in

1 mind that it is crucial to keep programs small to be
2 effective.

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

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

9 (4) Voluntary enrollment.

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

14 (6) Comprehensive programs providing extensive support
15 services.

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

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

22 (9) Learning opportunities that incorporate action
23 into study.

24 (h) Programs funded through the IHOPE Program must report
25 data to the State Board of Education as requested. This
26 information shall include, but is not limited to, student

1 enrollment figures, attendance information, course completion
2 data, graduation information, and post-graduation information,
3 as available.

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

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

11 (105 ILCS 5/2-3.84) (from Ch. 122, par. 2-3.84)

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

21 From the total amount of general State aid or
22 evidence-based funding to be provided to districts,
23 adjustments under this Section together with adjustments as a
24 result of recomputation under Section 2-3.33 must not exceed
25 \$25 million, in the aggregate for all districts under both

1 Sections combined, of the general State aid or evidence-based
2 funding appropriation in any fiscal year; if necessary, amounts
3 shall be prorated among districts. If it is necessary to
4 prorate claims under this paragraph, then that portion of each
5 prorated claim that is approved but not paid in the current
6 fiscal year may be resubmitted as a valid claim in the
7 following fiscal year.

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

9 (105 ILCS 5/2-3.109a)

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

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

17 (105 ILCS 5/3-14.21) (from Ch. 122, par. 3-14.21)

18 Sec. 3-14.21. Inspection of schools.

19 (a) The regional superintendent shall inspect and survey
20 all public schools under his or her supervision and notify the
21 board of education, or the trustees of schools in a district
22 with trustees, in writing before July 30, whether or not the
23 several schools in their district have been kept as required by
24 law, using forms provided by the State Board of Education which

1 are based on the Health/Life Safety Code for Public Schools
2 adopted under Section 2-3.12. The regional superintendent
3 shall report his or her findings to the State Board of
4 Education on forms provided by the State Board of Education.

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

1 State aid or evidence-based funding be withheld from payments
2 due to the district to correct the violations. This amount
3 shall be paid to the regional superintendent who shall contract
4 on behalf of the school board for the correction of the
5 outstanding violations.

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

21 (d) If a municipality or, in the case of an unincorporated
22 area, a county or, if applicable, a fire protection district
23 wishes to perform new construction inspections under the
24 jurisdiction of a regional superintendent, then the entity must
25 register this wish with the regional superintendent. These
26 inspections must be based on the building code authorized in

1 Section 2-3.12 of this Code. The inspections must be at no cost
2 to the school district.

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

4 (105 ILCS 5/7-14A) (from Ch. 122, par. 7-14A)

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

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

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

12 (105 ILCS 5/10-17a) (from Ch. 122, par. 10-17a)

13 Sec. 10-17a. State, school district, and school report
14 cards.

15 (1) By October 31, 2013 and October 31 of each subsequent
16 school year, the State Board of Education, through the State
17 Superintendent of Education, shall prepare a State report card,
18 school district report cards, and school report cards, and
19 shall by the most economic means provide to each school
20 district in this State, including special charter districts and
21 districts subject to the provisions of Article 34, the report
22 cards for the school district and each of its schools.

23 (2) In addition to any information required by federal law,
24 the State Superintendent shall determine the indicators and
25 presentation of the school report card, which must include, at

1 a minimum, the most current data possessed by the State Board
2 of Education related to the following:

3 (A) school characteristics and student demographics,
4 including average class size, average teaching experience,
5 student racial/ethnic breakdown, and the percentage of
6 students classified as low-income; the percentage of
7 students classified as English learners; the percentage of
8 students who have individualized education plans or 504
9 plans that provide for special education services; the
10 percentage of students who annually transferred in or out
11 of the school district; the per-pupil operating
12 expenditure of the school district; and the per-pupil State
13 average operating expenditure for the district type
14 (elementary, high school, or unit);

15 (B) curriculum information, including, where
16 applicable, Advanced Placement, International
17 Baccalaureate or equivalent courses, dual enrollment
18 courses, foreign language classes, school personnel
19 resources (including Career Technical Education teachers),
20 before and after school programs, extracurricular
21 activities, subjects in which elective classes are
22 offered, health and wellness initiatives (including the
23 average number of days of Physical Education per week per
24 student), approved programs of study, awards received,
25 community partnerships, and special programs such as
26 programming for the gifted and talented, students with

1 disabilities, and work-study students;

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

16 (D) student progress, including, where applicable, the
17 percentage of students in the ninth grade who have earned 5
18 credits or more without failing more than one core class, a
19 measure of students entering kindergarten ready to learn, a
20 measure of growth, and the percentage of students who enter
21 high school on track for college and career readiness;

22 (E) the school environment, including, where
23 applicable, the percentage of students with less than 10
24 absences in a school year, the percentage of teachers with
25 less than 10 absences in a school year for reasons other
26 than professional development, leaves taken pursuant to

1 the federal Family Medical Leave Act of 1993, long-term
2 disability, or parental leaves, the 3-year average of the
3 percentage of teachers returning to the school from the
4 previous year, the number of different principals at the
5 school in the last 6 years, 2 or more indicators from any
6 school climate survey selected or approved by the State and
7 administered pursuant to Section 2-3.153 of this Code, with
8 the same or similar indicators included on school report
9 cards for all surveys selected or approved by the State
10 pursuant to Section 2-3.153 of this Code, and the combined
11 percentage of teachers rated as proficient or excellent in
12 their most recent evaluation; ~~and~~

13 (F) a school district's and its individual schools'
14 balanced accountability measure, in accordance with
15 Section 2-3.25a of this Code; ~~-~~

16 (G) a school district's Final Percent of Adequacy, as
17 defined in paragraph (4) of subsection (f) of Section
18 18-8.15 of this Code;

19 (H) a school district's Local Capacity Target, as
20 defined in paragraph (2) of subsection (c) of Section
21 18-8.15 of this Code, displayed as a percentage amount; and

22 (I) a school district's Real Receipts, as defined in
23 paragraph (1) of subsection (d) of Section 18-8.15 of this
24 Code, divided by a school district's Adequacy Target, as
25 defined in paragraph (1) of subsection (b) of Section
26 18-8.15 of this Code, displayed as a percentage amount.

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

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

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

21 (5) Annually, no more than 30 calendar days after receipt
22 of the school district and school report cards from the State
23 Superintendent of Education, each school district, including
24 special charter districts and districts subject to the
25 provisions of Article 34, shall present such report cards at a
26 regular school board meeting subject to applicable notice

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

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

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

23 (105 ILCS 5/10-19) (from Ch. 122, par. 10-19)

24 Sec. 10-19. Length of school term - experimental programs.
25 Each school board shall annually prepare a calendar for the

1 school term, specifying the opening and closing dates and
2 providing a minimum term of at least 185 days to insure 176
3 days of actual pupil attendance, computable under Section
4 18-8.05 or 18-8.15, except that for the 1980-1981 school year
5 only 175 days of actual pupil attendance shall be required
6 because of the closing of schools pursuant to Section 24-2 on
7 January 29, 1981 upon the appointment by the President of that
8 day as a day of thanksgiving for the freedom of the Americans
9 who had been held hostage in Iran. Any days allowed by law for
10 teachers' institutes but not used as such or used as parental
11 institutes as provided in Section 10-22.18d shall increase the
12 minimum term by the school days not so used. Except as provided
13 in Section 10-19.1, the board may not extend the school term
14 beyond such closing date unless that extension of term is
15 necessary to provide the minimum number of computable days. In
16 case of such necessary extension school employees shall be paid
17 for such additional time on the basis of their regular
18 contracts. A school board may specify a closing date earlier
19 than that set on the annual calendar when the schools of the
20 district have provided the minimum number of computable days
21 under this Section. Nothing in this Section prevents the board
22 from employing superintendents of schools, principals and
23 other nonteaching personnel for a period of 12 months, or in
24 the case of superintendents for a period in accordance with
25 Section 10-23.8, or prevents the board from employing other
26 personnel before or after the regular school term with payment

1 of salary proportionate to that received for comparable work
2 during the school term.

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

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

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

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

1 (105 ILCS 5/10-22.5a) (from Ch. 122, par. 10-22.5a)

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

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

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

24 (a-5) If, at the time of enrollment, a dependent of United
25 States military personnel is housed in temporary housing
26 located outside of a school district, but will be living within

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

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

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

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

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

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

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

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

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

25 (2) the method for calculating hours of instruction, as
26 defined by the Illinois Community College Board, claimable

1 for reimbursement and a method to phase in the calculation
2 and for adjusting the calculations in cases where the
3 services of a program are interrupted due to circumstances
4 beyond the control of the program provider;

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

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

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

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

25 (1) For adult basic education, the maximum
26 reimbursement per credit hour or per unit of instruction

1 shall be equal to (i) through fiscal year 2017, the general
2 state aid per pupil foundation level established in
3 subsection (B) of Section 18-8.05, divided by 60, or (ii)
4 in fiscal year 2018 and thereafter, the prior fiscal year
5 reimbursement level multiplied by the Consumer Price Index
6 for All Urban Consumers for all items published by the
7 United States Department of Labor;

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

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

18 (4) (Blank); and

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

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

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

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

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

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

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

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

26 (g) Upon proof submitted to the Illinois Department of

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

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

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

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

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

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

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

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

1 Human Services or other persons or agencies paying for such
2 care.

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

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

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

13 (105 ILCS 5/10-22.34c)

14 Sec. 10-22.34c. Third party non-instructional services.

15 (a) A board of education may enter into a contract with a
16 third party for non-instructional services currently performed
17 by any employee or bargaining unit member or lay off those
18 educational support personnel employees upon 90 days written
19 notice to the affected employees, provided that:

20 (1) a contract must not be entered into and become
21 effective during the term of a collective bargaining
22 agreement, as that term is set forth in the agreement,
23 covering any employees who perform the non-instructional
24 services;

25 (2) a contract may only take effect upon the expiration

1 of an existing collective bargaining agreement;

2 (3) any third party that submits a bid to perform the
3 non-instructional services shall provide the following:

4 (A) evidence of liability insurance in scope and
5 amount equivalent to the liability insurance provided
6 by the school board pursuant to Section 10-22.3 of this
7 Code;

8 (B) (blank); ~~a benefits package for the third~~
9 ~~party's employees who will perform the~~
10 ~~non-instructional services comparable to the benefits~~
11 ~~package provided to school board employees who perform~~
12 ~~those services;~~

13 (C) a list of the number of employees who will
14 provide the non-instructional services, the job
15 classifications of those employees, and the wages the
16 third party will pay those employees;

17 (D) a minimum 3-year cost projection, using
18 generally accepted accounting principles and which the
19 third party is prohibited from increasing if the bid is
20 accepted by the school board, for each and every
21 expenditure category and account for performing the
22 non-instructional services; if the bid is accepted,
23 the school board shall file a copy of the cost
24 projection submitted with the bid to the State Board of
25 Education;

26 (E) composite information about the criminal and

1 disciplinary records, including alcohol or other
2 substance abuse, Department of Children and Family
3 Services complaints and investigations, traffic
4 violations, and license revocations or any other
5 licensure problems, of any employees who may perform
6 the non-instructional services, provided that the
7 individual names and other identifying information of
8 employees need not be provided with the submission of
9 the bid, but must be made available upon request of the
10 school board; and

11 (F) an affidavit, notarized by the president or
12 chief executive officer of the third party, that each
13 of its employees has completed a criminal background
14 check as required by Section 10-21.9 of this Code
15 within 3 months prior to submission of the bid,
16 provided that the results of such background checks
17 need not be provided with the submission of the bid,
18 but must be made available upon request of the school
19 board;

20 (4) a contract must not be entered into unless the
21 school board provides a cost comparison, using generally
22 accepted accounting principles, of each and every
23 expenditure category and account that the school board
24 projects it would incur over the term of the contract if it
25 continued to perform the non-instructional services using
26 its own employees with each and every expenditure category

1 and account that is projected a third party would incur if
2 a third party performed the non-instructional services;

3 (5) review and consideration of all bids by third
4 parties to perform the non-instructional services shall
5 take place in open session of a regularly scheduled school
6 board meeting, unless the exclusive bargaining
7 representative of the employees who perform the
8 non-instructional services, if any such exclusive
9 bargaining representative exists, agrees in writing that
10 such review and consideration can take place in open
11 session at a specially scheduled school board meeting;

12 (6) a minimum of one public hearing, conducted by the
13 school board prior to a regularly scheduled school board
14 meeting, to discuss the school board's proposal to contract
15 with a third party to perform the non-instructional
16 services must be held before the school board may enter
17 into such a contract; the school board must provide notice
18 to the public of the date, time, and location of the first
19 public hearing on or before the initial date that bids to
20 provide the non-instructional services are solicited or a
21 minimum of 30 days prior to entering into such a contract,
22 whichever provides a greater period of notice;

23 (7) a contract shall contain provisions requiring the
24 contractor to offer available employee positions pursuant
25 to the contract to qualified school district employees
26 whose employment is terminated because of the contract; and

1 (8) a contract shall contain provisions requiring the
2 contractor to comply with a policy of nondiscrimination and
3 equal employment opportunity for all persons and to take
4 affirmative steps to provide equal opportunity for all
5 persons.

6 (b) Notwithstanding subsection (a) of this Section, a board
7 of education may enter into a contract, of no longer than 3
8 months in duration, with a third party for non-instructional
9 services currently performed by an employee or bargaining unit
10 member for the purpose of augmenting the current workforce in
11 an emergency situation that threatens the safety or health of
12 the school district's students or staff, provided that the
13 school board meets all of its obligations under the Illinois
14 Educational Labor Relations Act.

15 (c) The changes to this Section made by this amendatory Act
16 of the 95th General Assembly are not applicable to
17 non-instructional services of a school district that on the
18 effective date of this amendatory Act of the 95th General
19 Assembly are performed for the school district by a third
20 party.

21 (d) Beginning July 1, 2022, the State Board of Education
22 shall review and analyze the cost projection information
23 provided by boards of education under subparagraph (D) of
24 paragraph (3) of subsection (a) of this Section and determine
25 the effects that the contracts had on school districts and the
26 State, including any cost savings and economic benefits. The

1 State Board of Education shall complete the review and report
2 its findings to the Governor and the General Assembly by
3 December 31, 2022.

4 From July 1, 2022 until January 1, 2023, no board of
5 education may enter into any new contract with a third party
6 for non-instructional services under this Section. However,
7 this prohibition shall not affect any contracts entered into
8 before July 1, 2022 or renewals of contracts entered into
9 before July 1, 2022.

10 Beginning January 1, 2023, boards of education are again
11 allowed to enter into contracts with third parties for
12 non-instructional services as provided under this Section.

13 (Source: P.A. 95-241, eff. 8-17-07; 96-328, eff. 8-11-09.)

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 In fiscal year 2018 and each fiscal year thereafter, all
22 funding received by a school district from the State pursuant
23 to Section 18-8.15 of this Code that is attributable to
24 students requiring special education services must be used for
25 special education services authorized under this Code.

26 (Source: P.A. 93-1022, eff. 8-24-08; 95-705, eff. 1-8-08.)

1 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

2 Sec. 14-13.01. Reimbursement payable by State; amounts for
3 personnel and transportation.

4 (a) Through fiscal year 2017, for ~~For~~ staff working on
5 behalf of children who have not been identified as eligible for
6 special education and for eligible children with physical
7 disabilities, including all eligible children whose placement
8 has been determined under Section 14-8.02 in hospital or home
9 instruction, 1/2 of the teacher's salary but not more than
10 \$1,000 annually per child or \$9,000 per teacher, whichever is
11 less.

12 (a-5) A child qualifies for home or hospital instruction if
13 it is anticipated that, due to a medical condition, the child
14 will be unable to attend school, and instead must be instructed
15 at home or in the hospital, for a period of 2 or more
16 consecutive weeks or on an ongoing intermittent basis. For
17 purposes of this Section, "ongoing intermittent basis" means
18 that the child's medical condition is of such a nature or
19 severity that it is anticipated that the child will be absent
20 from school due to the medical condition for periods of at
21 least 2 days at a time multiple times during the school year
22 totaling at least 10 days or more of absences. There shall be
23 no requirement that a child be absent from school a minimum
24 number of days before the child qualifies for home or hospital
25 instruction. In order to establish eligibility for home or

1 hospital services, a student's parent or guardian must submit
2 to the child's school district of residence a written statement
3 from a physician licensed to practice medicine in all of its
4 branches stating the existence of such medical condition, the
5 impact on the child's ability to participate in education, and
6 the anticipated duration or nature of the child's absence from
7 school. Home or hospital instruction may commence upon receipt
8 of a written physician's statement in accordance with this
9 Section, but instruction shall commence not later than 5 school
10 days after the school district receives the physician's
11 statement. Special education and related services required by
12 the child's IEP or services and accommodations required by the
13 child's federal Section 504 plan must be implemented as part of
14 the child's home or hospital instruction, unless the IEP team
15 or federal Section 504 plan team determines that modifications
16 are necessary during the home or hospital instruction due to
17 the child's condition.

18 (a-10) Through fiscal year 2017, eligible ~~Eligible~~
19 children to be included in any reimbursement under this
20 paragraph must regularly receive a minimum of one hour of
21 instruction each school day, or in lieu thereof of a minimum of
22 5 hours of instruction in each school week in order to qualify
23 for full reimbursement under this Section. If the attending
24 physician for such a child has certified that the child should
25 not receive as many as 5 hours of instruction in a school week,
26 however, reimbursement under this paragraph on account of that

1 child shall be computed proportionate to the actual hours of
2 instruction per week for that child divided by 5.

3 (a-15) The State Board of Education shall establish rules
4 governing the required qualifications of staff providing home
5 or hospital instruction.

6 (b) For children described in Section 14-1.02, 80% of the
7 cost of transportation approved as a related service in the
8 Individualized Education Program for each student in order to
9 take advantage of special educational facilities.
10 Transportation costs shall be determined in the same fashion as
11 provided in Section 29-5 of this Code. For purposes of this
12 subsection (b), the dates for processing claims specified in
13 Section 29-5 shall apply.

14 (c) Through fiscal year 2017, for ~~For~~ each qualified
15 worker, the annual sum of \$9,000.

16 (d) Through fiscal year 2017, for ~~For~~ one full time
17 qualified director of the special education program of each
18 school district which maintains a fully approved program of
19 special education the annual sum of \$9,000. Districts
20 participating in a joint agreement special education program
21 shall not receive such reimbursement if reimbursement is made
22 for a director of the joint agreement program.

23 (e) (Blank).

24 (f) (Blank).

25 (g) Through fiscal year 2017, for ~~For~~ readers, working with
26 blind or partially seeing children 1/2 of their salary but not

1 more than \$400 annually per child. Readers may be employed to
2 assist such children and shall not be required to be certified
3 but prior to employment shall meet standards set up by the
4 State Board of Education.

5 (h) Through fiscal year 2017, for ~~For~~ non-certified
6 employees, as defined by rules promulgated by the State Board
7 of Education, who deliver services to students with IEPs, 1/2
8 of the salary paid or \$3,500 per employee, whichever is less.

9 (i) The State Board of Education shall set standards and
10 prescribe rules for determining the allocation of
11 reimbursement under this section on less than a full time basis
12 and for less than a school year.

13 When any school district eligible for reimbursement under
14 this Section operates a school or program approved by the State
15 Superintendent of Education for a number of days in excess of
16 the adopted school calendar but not to exceed 235 school days,
17 such reimbursement shall be increased by 1/180 of the amount or
18 rate paid hereunder for each day such school is operated in
19 excess of 180 days per calendar year.

20 Notwithstanding any other provision of law, any school
21 district receiving a payment under this Section or under
22 Section 14-7.02, 14-7.02b, or 29-5 of this Code may classify
23 all or a portion of the funds that it receives in a particular
24 fiscal year or from evidence-based funding ~~general State aid~~
25 pursuant to Section 18-8.15 ~~18-8.05~~ of this Code as funds
26 received in connection with any funding program for which it is

1 entitled to receive funds from the State in that fiscal year
2 (including, without limitation, any funding program referenced
3 in this Section), regardless of the source or timing of the
4 receipt. The district may not classify more funds as funds
5 received in connection with the funding program than the
6 district is entitled to receive in that fiscal year for that
7 program. Any classification by a district must be made by a
8 resolution of its board of education. The resolution must
9 identify the amount of any payments or evidence-based funding
10 ~~general State aid~~ to be classified under this paragraph and
11 must specify the funding program to which the funds are to be
12 treated as received in connection therewith. This resolution is
13 controlling as to the classification of funds referenced
14 therein. A certified copy of the resolution must be sent to the
15 State Superintendent of Education. The resolution shall still
16 take effect even though a copy of the resolution has not been
17 sent to the State Superintendent of Education in a timely
18 manner. No classification under this paragraph by a district
19 shall affect the total amount or timing of money the district
20 is entitled to receive under this Code. No classification under
21 this paragraph by a district shall in any way relieve the
22 district from or affect any requirements that otherwise would
23 apply with respect to that funding program, including any
24 accounting of funds by source, reporting expenditures by
25 original source and purpose, reporting requirements, or
26 requirements of providing services.

1 No funding shall be provided to school districts under this
2 Section after fiscal year 2017. In fiscal year 2018 and each
3 fiscal year thereafter, all funding received by a school
4 district from the State pursuant to Section 18-8.15 of this
5 Code that is attributable to personnel reimbursements for
6 special education pupils must be used for special education
7 services authorized under this Code.

8 (Source: P.A. 96-257, eff. 8-11-09; 97-123, eff. 7-14-11.)

9 (105 ILCS 5/14C-1) (from Ch. 122, par. 14C-1)

10 Sec. 14C-1. The General Assembly finds that there are large
11 numbers of children in this State who come from environments
12 where the primary language is other than English. Experience
13 has shown that public school classes in which instruction is
14 given only in English are often inadequate for the education of
15 children whose native tongue is another language. The General
16 Assembly believes that a program of transitional bilingual
17 education can meet the needs of these children and facilitate
18 their integration into the regular public school curriculum.
19 Therefore, pursuant to the policy of this State to ensure equal
20 educational opportunity to every child, and in recognition of
21 the educational needs of English learners, it is the purpose of
22 this Act to provide for the establishment of transitional
23 bilingual education programs in the public schools, to provide
24 supplemental financial assistance through fiscal year 2017 to
25 help local school districts meet the extra costs of such

1 programs, and to allow this State through the State Board of
2 Education to directly or indirectly provide technical
3 assistance and professional development to support
4 transitional bilingual education or a transitional program of
5 instruction programs statewide through contractual services by
6 a not-for-profit entity for technical assistance, professional
7 development, and other support to school districts and
8 educators for services for English learner pupils. In no case
9 may aggregate funding for contractual services by a
10 not-for-profit entity for support to school districts and
11 educators for services for English learner pupils be less than
12 the aggregate amount expended for such purposes in Fiscal Year
13 2017. Not-for-profit entities providing support to school
14 districts and educators for services for English learner pupils
15 must have experience providing those services in a school
16 district having a population exceeding 500,000; one or more
17 school districts in any of the counties of Lake, McHenry,
18 DuPage, Kane, and Will; and one or more school districts
19 elsewhere in this State. Funding for not-for-profit entities
20 providing support to school districts and educators for
21 services for English learner pupils may be increased subject to
22 an agreement with the State Board of Education. Funding for
23 not-for-profit entities providing support to school districts
24 and educators for services for English learner pupils shall
25 come from funds allocated pursuant to Section 18-8.15 of this
26 Code.

1 (Source: P.A. 99-30, eff. 7-10-15.)

2 (105 ILCS 5/14C-12) (from Ch. 122, par. 14C-12)

3 Sec. 14C-12. Account of expenditures; Cost report;
4 Reimbursement. Each school district with at least one English
5 learner shall keep an accurate, detailed and separate account
6 of all monies paid out by it for the programs in transitional
7 bilingual education required or permitted by this Article,
8 including transportation costs, and shall annually report
9 thereon for the school year ending June 30 indicating the
10 average per pupil expenditure. Through fiscal year 2017, each
11 ~~Each~~ school district shall be reimbursed for the amount by
12 which such costs exceed the average per pupil expenditure by
13 such school district for the education of children of
14 comparable age who are not in any special education program. No
15 funding shall be provided to school districts under this
16 Section after fiscal year 2017. In fiscal year 2018 and each
17 fiscal year thereafter, all funding received by a school
18 district from the State pursuant to Section 18-8.15 of this
19 Code that is attributable to instructions, supports, and
20 interventions for English learner pupils must be used for
21 programs and services authorized under this Article. At least
22 60% of transitional bilingual education funding received from
23 the State must be used for the instructional costs of programs
24 and services authorized under this Article ~~transitional~~
25 ~~bilingual education.~~

1 Applications for preapproval ~~for reimbursement~~ for costs
2 of transitional bilingual education programs must be submitted
3 to the State Superintendent of Education at least 60 days
4 before a transitional bilingual education program is started,
5 unless a justifiable exception is granted by the State
6 Superintendent of Education. Applications shall set forth a
7 plan for transitional bilingual education established and
8 maintained in accordance with this Article.

9 Through fiscal year 2017, reimbursement ~~Reimbursement~~
10 claims for transitional bilingual education programs shall be
11 made as follows:

12 Each school district shall claim reimbursement on a current
13 basis for the first 3 quarters of the fiscal year and file a
14 final adjusted claim for the school year ended June 30
15 preceding computed in accordance with rules prescribed by the
16 State Superintendent's Office. The State Superintendent of
17 Education before approving any such claims shall determine
18 their accuracy and whether they are based upon services and
19 facilities provided under approved programs. Upon approval he
20 shall transmit to the Comptroller the vouchers showing the
21 amounts due for school district reimbursement claims. Upon
22 receipt of the final adjusted claims the State Superintendent
23 of Education shall make a final determination of the accuracy
24 of such claims. If the money appropriated by the General
25 Assembly for such purpose for any year is insufficient, it
26 shall be apportioned on the basis of the claims approved.

1 Failure on the part of the school district to prepare and
2 certify the final adjusted claims due under this Section may
3 constitute a forfeiture by the school district of its right to
4 be reimbursed by the State under this Section.

5 (Source: P.A. 96-1170, eff. 1-1-11.)

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

7 Sec. 17-1. Annual Budget. The board of education of each
8 school district under 500,000 inhabitants shall, within or
9 before the first quarter of each fiscal year, adopt and file
10 with the State Board of Education an annual balanced budget
11 which it deems necessary to defray all necessary expenses and
12 liabilities of the district, and in such annual budget shall
13 specify the objects and purposes of each item and amount needed
14 for each object or purpose.

15 The budget shall be entered upon a School District Budget
16 form prepared and provided by the State Board of Education and
17 therein shall contain a statement of the cash on hand at the
18 beginning of the fiscal year, an estimate of the cash expected
19 to be received during such fiscal year from all sources, an
20 estimate of the expenditures contemplated for such fiscal year,
21 and a statement of the estimated cash expected to be on hand at
22 the end of such year. The estimate of taxes to be received may
23 be based upon the amount of actual cash receipts that may
24 reasonably be expected by the district during such fiscal year,
25 estimated from the experience of the district in prior years

1 and with due regard for other circumstances that may
2 substantially affect such receipts. Nothing in this Section
3 shall be construed as requiring any district to change or
4 preventing any district from changing from a cash basis of
5 financing to a surplus or deficit basis of financing; or as
6 requiring any district to change or preventing any district
7 from changing its system of accounting. The budget shall
8 conform to the requirements adopted by the State Board of
9 Education pursuant to Section 2-3.28 of this Code.

10 To the extent that a school district's budget is not
11 balanced, the district shall also adopt and file with the State
12 Board of Education a deficit reduction plan to balance the
13 district's budget within 3 years. The deficit reduction plan
14 must be filed at the same time as the budget, but the State
15 Superintendent of Education may extend this deadline if the
16 situation warrants.

17 If, as the result of an audit performed in compliance with
18 Section 3-7 of this Code, the resulting Annual Financial Report
19 required to be submitted pursuant to Section 3-15.1 of this
20 Code reflects a deficit as defined for purposes of the
21 preceding paragraph, then the district shall, within 30 days
22 after acceptance of such audit report, submit a deficit
23 reduction plan.

24 The board of education of each district shall fix a fiscal
25 year therefor. If the beginning of the fiscal year of a
26 district is subsequent to the time that the tax levy due to be

1 made in such fiscal year shall be made, then such annual budget
2 shall be adopted prior to the time such tax levy shall be made.
3 The failure by a board of education of any district to adopt an
4 annual budget, or to comply in any respect with the provisions
5 of this Section, shall not affect the validity of any tax levy
6 of the district otherwise in conformity with the law. With
7 respect to taxes levied either before, on, or after the
8 effective date of this amendatory Act of the 91st General
9 Assembly, (i) a tax levy is made for the fiscal year in which
10 the levy is due to be made regardless of which fiscal year the
11 proceeds of the levy are expended or are intended to be
12 expended, and (ii) except as otherwise provided by law, a board
13 of education's adoption of an annual budget in conformity with
14 this Section is not a prerequisite to the adoption of a valid
15 tax levy and is not a limit on the amount of the levy.

16 Such budget shall be prepared in tentative form by some
17 person or persons designated by the board, and in such
18 tentative form shall be made conveniently available to public
19 inspection for at least 30 days prior to final action thereon.
20 At least 1 public hearing shall be held as to such budget prior
21 to final action thereon. Notice of availability for public
22 inspection and of such public hearing shall be given by
23 publication in a newspaper published in such district, at least
24 30 days prior to the time of such hearing. If there is no
25 newspaper published in such district, notice of such public
26 hearing shall be given by posting notices thereof in 5 of the

1 most public places in such district. It shall be the duty of
2 the secretary of such board to make such tentative budget
3 available to public inspection, and to arrange for such public
4 hearing. The board may from time to time make transfers between
5 the various items in any fund not exceeding in the aggregate
6 10% of the total of such fund as set forth in the budget. The
7 board may from time to time amend such budget by the same
8 procedure as is herein provided for its original adoption.

9 Beginning July 1, 1976, the board of education, or regional
10 superintendent, or governing board responsible for the
11 administration of a joint agreement shall, by September 1 of
12 each fiscal year thereafter, adopt an annual budget for the
13 joint agreement in the same manner and subject to the same
14 requirements as are provided in this Section.

15 The State Board of Education shall exercise powers and
16 duties relating to budgets as provided in Section 2-3.27 of
17 this Code and shall require school districts to submit their
18 annual budgets, deficit reduction plans, and other financial
19 information, including revenue and expenditure reports and
20 borrowing and interfund transfer plans, in such form and within
21 the timelines designated by the State Board of Education.

22 By fiscal year 1982 all school districts shall use the
23 Program Budget Accounting System.

24 In the case of a school district receiving emergency State
25 financial assistance under Article 1B, the school board shall
26 also be subject to the requirements established under Article

1 1B with respect to the annual budget.

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

3 (105 ILCS 5/17-1.2)

4 Sec. 17-1.2. Post annual budget on web site. If a school
5 district has an Internet web site, the school district shall
6 post its current annual budget, itemized by receipts and
7 expenditures, on the district's Internet web site. The budget
8 shall include information conforming to the rules adopted by
9 the State Board of Education pursuant to Section 2-3.28 of this
10 Code. The school district shall notify the parents or guardians
11 of its students that the budget has been posted on the
12 district's web site and what the web site's address is.

13 (Source: P.A. 92-438, eff. 1-1-02.)

14 (105 ILCS 5/17-1.5)

15 Sec. 17-1.5. Limitation of administrative costs.

16 (a) It is the purpose of this Section to establish
17 limitations on the growth of administrative expenditures in
18 order to maximize the proportion of school district resources
19 available for the instructional program, building maintenance,
20 and safety services for the students of each district.

21 (b) Definitions. For the purposes of this Section:

22 "Administrative expenditures" mean the annual expenditures
23 of school districts properly attributable to expenditure
24 functions defined by the rules of the State Board of Education

1 as: 2320 (Executive Administration Services); 2330 (Special
2 Area Administration Services); 2490 (Other Support Services -
3 School Administration); 2510 (Direction of Business Support
4 Services); 2570 (Internal Services); and 2610 (Direction of
5 Central Support Services); provided, however, that
6 "administrative expenditures" shall not include early
7 retirement or other pension system obligations required by
8 State law.

9 "School district" means all school districts having a
10 population of less than 500,000.

11 (c) For the 1998-99 school year and each school year
12 thereafter, each school district shall undertake budgetary and
13 expenditure control actions so that the increase in
14 administrative expenditures for that school year over the prior
15 school year does not exceed 5%. School districts with
16 administrative expenditures per pupil in the 25th percentile
17 and below for all districts of the same type, as defined by the
18 State Board of Education, may waive the limitation imposed
19 under this Section for any year following a public hearing and
20 with the affirmative vote of at least two-thirds of the members
21 of the school board of the district. Any district waiving the
22 limitation shall notify the State Board within 45 days of such
23 action.

24 (d) School districts shall file with the State Board of
25 Education by November 15, 1998 and by each November 15th
26 thereafter a one-page report that lists (i) the actual

1 administrative expenditures for the prior year from the
2 district's audited Annual Financial Report, and (ii) the
3 projected administrative expenditures for the current year
4 from the budget adopted by the school board pursuant to Section
5 17-1 of this Code.

6 If a school district that is ineligible to waive the
7 limitation imposed by subsection (c) of this Section by board
8 action exceeds the limitation solely because of circumstances
9 beyond the control of the district and the district has
10 exhausted all available and reasonable remedies to comply with
11 the limitation, the district may request a waiver pursuant to
12 Section 2-3.25g. The waiver application shall specify the
13 amount, nature, and reason for the relief requested, as well as
14 all remedies the district has exhausted to comply with the
15 limitation. Any emergency relief so requested shall apply only
16 to the specific school year for which the request is made. The
17 State Board of Education shall analyze all such waivers
18 submitted and shall recommend that the General Assembly
19 disapprove any such waiver requested that is not due solely to
20 circumstances beyond the control of the district and for which
21 the district has not exhausted all available and reasonable
22 remedies to comply with the limitation. The State
23 Superintendent shall have no authority to impose any sanctions
24 pursuant to this Section for any expenditures for which a
25 waiver has been requested until such waiver has been reviewed
26 by the General Assembly.

1 If the report and information required under this
2 subsection (d) are not provided by the school district in a
3 timely manner, or are subsequently determined by the State
4 Superintendent of Education to be incomplete or inaccurate, the
5 State Superintendent shall notify the district in writing of
6 reporting deficiencies. The school district shall, within 60
7 days of the notice, address the reporting deficiencies
8 identified.

9 (e) If the State Superintendent determines that a school
10 district has failed to comply with the administrative
11 expenditure limitation imposed in subsection (c) of this
12 Section, the State Superintendent shall notify the district of
13 the violation and direct the district to undertake corrective
14 action to bring the district's budget into compliance with the
15 administrative expenditure limitation. The district shall,
16 within 60 days of the notice, provide adequate assurance to the
17 State Superintendent that appropriate corrective actions have
18 been or will be taken. If the district fails to provide
19 adequate assurance or fails to undertake the necessary
20 corrective actions, the State Superintendent may impose
21 progressive sanctions against the district that may culminate
22 in withholding all subsequent payments of general State aid due
23 the district under Section 18-8.05 of this Code or
24 evidence-based funding due the district under Section 18-8.15
25 of this Code until the assurance is provided or the corrective
26 actions taken.

1 (f) The State Superintendent shall publish a list each year
2 of the school districts that violate the limitation imposed by
3 subsection (c) of this Section and a list of the districts that
4 waive the limitation by board action as provided in subsection
5 (c) of this Section.

6 (Source: P.A. 90-548, eff. 1-1-98; 90-653, eff. 7-29-98.)

7 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

8 Sec. 17-2.11. School board power to levy a tax or to borrow
9 money and issue bonds for fire prevention, safety, energy
10 conservation, accessibility, school security, and specified
11 repair purposes.

12 (a) Whenever, as a result of any lawful order of any
13 agency, other than a school board, having authority to enforce
14 any school building code applicable to any facility that houses
15 students, or any law or regulation for the protection and
16 safety of the environment, pursuant to the Environmental
17 Protection Act, any school district having a population of less
18 than 500,000 inhabitants is required to alter or reconstruct
19 any school building or permanent, fixed equipment; the district
20 may, by proper resolution, levy a tax for the purpose of making
21 such alteration or reconstruction, based on a survey report by
22 an architect or engineer licensed in this State, upon all of
23 the taxable property of the district at the value as assessed
24 by the Department of Revenue and at a rate not to exceed 0.05%
25 per year for a period sufficient to finance such alteration or

1 reconstruction, upon the following conditions:

2 (1) When there are not sufficient funds available in
3 the operations and maintenance fund of the school district,
4 the school facility occupation tax fund of the district, or
5 the fire prevention and safety fund of the district, as
6 determined by the district on the basis of rules adopted by
7 the State Board of Education, to make such alteration or
8 reconstruction or to purchase and install such permanent,
9 fixed equipment so ordered or determined as necessary.
10 Appropriate school district records must be made available
11 to the State Superintendent of Education, upon request, to
12 confirm this insufficiency.

13 (2) When a certified estimate of an architect or
14 engineer licensed in this State stating the estimated
15 amount necessary to make the alteration or reconstruction
16 or to purchase and install the equipment so ordered has
17 been secured by the school district, and the estimate has
18 been approved by the regional superintendent of schools
19 having jurisdiction over the district and the State
20 Superintendent of Education. Approval must not be granted
21 for any work that has already started without the prior
22 express authorization of the State Superintendent of
23 Education. If the estimate is not approved or is denied
24 approval by the regional superintendent of schools within 3
25 months after the date on which it is submitted to him or
26 her, the school board of the district may submit the

1 estimate directly to the State Superintendent of Education
2 for approval or denial.

3 In the case of an emergency situation, where the estimated
4 cost to effectuate emergency repairs is less than the amount
5 specified in Section 10-20.21 of this Code, the school district
6 may proceed with such repairs prior to approval by the State
7 Superintendent of Education, but shall comply with the
8 provisions of subdivision (2) of this subsection (a) as soon
9 thereafter as may be as well as Section 10-20.21 of this Code.

10 If the estimated cost to effectuate emergency repairs is
11 greater than the amount specified in Section 10-20.21 of this
12 Code, then the school district shall proceed in conformity with
13 Section 10-20.21 of this Code and with rules established by the
14 State Board of Education to address such situations. The rules
15 adopted by the State Board of Education to deal with these
16 situations shall stipulate that emergency situations must be
17 expedited and given priority consideration. For purposes of
18 this paragraph, an emergency is a situation that presents an
19 imminent and continuing threat to the health and safety of
20 students or other occupants of a facility, requires complete or
21 partial evacuation of a building or part of a building, or
22 consumes one or more of the 5 emergency days built into the
23 adopted calendar of the school or schools or would otherwise be
24 expected to cause such school or schools to fall short of the
25 minimum school calendar requirements.

26 (b) Whenever any such district determines that it is

1 necessary for energy conservation purposes that any school
2 building or permanent, fixed equipment should be altered or
3 reconstructed and that such alterations or reconstruction will
4 be made with funds not necessary for the completion of approved
5 and recommended projects contained in any safety survey report
6 or amendments thereto authorized by Section 2-3.12 of this Act;
7 the district may levy a tax or issue bonds as provided in
8 subsection (a) of this Section.

9 (c) Whenever any such district determines that it is
10 necessary for accessibility purposes and to comply with the
11 school building code that any school building or equipment
12 should be altered or reconstructed and that such alterations or
13 reconstruction will be made with funds not necessary for the
14 completion of approved and recommended projects contained in
15 any safety survey report or amendments thereto authorized under
16 Section 2-3.12 of this Act, the district may levy a tax or
17 issue bonds as provided in subsection (a) of this Section.

18 (d) Whenever any such district determines that it is
19 necessary for school security purposes and the related
20 protection and safety of pupils and school personnel that any
21 school building or property should be altered or reconstructed
22 or that security systems and equipment (including but not
23 limited to intercom, early detection and warning, access
24 control and television monitoring systems) should be purchased
25 and installed, and that such alterations, reconstruction or
26 purchase and installation of equipment will be made with funds

1 not necessary for the completion of approved and recommended
2 projects contained in any safety survey report or amendment
3 thereto authorized by Section 2-3.12 of this Act and will deter
4 and prevent unauthorized entry or activities upon school
5 property by unknown or dangerous persons, assure early
6 detection and advance warning of any such actual or attempted
7 unauthorized entry or activities and help assure the continued
8 safety of pupils and school staff if any such unauthorized
9 entry or activity is attempted or occurs; the district may levy
10 a tax or issue bonds as provided in subsection (a) of this
11 Section.

12 (e) If a school district does not need funds for other fire
13 prevention and safety projects, including the completion of
14 approved and recommended projects contained in any safety
15 survey report or amendments thereto authorized by Section
16 2-3.12 of this Act, and it is determined after a public hearing
17 (which is preceded by at least one published notice (i)
18 occurring at least 7 days prior to the hearing in a newspaper
19 of general circulation within the school district and (ii)
20 setting forth the time, date, place, and general subject matter
21 of the hearing) that there is a substantial, immediate, and
22 otherwise unavoidable threat to the health, safety, or welfare
23 of pupils due to disrepair of school sidewalks, playgrounds,
24 parking lots, or school bus turnarounds and repairs must be
25 made; then the district may levy a tax or issue bonds as
26 provided in subsection (a) of this Section.

1 (f) For purposes of this Section a school district may
2 replace a school building or build additions to replace
3 portions of a building when it is determined that the
4 effectuation of the recommendations for the existing building
5 will cost more than the replacement costs. Such determination
6 shall be based on a comparison of estimated costs made by an
7 architect or engineer licensed in the State of Illinois. The
8 new building or addition shall be equivalent in area (square
9 feet) and comparable in purpose and grades served and may be on
10 the same site or another site. Such replacement may only be
11 done upon order of the regional superintendent of schools and
12 the approval of the State Superintendent of Education.

13 (g) The filing of a certified copy of the resolution
14 levying the tax when accompanied by the certificates of the
15 regional superintendent of schools and State Superintendent of
16 Education shall be the authority of the county clerk to extend
17 such tax.

18 (h) The county clerk of the county in which any school
19 district levying a tax under the authority of this Section is
20 located, in reducing raised levies, shall not consider any such
21 tax as a part of the general levy for school purposes and shall
22 not include the same in the limitation of any other tax rate
23 which may be extended.

24 Such tax shall be levied and collected in like manner as
25 all other taxes of school districts, subject to the provisions
26 contained in this Section.

1 (i) The tax rate limit specified in this Section may be
2 increased to .10% upon the approval of a proposition to effect
3 such increase by a majority of the electors voting on that
4 proposition at a regular scheduled election. Such proposition
5 may be initiated by resolution of the school board and shall be
6 certified by the secretary to the proper election authorities
7 for submission in accordance with the general election law.

8 (j) When taxes are levied by any school district for fire
9 prevention, safety, energy conservation, and school security
10 purposes as specified in this Section, and the purposes for
11 which the taxes have been levied are accomplished and paid in
12 full, and there remain funds on hand in the Fire Prevention and
13 Safety Fund from the proceeds of the taxes levied, including
14 interest earnings thereon, the school board by resolution shall
15 use such excess and other board restricted funds, excluding
16 bond proceeds and earnings from such proceeds, as follows:

17 (1) for other authorized fire prevention, safety,
18 energy conservation, required safety inspections, school
19 security purposes, sampling for lead in drinking water in
20 schools, and for repair and mitigation due to lead levels
21 in the drinking water supply; or

22 (2) for transfer to the Operations and Maintenance Fund
23 for the purpose of abating an equal amount of operations
24 and maintenance purposes taxes.

25 Notwithstanding subdivision (2) of this subsection (j) and
26 subsection (k) of this Section, through June 30, 2020 ~~2019~~, the

1 school board may, by proper resolution following a public
2 hearing set by the school board or the president of the school
3 board (that is preceded (i) by at least one published notice
4 over the name of the clerk or secretary of the board, occurring
5 at least 7 days and not more than 30 days prior to the hearing,
6 in a newspaper of general circulation within the school
7 district and (ii) by posted notice over the name of the clerk
8 or secretary of the board, at least 48 hours before the
9 hearing, at the principal office of the school board or at the
10 building where the hearing is to be held if a principal office
11 does not exist, with both notices setting forth the time, date,
12 place, and subject matter of the hearing), transfer surplus
13 life safety taxes and interest earnings thereon to the
14 Operations and Maintenance Fund for building repair work.

15 (k) If any transfer is made to the Operation and
16 Maintenance Fund, the secretary of the school board shall
17 within 30 days notify the county clerk of the amount of that
18 transfer and direct the clerk to abate the taxes to be extended
19 for the purposes of operations and maintenance authorized under
20 Section 17-2 of this Act by an amount equal to such transfer.

21 (l) If the proceeds from the tax levy authorized by this
22 Section are insufficient to complete the work approved under
23 this Section, the school board is authorized to sell bonds
24 without referendum under the provisions of this Section in an
25 amount that, when added to the proceeds of the tax levy
26 authorized by this Section, will allow completion of the

1 approved work.

2 (m) Any bonds issued pursuant to this Section shall bear
3 interest at a rate not to exceed the maximum rate authorized by
4 law at the time of the making of the contract, shall mature
5 within 20 years from date, and shall be signed by the president
6 of the school board and the treasurer of the school district.

7 (n) In order to authorize and issue such bonds, the school
8 board shall adopt a resolution fixing the amount of bonds, the
9 date thereof, the maturities thereof, rates of interest
10 thereof, place of payment and denomination, which shall be in
11 denominations of not less than \$100 and not more than \$5,000,
12 and provide for the levy and collection of a direct annual tax
13 upon all the taxable property in the school district sufficient
14 to pay the principal and interest on such bonds to maturity.
15 Upon the filing in the office of the county clerk of the county
16 in which the school district is located of a certified copy of
17 the resolution, it is the duty of the county clerk to extend
18 the tax therefor in addition to and in excess of all other
19 taxes heretofore or hereafter authorized to be levied by such
20 school district.

21 (o) After the time such bonds are issued as provided for by
22 this Section, if additional alterations or reconstructions are
23 required to be made because of surveys conducted by an
24 architect or engineer licensed in the State of Illinois, the
25 district may levy a tax at a rate not to exceed .05% per year
26 upon all the taxable property of the district or issue

1 additional bonds, whichever action shall be the most feasible.

2 (p) This Section is cumulative and constitutes complete
3 authority for the issuance of bonds as provided in this Section
4 notwithstanding any other statute or law to the contrary.

5 (q) With respect to instruments for the payment of money
6 issued under this Section either before, on, or after the
7 effective date of Public Act 86-004 (June 6, 1989), it is, and
8 always has been, the intention of the General Assembly (i) that
9 the Omnibus Bond Acts are, and always have been, supplementary
10 grants of power to issue instruments in accordance with the
11 Omnibus Bond Acts, regardless of any provision of this Act that
12 may appear to be or to have been more restrictive than those
13 Acts, (ii) that the provisions of this Section are not a
14 limitation on the supplementary authority granted by the
15 Omnibus Bond Acts, and (iii) that instruments issued under this
16 Section within the supplementary authority granted by the
17 Omnibus Bond Acts are not invalid because of any provision of
18 this Act that may appear to be or to have been more restrictive
19 than those Acts.

20 (r) When the purposes for which the bonds are issued have
21 been accomplished and paid for in full and there remain funds
22 on hand from the proceeds of the bond sale and interest
23 earnings therefrom, the board shall, by resolution, use such
24 excess funds in accordance with the provisions of Section
25 10-22.14 of this Act.

26 (s) Whenever any tax is levied or bonds issued for fire

1 prevention, safety, energy conservation, and school security
2 purposes, such proceeds shall be deposited and accounted for
3 separately within the Fire Prevention and Safety Fund.

4 (Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14;
5 99-143, eff. 7-27-15; 99-713, eff. 8-5-16; 99-922, eff.
6 1-17-17.)

7 (105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)

8 Sec. 17-2A. Interfund transfers.

9 (a) The school board of any district having a population of
10 less than 500,000 inhabitants may, by proper resolution
11 following a public hearing set by the school board or the
12 president of the school board (that is preceded (i) by at least
13 one published notice over the name of the clerk or secretary of
14 the board, occurring at least 7 days and not more than 30 days
15 prior to the hearing, in a newspaper of general circulation
16 within the school district and (ii) by posted notice over the
17 name of the clerk or secretary of the board, at least 48 hours
18 before the hearing, at the principal office of the school board
19 or at the building where the hearing is to be held if a
20 principal office does not exist, with both notices setting
21 forth the time, date, place, and subject matter of the
22 hearing), transfer money from (1) the Educational Fund to the
23 Operations and Maintenance Fund or the Transportation Fund, (2)
24 the Operations and Maintenance Fund to the Educational Fund or
25 the Transportation Fund, (3) the Transportation Fund to the

1 Educational Fund or the Operations and Maintenance Fund, or (4)
2 the Tort Immunity Fund to the Operations and Maintenance Fund
3 of said district, provided that, except during the period from
4 July 1, 2003 through June 30, 2020 ~~2019~~, such transfer is made
5 solely for the purpose of meeting one-time, non-recurring
6 expenses. Except during the period from July 1, 2003 through
7 June 30, 2020 ~~2019~~ and except as otherwise provided in
8 subsection (b) of this Section, any other permanent interfund
9 transfers authorized by any provision or judicial
10 interpretation of this Code for which the transferee fund is
11 not precisely and specifically set forth in the provision of
12 this Code authorizing such transfer shall be made to the fund
13 of the school district most in need of the funds being
14 transferred, as determined by resolution of the school board.

15 (b) (Blank).

16 (c) Notwithstanding subsection (a) of this Section or any
17 other provision of this Code to the contrary, the school board
18 of any school district (i) that is subject to the Property Tax
19 Extension Limitation Law, (ii) that is an elementary district
20 servicing students in grades K through 8, (iii) whose territory
21 is in one county, (iv) that is eligible for Section 7002
22 Federal Impact Aid, and (v) that has no more than \$81,000 in
23 funds remaining from refinancing bonds that were refinanced a
24 minimum of 5 years prior to January 20, 2017 (the effective
25 date of Public Act 99-926) ~~this amendatory Act of the 99th~~
26 ~~General Assembly~~ may make a one-time transfer of the funds

1 remaining from the refinancing bonds to the Operations and
2 Maintenance Fund of the district by proper resolution following
3 a public hearing set by the school board or the president of
4 the school board, with notice as provided in subsection (a) of
5 this Section, so long as the district meets the qualifications
6 set forth in this subsection (c) on January 20, 2017 (the
7 effective date of Public Act 99-926) ~~this amendatory Act of the~~
8 ~~99th General Assembly.~~

9 (Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14; 99-713,
10 eff. 8-5-16; 99-922, eff. 1-17-17; 99-926, eff. 1-20-17;
11 revised 1-23-17.)

12 (105 ILCS 5/17-3.6 new)

13 Sec. 17-3.6. Educational purposes tax rate for school
14 districts subject to Property Tax Extension Limitation Law.
15 Notwithstanding the provisions, requirements, or limitations
16 of this Code or any other law, any tax levied for educational
17 purposes by a school district subject to the Property Tax
18 Extension Limitation Law for the 2016 levy year or any
19 subsequent levy year may be extended at a rate exceeding the
20 rate established for educational purposes by referendum or this
21 Code, provided that the rate does not cause the school district
22 to exceed the limiting rate applicable to the school district
23 under the Property Tax Extension Limitation Law for that levy
24 year.

1 (105 ILCS 5/17-6.5 new)

2 Sec. 17-6.5. Decrease in tax rate for educational purposes.
3 For those school districts whose adequacy target, as defined in
4 Section 18-8.15 of this Code, meets or exceeds 110%, the
5 question of establishing a lower tax rate for educational
6 purposes than that in effect by the school district shall be
7 submitted to the voters of the school district at the regular
8 election for school board members in accordance with the
9 general election law, but only if the voters have submitted a
10 petition signed by not fewer than 5% of the legal voters in the
11 school district. That percentage shall be based on the number
12 of votes cast at the last general election preceding the filing
13 of the petition. The petition shall specify the tax rate of the
14 school district levy to be submitted. In no case shall the tax
15 rate lower the current tax levy by more than 20%.

16 The petition shall be filed with the secretary of the
17 school board not more than 10 months nor less than 6 months
18 prior to the election at which the question is to be submitted
19 to the voters, and its validity shall be determined as provided
20 by the general election law. The secretary shall certify the
21 question to the proper election officials, who shall submit the
22 question to the voters. Notwithstanding any other provisions of
23 this Section, this referendum shall be subject to all other
24 general election law requirements.

25 (105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

1 Sec. 18-4.3. Summer school grants. Through fiscal year
2 2017, grants ~~Grants~~ shall be determined for pupil attendance in
3 summer schools conducted under Sections 10-22.33A and 34-18 and
4 approved under Section 2-3.25 in the following manner.

5 The amount of grant for each accredited summer school
6 attendance pupil shall be obtained by dividing the total amount
7 of apportionments determined under Section 18-8.05 by the
8 actual number of pupils in average daily attendance used for
9 such apportionments. The number of credited summer school
10 attendance pupils shall be determined (a) by counting clock
11 hours of class instruction by pupils enrolled in grades 1
12 through 12 in approved courses conducted at least 60 clock
13 hours in summer sessions; (b) by dividing such total of clock
14 hours of class instruction by 4 to produce days of credited
15 pupil attendance; (c) by dividing such days of credited pupil
16 attendance by the actual number of days in the regular term as
17 used in computation in the general apportionment in Section
18 18-8.05; and (d) by multiplying by 1.25.

19 The amount of the grant for a summer school program
20 approved by the State Superintendent of Education for children
21 with disabilities, as defined in Sections 14-1.02 through
22 14-1.07, shall be determined in the manner contained above
23 except that average daily membership shall be utilized in lieu
24 of average daily attendance.

25 In the case of an apportionment based on summer school
26 attendance or membership pupils, the claim therefor shall be

1 presented as a separate claim for the particular school year in
2 which such summer school session ends. On or before November 1
3 of each year the superintendent of each eligible school
4 district shall certify to the State Superintendent of Education
5 the claim of the district for the summer session just ended.
6 Failure on the part of the school board to so certify shall
7 constitute a forfeiture of its right to such payment. The State
8 Superintendent of Education shall transmit to the Comptroller
9 no later than December 15th of each year vouchers for payment
10 of amounts due school districts for summer school. The State
11 Superintendent of Education shall direct the Comptroller to
12 draw his warrants for payments thereof by the 30th day of
13 December. If the money appropriated by the General Assembly for
14 such purpose for any year is insufficient, it shall be
15 apportioned on the basis of claims approved.

16 However, notwithstanding the foregoing provisions, for
17 each fiscal year the money appropriated by the General Assembly
18 for the purposes of this Section shall only be used for grants
19 for approved summer school programs for those children with
20 disabilities served pursuant to Section 14-7.02 or 14-7.02b of
21 this Code.

22 No funding shall be provided to school districts under this
23 Section after fiscal year 2017. In fiscal year 2018 and each
24 fiscal year thereafter, all funding received by a school
25 district from the State pursuant to Section 18-8.15 of this
26 Code that is attributable to summer school for special

1 education pupils must be used for special education services
2 authorized under this Code.

3 (Source: P.A. 93-1022, eff. 8-24-04.)

4 (105 ILCS 5/18-8.05)

5 Sec. 18-8.05. Basis for apportionment of general State
6 financial aid and supplemental general State aid to the common
7 schools for the 1998-1999 through the 2016-2017 ~~and subsequent~~
8 school years.

9 (A) General Provisions.

10 (1) The provisions of this Section relating to the
11 calculation and apportionment of general State financial aid
12 and supplemental general State aid apply to the 1998-1999
13 through the 2016-2017 ~~and subsequent~~ school years. The system
14 of general State financial aid provided for in this Section is
15 designed to assure that, through a combination of State
16 financial aid and required local resources, the financial
17 support provided each pupil in Average Daily Attendance equals
18 or exceeds a prescribed per pupil Foundation Level. This
19 formula approach imputes a level of per pupil Available Local
20 Resources and provides for the basis to calculate a per pupil
21 level of general State financial aid that, when added to
22 Available Local Resources, equals or exceeds the Foundation
23 Level. The amount of per pupil general State financial aid for
24 school districts, in general, varies in inverse relation to

1 Available Local Resources. Per pupil amounts are based upon
2 each school district's Average Daily Attendance as that term is
3 defined in this Section.

4 (2) In addition to general State financial aid, school
5 districts with specified levels or concentrations of pupils
6 from low income households are eligible to receive supplemental
7 general State financial aid grants as provided pursuant to
8 subsection (H). The supplemental State aid grants provided for
9 school districts under subsection (H) shall be appropriated for
10 distribution to school districts as part of the same line item
11 in which the general State financial aid of school districts is
12 appropriated under this Section.

13 (3) To receive financial assistance under this Section,
14 school districts are required to file claims with the State
15 Board of Education, subject to the following requirements:

16 (a) Any school district which fails for any given
17 school year to maintain school as required by law, or to
18 maintain a recognized school is not eligible to file for
19 such school year any claim upon the Common School Fund. In
20 case of nonrecognition of one or more attendance centers in
21 a school district otherwise operating recognized schools,
22 the claim of the district shall be reduced in the
23 proportion which the Average Daily Attendance in the
24 attendance center or centers bear to the Average Daily
25 Attendance in the school district. A "recognized school"
26 means any public school which meets the standards as

1 established for recognition by the State Board of
2 Education. A school district or attendance center not
3 having recognition status at the end of a school term is
4 entitled to receive State aid payments due upon a legal
5 claim which was filed while it was recognized.

6 (b) School district claims filed under this Section are
7 subject to Sections 18-9 and 18-12, except as otherwise
8 provided in this Section.

9 (c) If a school district operates a full year school
10 under Section 10-19.1, the general State aid to the school
11 district shall be determined by the State Board of
12 Education in accordance with this Section as near as may be
13 applicable.

14 (d) (Blank).

15 (4) Except as provided in subsections (H) and (L), the
16 board of any district receiving any of the grants provided for
17 in this Section may apply those funds to any fund so received
18 for which that board is authorized to make expenditures by law.

19 School districts are not required to exert a minimum
20 Operating Tax Rate in order to qualify for assistance under
21 this Section.

22 (5) As used in this Section the following terms, when
23 capitalized, shall have the meaning ascribed herein:

24 (a) "Average Daily Attendance": A count of pupil
25 attendance in school, averaged as provided for in
26 subsection (C) and utilized in deriving per pupil financial

1 support levels.

2 (b) "Available Local Resources": A computation of
3 local financial support, calculated on the basis of Average
4 Daily Attendance and derived as provided pursuant to
5 subsection (D).

6 (c) "Corporate Personal Property Replacement Taxes":
7 Funds paid to local school districts pursuant to "An Act in
8 relation to the abolition of ad valorem personal property
9 tax and the replacement of revenues lost thereby, and
10 amending and repealing certain Acts and parts of Acts in
11 connection therewith", certified August 14, 1979, as
12 amended (Public Act 81-1st S.S.-1).

13 (d) "Foundation Level": A prescribed level of per pupil
14 financial support as provided for in subsection (B).

15 (e) "Operating Tax Rate": All school district property
16 taxes extended for all purposes, except Bond and Interest,
17 Summer School, Rent, Capital Improvement, and Vocational
18 Education Building purposes.

19 (B) Foundation Level.

20 (1) The Foundation Level is a figure established by the
21 State representing the minimum level of per pupil financial
22 support that should be available to provide for the basic
23 education of each pupil in Average Daily Attendance. As set
24 forth in this Section, each school district is assumed to exert
25 a sufficient local taxing effort such that, in combination with

1 the aggregate of general State financial aid provided the
2 district, an aggregate of State and local resources are
3 available to meet the basic education needs of pupils in the
4 district.

5 (2) For the 1998-1999 school year, the Foundation Level of
6 support is \$4,225. For the 1999-2000 school year, the
7 Foundation Level of support is \$4,325. For the 2000-2001 school
8 year, the Foundation Level of support is \$4,425. For the
9 2001-2002 school year and 2002-2003 school year, the Foundation
10 Level of support is \$4,560. For the 2003-2004 school year, the
11 Foundation Level of support is \$4,810. For the 2004-2005 school
12 year, the Foundation Level of support is \$4,964. For the
13 2005-2006 school year, the Foundation Level of support is
14 \$5,164. For the 2006-2007 school year, the Foundation Level of
15 support is \$5,334. For the 2007-2008 school year, the
16 Foundation Level of support is \$5,734. For the 2008-2009 school
17 year, the Foundation Level of support is \$5,959.

18 (3) For the 2009-2010 school year and each school year
19 thereafter, the Foundation Level of support is \$6,119 or such
20 greater amount as may be established by law by the General
21 Assembly.

22 (C) Average Daily Attendance.

23 (1) For purposes of calculating general State aid pursuant
24 to subsection (E), an Average Daily Attendance figure shall be
25 utilized. The Average Daily Attendance figure for formula

1 calculation purposes shall be the monthly average of the actual
2 number of pupils in attendance of each school district, as
3 further averaged for the best 3 months of pupil attendance for
4 each school district. In compiling the figures for the number
5 of pupils in attendance, school districts and the State Board
6 of Education shall, for purposes of general State aid funding,
7 conform attendance figures to the requirements of subsection
8 (F).

9 (2) The Average Daily Attendance figures utilized in
10 subsection (E) shall be the requisite attendance data for the
11 school year immediately preceding the school year for which
12 general State aid is being calculated or the average of the
13 attendance data for the 3 preceding school years, whichever is
14 greater. The Average Daily Attendance figures utilized in
15 subsection (H) shall be the requisite attendance data for the
16 school year immediately preceding the school year for which
17 general State aid is being calculated.

18 (D) Available Local Resources.

19 (1) For purposes of calculating general State aid pursuant
20 to subsection (E), a representation of Available Local
21 Resources per pupil, as that term is defined and determined in
22 this subsection, shall be utilized. Available Local Resources
23 per pupil shall include a calculated dollar amount representing
24 local school district revenues from local property taxes and
25 from Corporate Personal Property Replacement Taxes, expressed

1 on the basis of pupils in Average Daily Attendance. Calculation
2 of Available Local Resources shall exclude any tax amnesty
3 funds received as a result of Public Act 93-26.

4 (2) In determining a school district's revenue from local
5 property taxes, the State Board of Education shall utilize the
6 equalized assessed valuation of all taxable property of each
7 school district as of September 30 of the previous year. The
8 equalized assessed valuation utilized shall be obtained and
9 determined as provided in subsection (G).

10 (3) For school districts maintaining grades kindergarten
11 through 12, local property tax revenues per pupil shall be
12 calculated as the product of the applicable equalized assessed
13 valuation for the district multiplied by 3.00%, and divided by
14 the district's Average Daily Attendance figure. For school
15 districts maintaining grades kindergarten through 8, local
16 property tax revenues per pupil shall be calculated as the
17 product of the applicable equalized assessed valuation for the
18 district multiplied by 2.30%, and divided by the district's
19 Average Daily Attendance figure. For school districts
20 maintaining grades 9 through 12, local property tax revenues
21 per pupil shall be the applicable equalized assessed valuation
22 of the district multiplied by 1.05%, and divided by the
23 district's Average Daily Attendance figure.

24 For partial elementary unit districts created pursuant to
25 Article 11E of this Code, local property tax revenues per pupil
26 shall be calculated as the product of the equalized assessed

1 valuation for property within the partial elementary unit
2 district for elementary purposes, as defined in Article 11E of
3 this Code, multiplied by 2.06% and divided by the district's
4 Average Daily Attendance figure, plus the product of the
5 equalized assessed valuation for property within the partial
6 elementary unit district for high school purposes, as defined
7 in Article 11E of this Code, multiplied by 0.94% and divided by
8 the district's Average Daily Attendance figure.

9 (4) The Corporate Personal Property Replacement Taxes paid
10 to each school district during the calendar year one year
11 before the calendar year in which a school year begins, divided
12 by the Average Daily Attendance figure for that district, shall
13 be added to the local property tax revenues per pupil as
14 derived by the application of the immediately preceding
15 paragraph (3). The sum of these per pupil figures for each
16 school district shall constitute Available Local Resources as
17 that term is utilized in subsection (E) in the calculation of
18 general State aid.

19 (E) Computation of General State Aid.

20 (1) For each school year, the amount of general State aid
21 allotted to a school district shall be computed by the State
22 Board of Education as provided in this subsection.

23 (2) For any school district for which Available Local
24 Resources per pupil is less than the product of 0.93 times the
25 Foundation Level, general State aid for that district shall be

1 calculated as an amount equal to the Foundation Level minus
2 Available Local Resources, multiplied by the Average Daily
3 Attendance of the school district.

4 (3) For any school district for which Available Local
5 Resources per pupil is equal to or greater than the product of
6 0.93 times the Foundation Level and less than the product of
7 1.75 times the Foundation Level, the general State aid per
8 pupil shall be a decimal proportion of the Foundation Level
9 derived using a linear algorithm. Under this linear algorithm,
10 the calculated general State aid per pupil shall decline in
11 direct linear fashion from 0.07 times the Foundation Level for
12 a school district with Available Local Resources equal to the
13 product of 0.93 times the Foundation Level, to 0.05 times the
14 Foundation Level for a school district with Available Local
15 Resources equal to the product of 1.75 times the Foundation
16 Level. The allocation of general State aid for school districts
17 subject to this paragraph 3 shall be the calculated general
18 State aid per pupil figure multiplied by the Average Daily
19 Attendance of the school district.

20 (4) For any school district for which Available Local
21 Resources per pupil equals or exceeds the product of 1.75 times
22 the Foundation Level, the general State aid for the school
23 district shall be calculated as the product of \$218 multiplied
24 by the Average Daily Attendance of the school district.

25 (5) The amount of general State aid allocated to a school
26 district for the 1999-2000 school year meeting the requirements

1 set forth in paragraph (4) of subsection (G) shall be increased
2 by an amount equal to the general State aid that would have
3 been received by the district for the 1998-1999 school year by
4 utilizing the Extension Limitation Equalized Assessed
5 Valuation as calculated in paragraph (4) of subsection (G) less
6 the general State aid allotted for the 1998-1999 school year.
7 This amount shall be deemed a one time increase, and shall not
8 affect any future general State aid allocations.

9 (F) Compilation of Average Daily Attendance.

10 (1) Each school district shall, by July 1 of each year,
11 submit to the State Board of Education, on forms prescribed by
12 the State Board of Education, attendance figures for the school
13 year that began in the preceding calendar year. The attendance
14 information so transmitted shall identify the average daily
15 attendance figures for each month of the school year. Beginning
16 with the general State aid claim form for the 2002-2003 school
17 year, districts shall calculate Average Daily Attendance as
18 provided in subdivisions (a), (b), and (c) of this paragraph
19 (1).

20 (a) In districts that do not hold year-round classes,
21 days of attendance in August shall be added to the month of
22 September and any days of attendance in June shall be added
23 to the month of May.

24 (b) In districts in which all buildings hold year-round
25 classes, days of attendance in July and August shall be

1 added to the month of September and any days of attendance
2 in June shall be added to the month of May.

3 (c) In districts in which some buildings, but not all,
4 hold year-round classes, for the non-year-round buildings,
5 days of attendance in August shall be added to the month of
6 September and any days of attendance in June shall be added
7 to the month of May. The average daily attendance for the
8 year-round buildings shall be computed as provided in
9 subdivision (b) of this paragraph (1). To calculate the
10 Average Daily Attendance for the district, the average
11 daily attendance for the year-round buildings shall be
12 multiplied by the days in session for the non-year-round
13 buildings for each month and added to the monthly
14 attendance of the non-year-round buildings.

15 Except as otherwise provided in this Section, days of
16 attendance by pupils shall be counted only for sessions of not
17 less than 5 clock hours of school work per day under direct
18 supervision of: (i) teachers, or (ii) non-teaching personnel or
19 volunteer personnel when engaging in non-teaching duties and
20 supervising in those instances specified in subsection (a) of
21 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils
22 of legal school age and in kindergarten and grades 1 through
23 12. Days of attendance by pupils through verified participation
24 in an e-learning program approved by the State Board of
25 Education under Section 10-20.56 of the Code shall be
26 considered as full days of attendance for purposes of this

1 Section.

2 Days of attendance by tuition pupils shall be accredited
3 only to the districts that pay the tuition to a recognized
4 school.

5 (2) Days of attendance by pupils of less than 5 clock hours
6 of school shall be subject to the following provisions in the
7 compilation of Average Daily Attendance.

8 (a) Pupils regularly enrolled in a public school for
9 only a part of the school day may be counted on the basis
10 of 1/6 day for every class hour of instruction of 40
11 minutes or more attended pursuant to such enrollment,
12 unless a pupil is enrolled in a block-schedule format of 80
13 minutes or more of instruction, in which case the pupil may
14 be counted on the basis of the proportion of minutes of
15 school work completed each day to the minimum number of
16 minutes that school work is required to be held that day.

17 (b) (Blank).

18 (c) A session of 4 or more clock hours may be counted
19 as a day of attendance upon certification by the regional
20 superintendent, and approved by the State Superintendent
21 of Education to the extent that the district has been
22 forced to use daily multiple sessions.

23 (d) A session of 3 or more clock hours may be counted
24 as a day of attendance (1) when the remainder of the school
25 day or at least 2 hours in the evening of that day is
26 utilized for an in-service training program for teachers,

1 up to a maximum of 5 days per school year, provided a
2 district conducts an in-service training program for
3 teachers in accordance with Section 10-22.39 of this Code;
4 or, in lieu of 4 such days, 2 full days may be used, in
5 which event each such day may be counted as a day required
6 for a legal school calendar pursuant to Section 10-19 of
7 this Code; (1.5) when, of the 5 days allowed under item
8 (1), a maximum of 4 days are used for parent-teacher
9 conferences, or, in lieu of 4 such days, 2 full days are
10 used, in which case each such day may be counted as a
11 calendar day required under Section 10-19 of this Code,
12 provided that the full-day, parent-teacher conference
13 consists of (i) a minimum of 5 clock hours of
14 parent-teacher conferences, (ii) both a minimum of 2 clock
15 hours of parent-teacher conferences held in the evening
16 following a full day of student attendance, as specified in
17 subsection (F)(1)(c), and a minimum of 3 clock hours of
18 parent-teacher conferences held on the day immediately
19 following evening parent-teacher conferences, or (iii)
20 multiple parent-teacher conferences held in the evenings
21 following full days of student attendance, as specified in
22 subsection (F)(1)(c), in which the time used for the
23 parent-teacher conferences is equivalent to a minimum of 5
24 clock hours; and (2) when days in addition to those
25 provided in items (1) and (1.5) are scheduled by a school
26 pursuant to its school improvement plan adopted under

1 Article 34 or its revised or amended school improvement
2 plan adopted under Article 2, provided that (i) such
3 sessions of 3 or more clock hours are scheduled to occur at
4 regular intervals, (ii) the remainder of the school days in
5 which such sessions occur are utilized for in-service
6 training programs or other staff development activities
7 for teachers, and (iii) a sufficient number of minutes of
8 school work under the direct supervision of teachers are
9 added to the school days between such regularly scheduled
10 sessions to accumulate not less than the number of minutes
11 by which such sessions of 3 or more clock hours fall short
12 of 5 clock hours. Any full days used for the purposes of
13 this paragraph shall not be considered for computing
14 average daily attendance. Days scheduled for in-service
15 training programs, staff development activities, or
16 parent-teacher conferences may be scheduled separately for
17 different grade levels and different attendance centers of
18 the district.

19 (e) A session of not less than one clock hour of
20 teaching hospitalized or homebound pupils on-site or by
21 telephone to the classroom may be counted as 1/2 day of
22 attendance, however these pupils must receive 4 or more
23 clock hours of instruction to be counted for a full day of
24 attendance.

25 (f) A session of at least 4 clock hours may be counted
26 as a day of attendance for first grade pupils, and pupils

1 in full day kindergartens, and a session of 2 or more hours
2 may be counted as 1/2 day of attendance by pupils in
3 kindergartens which provide only 1/2 day of attendance.

4 (g) For children with disabilities who are below the
5 age of 6 years and who cannot attend 2 or more clock hours
6 because of their disability or immaturity, a session of not
7 less than one clock hour may be counted as 1/2 day of
8 attendance; however for such children whose educational
9 needs so require a session of 4 or more clock hours may be
10 counted as a full day of attendance.

11 (h) A recognized kindergarten which provides for only
12 1/2 day of attendance by each pupil shall not have more
13 than 1/2 day of attendance counted in any one day. However,
14 kindergartens may count 2 1/2 days of attendance in any 5
15 consecutive school days. When a pupil attends such a
16 kindergarten for 2 half days on any one school day, the
17 pupil shall have the following day as a day absent from
18 school, unless the school district obtains permission in
19 writing from the State Superintendent of Education.
20 Attendance at kindergartens which provide for a full day of
21 attendance by each pupil shall be counted the same as
22 attendance by first grade pupils. Only the first year of
23 attendance in one kindergarten shall be counted, except in
24 case of children who entered the kindergarten in their
25 fifth year whose educational development requires a second
26 year of kindergarten as determined under the rules and

1 regulations of the State Board of Education.

2 (i) On the days when the assessment that includes a
3 college and career ready determination is administered
4 under subsection (c) of Section 2-3.64a-5 of this Code, the
5 day of attendance for a pupil whose school day must be
6 shortened to accommodate required testing procedures may
7 be less than 5 clock hours and shall be counted towards the
8 176 days of actual pupil attendance required under Section
9 10-19 of this Code, provided that a sufficient number of
10 minutes of school work in excess of 5 clock hours are first
11 completed on other school days to compensate for the loss
12 of school work on the examination days.

13 (j) Pupils enrolled in a remote educational program
14 established under Section 10-29 of this Code may be counted
15 on the basis of one-fifth day of attendance for every clock
16 hour of instruction attended in the remote educational
17 program, provided that, in any month, the school district
18 may not claim for a student enrolled in a remote
19 educational program more days of attendance than the
20 maximum number of days of attendance the district can claim

21 (i) for students enrolled in a building holding year-round
22 classes if the student is classified as participating in
23 the remote educational program on a year-round schedule or

24 (ii) for students enrolled in a building not holding
25 year-round classes if the student is not classified as
26 participating in the remote educational program on a

1 year-round schedule.

2 (G) Equalized Assessed Valuation Data.

3 (1) For purposes of the calculation of Available Local
4 Resources required pursuant to subsection (D), the State Board
5 of Education shall secure from the Department of Revenue the
6 value as equalized or assessed by the Department of Revenue of
7 all taxable property of every school district, together with
8 (i) the applicable tax rate used in extending taxes for the
9 funds of the district as of September 30 of the previous year
10 and (ii) the limiting rate for all school districts subject to
11 property tax extension limitations as imposed under the
12 Property Tax Extension Limitation Law.

13 The Department of Revenue shall add to the equalized
14 assessed value of all taxable property of each school district
15 situated entirely or partially within a county that is or was
16 subject to the provisions of Section 15-176 or 15-177 of the
17 Property Tax Code (a) an amount equal to the total amount by
18 which the homestead exemption allowed under Section 15-176 or
19 15-177 of the Property Tax Code for real property situated in
20 that school district exceeds the total amount that would have
21 been allowed in that school district if the maximum reduction
22 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in
23 all other counties in tax year 2003 or (ii) \$5,000 in all
24 counties in tax year 2004 and thereafter and (b) an amount
25 equal to the aggregate amount for the taxable year of all

1 additional exemptions under Section 15-175 of the Property Tax
2 Code for owners with a household income of \$30,000 or less. The
3 county clerk of any county that is or was subject to the
4 provisions of Section 15-176 or 15-177 of the Property Tax Code
5 shall annually calculate and certify to the Department of
6 Revenue for each school district all homestead exemption
7 amounts under Section 15-176 or 15-177 of the Property Tax Code
8 and all amounts of additional exemptions under Section 15-175
9 of the Property Tax Code for owners with a household income of
10 \$30,000 or less. It is the intent of this paragraph that if the
11 general homestead exemption for a parcel of property is
12 determined under Section 15-176 or 15-177 of the Property Tax
13 Code rather than Section 15-175, then the calculation of
14 Available Local Resources shall not be affected by the
15 difference, if any, between the amount of the general homestead
16 exemption allowed for that parcel of property under Section
17 15-176 or 15-177 of the Property Tax Code and the amount that
18 would have been allowed had the general homestead exemption for
19 that parcel of property been determined under Section 15-175 of
20 the Property Tax Code. It is further the intent of this
21 paragraph that if additional exemptions are allowed under
22 Section 15-175 of the Property Tax Code for owners with a
23 household income of less than \$30,000, then the calculation of
24 Available Local Resources shall not be affected by the
25 difference, if any, because of those additional exemptions.

26 This equalized assessed valuation, as adjusted further by

1 the requirements of this subsection, shall be utilized in the
2 calculation of Available Local Resources.

3 (2) The equalized assessed valuation in paragraph (1) shall
4 be adjusted, as applicable, in the following manner:

5 (a) For the purposes of calculating State aid under
6 this Section, with respect to any part of a school district
7 within a redevelopment project area in respect to which a
8 municipality has adopted tax increment allocation
9 financing pursuant to the Tax Increment Allocation
10 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11
11 of the Illinois Municipal Code or the Industrial Jobs
12 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the
13 Illinois Municipal Code, no part of the current equalized
14 assessed valuation of real property located in any such
15 project area which is attributable to an increase above the
16 total initial equalized assessed valuation of such
17 property shall be used as part of the equalized assessed
18 valuation of the district, until such time as all
19 redevelopment project costs have been paid, as provided in
20 Section 11-74.4-8 of the Tax Increment Allocation
21 Redevelopment Act or in Section 11-74.6-35 of the
22 Industrial Jobs Recovery Law. For the purpose of the
23 equalized assessed valuation of the district, the total
24 initial equalized assessed valuation or the current
25 equalized assessed valuation, whichever is lower, shall be
26 used until such time as all redevelopment project costs

1 have been paid.

2 (b) The real property equalized assessed valuation for
3 a school district shall be adjusted by subtracting from the
4 real property value as equalized or assessed by the
5 Department of Revenue for the district an amount computed
6 by dividing the amount of any abatement of taxes under
7 Section 18-170 of the Property Tax Code by 3.00% for a
8 district maintaining grades kindergarten through 12, by
9 2.30% for a district maintaining grades kindergarten
10 through 8, or by 1.05% for a district maintaining grades 9
11 through 12 and adjusted by an amount computed by dividing
12 the amount of any abatement of taxes under subsection (a)
13 of Section 18-165 of the Property Tax Code by the same
14 percentage rates for district type as specified in this
15 subparagraph (b).

16 (3) For the 1999-2000 school year and each school year
17 thereafter, if a school district meets all of the criteria of
18 this subsection (G) (3), the school district's Available Local
19 Resources shall be calculated under subsection (D) using the
20 district's Extension Limitation Equalized Assessed Valuation
21 as calculated under this subsection (G) (3).

22 For purposes of this subsection (G) (3) the following terms
23 shall have the following meanings:

24 "Budget Year": The school year for which general State
25 aid is calculated and awarded under subsection (E).

26 "Base Tax Year": The property tax levy year used to

1 calculate the Budget Year allocation of general State aid.

2 "Preceding Tax Year": The property tax levy year
3 immediately preceding the Base Tax Year.

4 "Base Tax Year's Tax Extension": The product of the
5 equalized assessed valuation utilized by the County Clerk
6 in the Base Tax Year multiplied by the limiting rate as
7 calculated by the County Clerk and defined in the Property
8 Tax Extension Limitation Law.

9 "Preceding Tax Year's Tax Extension": The product of
10 the equalized assessed valuation utilized by the County
11 Clerk in the Preceding Tax Year multiplied by the Operating
12 Tax Rate as defined in subsection (A).

13 "Extension Limitation Ratio": A numerical ratio,
14 certified by the County Clerk, in which the numerator is
15 the Base Tax Year's Tax Extension and the denominator is
16 the Preceding Tax Year's Tax Extension.

17 "Operating Tax Rate": The operating tax rate as defined
18 in subsection (A).

19 If a school district is subject to property tax extension
20 limitations as imposed under the Property Tax Extension
21 Limitation Law, the State Board of Education shall calculate
22 the Extension Limitation Equalized Assessed Valuation of that
23 district. For the 1999-2000 school year, the Extension
24 Limitation Equalized Assessed Valuation of a school district as
25 calculated by the State Board of Education shall be equal to
26 the product of the district's 1996 Equalized Assessed Valuation

1 and the district's Extension Limitation Ratio. Except as
2 otherwise provided in this paragraph for a school district that
3 has approved or does approve an increase in its limiting rate,
4 for the 2000-2001 school year and each school year thereafter,
5 the Extension Limitation Equalized Assessed Valuation of a
6 school district as calculated by the State Board of Education
7 shall be equal to the product of the Equalized Assessed
8 Valuation last used in the calculation of general State aid and
9 the district's Extension Limitation Ratio. If the Extension
10 Limitation Equalized Assessed Valuation of a school district as
11 calculated under this subsection (G)(3) is less than the
12 district's equalized assessed valuation as calculated pursuant
13 to subsections (G)(1) and (G)(2), then for purposes of
14 calculating the district's general State aid for the Budget
15 Year pursuant to subsection (E), that Extension Limitation
16 Equalized Assessed Valuation shall be utilized to calculate the
17 district's Available Local Resources under subsection (D). For
18 the 2009-2010 school year and each school year thereafter, if a
19 school district has approved or does approve an increase in its
20 limiting rate, pursuant to Section 18-190 of the Property Tax
21 Code, affecting the Base Tax Year, the Extension Limitation
22 Equalized Assessed Valuation of the school district, as
23 calculated by the State Board of Education, shall be equal to
24 the product of the Equalized Assessed Valuation last used in
25 the calculation of general State aid times an amount equal to
26 one plus the percentage increase, if any, in the Consumer Price

1 Index for all Urban Consumers for all items published by the
2 United States Department of Labor for the 12-month calendar
3 year preceding the Base Tax Year, plus the Equalized Assessed
4 Valuation of new property, annexed property, and recovered tax
5 increment value and minus the Equalized Assessed Valuation of
6 disconnected property. New property and recovered tax
7 increment value shall have the meanings set forth in the
8 Property Tax Extension Limitation Law.

9 Partial elementary unit districts created in accordance
10 with Article 11E of this Code shall not be eligible for the
11 adjustment in this subsection (G)(3) until the fifth year
12 following the effective date of the reorganization.

13 (3.5) For the 2010-2011 school year and each school year
14 thereafter, if a school district's boundaries span multiple
15 counties, then the Department of Revenue shall send to the
16 State Board of Education, for the purpose of calculating
17 general State aid, the limiting rate and individual rates by
18 purpose for the county that contains the majority of the school
19 district's Equalized Assessed Valuation.

20 (4) For the purposes of calculating general State aid for
21 the 1999-2000 school year only, if a school district
22 experienced a triennial reassessment on the equalized assessed
23 valuation used in calculating its general State financial aid
24 apportionment for the 1998-1999 school year, the State Board of
25 Education shall calculate the Extension Limitation Equalized
26 Assessed Valuation that would have been used to calculate the

1 district's 1998-1999 general State aid. This amount shall equal
2 the product of the equalized assessed valuation used to
3 calculate general State aid for the 1997-1998 school year and
4 the district's Extension Limitation Ratio. If the Extension
5 Limitation Equalized Assessed Valuation of the school district
6 as calculated under this paragraph (4) is less than the
7 district's equalized assessed valuation utilized in
8 calculating the district's 1998-1999 general State aid
9 allocation, then for purposes of calculating the district's
10 general State aid pursuant to paragraph (5) of subsection (E),
11 that Extension Limitation Equalized Assessed Valuation shall
12 be utilized to calculate the district's Available Local
13 Resources.

14 (5) For school districts having a majority of their
15 equalized assessed valuation in any county except Cook, DuPage,
16 Kane, Lake, McHenry, or Will, if the amount of general State
17 aid allocated to the school district for the 1999-2000 school
18 year under the provisions of subsection (E), (H), and (J) of
19 this Section is less than the amount of general State aid
20 allocated to the district for the 1998-1999 school year under
21 these subsections, then the general State aid of the district
22 for the 1999-2000 school year only shall be increased by the
23 difference between these amounts. The total payments made under
24 this paragraph (5) shall not exceed \$14,000,000. Claims shall
25 be prorated if they exceed \$14,000,000.

1 (H) Supplemental General State Aid.

2 (1) In addition to the general State aid a school district
3 is allotted pursuant to subsection (E), qualifying school
4 districts shall receive a grant, paid in conjunction with a
5 district's payments of general State aid, for supplemental
6 general State aid based upon the concentration level of
7 children from low-income households within the school
8 district. Supplemental State aid grants provided for school
9 districts under this subsection shall be appropriated for
10 distribution to school districts as part of the same line item
11 in which the general State financial aid of school districts is
12 appropriated under this Section.

13 (1.5) This paragraph (1.5) applies only to those school
14 years preceding the 2003-2004 school year. For purposes of this
15 subsection (H), the term "Low-Income Concentration Level"
16 shall be the low-income eligible pupil count from the most
17 recently available federal census divided by the Average Daily
18 Attendance of the school district. If, however, (i) the
19 percentage decrease from the 2 most recent federal censuses in
20 the low-income eligible pupil count of a high school district
21 with fewer than 400 students exceeds by 75% or more the
22 percentage change in the total low-income eligible pupil count
23 of contiguous elementary school districts, whose boundaries
24 are coterminous with the high school district, or (ii) a high
25 school district within 2 counties and serving 5 elementary
26 school districts, whose boundaries are coterminous with the

1 high school district, has a percentage decrease from the 2 most
2 recent federal censuses in the low-income eligible pupil count
3 and there is a percentage increase in the total low-income
4 eligible pupil count of a majority of the elementary school
5 districts in excess of 50% from the 2 most recent federal
6 censuses, then the high school district's low-income eligible
7 pupil count from the earlier federal census shall be the number
8 used as the low-income eligible pupil count for the high school
9 district, for purposes of this subsection (H). The changes made
10 to this paragraph (1) by Public Act 92-28 shall apply to
11 supplemental general State aid grants for school years
12 preceding the 2003-2004 school year that are paid in fiscal
13 year 1999 or thereafter and to any State aid payments made in
14 fiscal year 1994 through fiscal year 1998 pursuant to
15 subsection 1(n) of Section 18-8 of this Code (which was
16 repealed on July 1, 1998), and any high school district that is
17 affected by Public Act 92-28 is entitled to a recomputation of
18 its supplemental general State aid grant or State aid paid in
19 any of those fiscal years. This recomputation shall not be
20 affected by any other funding.

21 (1.10) This paragraph (1.10) applies to the 2003-2004
22 school year and each school year thereafter through the
23 2016-2017 school year. For purposes of this subsection (H), the
24 term "Low-Income Concentration Level" shall, for each fiscal
25 year, be the low-income eligible pupil count as of July 1 of
26 the immediately preceding fiscal year (as determined by the

1 Department of Human Services based on the number of pupils who
2 are eligible for at least one of the following low income
3 programs: Medicaid, the Children's Health Insurance Program,
4 TANF, or Food Stamps, excluding pupils who are eligible for
5 services provided by the Department of Children and Family
6 Services, averaged over the 2 immediately preceding fiscal
7 years for fiscal year 2004 and over the 3 immediately preceding
8 fiscal years for each fiscal year thereafter) divided by the
9 Average Daily Attendance of the school district.

10 (2) Supplemental general State aid pursuant to this
11 subsection (H) shall be provided as follows for the 1998-1999,
12 1999-2000, and 2000-2001 school years only:

13 (a) For any school district with a Low Income
14 Concentration Level of at least 20% and less than 35%, the
15 grant for any school year shall be \$800 multiplied by the
16 low income eligible pupil count.

17 (b) For any school district with a Low Income
18 Concentration Level of at least 35% and less than 50%, the
19 grant for the 1998-1999 school year shall be \$1,100
20 multiplied by the low income eligible pupil count.

21 (c) For any school district with a Low Income
22 Concentration Level of at least 50% and less than 60%, the
23 grant for the 1998-99 school year shall be \$1,500
24 multiplied by the low income eligible pupil count.

25 (d) For any school district with a Low Income
26 Concentration Level of 60% or more, the grant for the

1 1998-99 school year shall be \$1,900 multiplied by the low
2 income eligible pupil count.

3 (e) For the 1999-2000 school year, the per pupil amount
4 specified in subparagraphs (b), (c), and (d) immediately
5 above shall be increased to \$1,243, \$1,600, and \$2,000,
6 respectively.

7 (f) For the 2000-2001 school year, the per pupil
8 amounts specified in subparagraphs (b), (c), and (d)
9 immediately above shall be \$1,273, \$1,640, and \$2,050,
10 respectively.

11 (2.5) Supplemental general State aid pursuant to this
12 subsection (H) shall be provided as follows for the 2002-2003
13 school year:

14 (a) For any school district with a Low Income
15 Concentration Level of less than 10%, the grant for each
16 school year shall be \$355 multiplied by the low income
17 eligible pupil count.

18 (b) For any school district with a Low Income
19 Concentration Level of at least 10% and less than 20%, the
20 grant for each school year shall be \$675 multiplied by the
21 low income eligible pupil count.

22 (c) For any school district with a Low Income
23 Concentration Level of at least 20% and less than 35%, the
24 grant for each school year shall be \$1,330 multiplied by
25 the low income eligible pupil count.

26 (d) For any school district with a Low Income

1 Concentration Level of at least 35% and less than 50%, the
2 grant for each school year shall be \$1,362 multiplied by
3 the low income eligible pupil count.

4 (e) For any school district with a Low Income
5 Concentration Level of at least 50% and less than 60%, the
6 grant for each school year shall be \$1,680 multiplied by
7 the low income eligible pupil count.

8 (f) For any school district with a Low Income
9 Concentration Level of 60% or more, the grant for each
10 school year shall be \$2,080 multiplied by the low income
11 eligible pupil count.

12 (2.10) Except as otherwise provided, supplemental general
13 State aid pursuant to this subsection (H) shall be provided as
14 follows for the 2003-2004 school year and each school year
15 thereafter:

16 (a) For any school district with a Low Income
17 Concentration Level of 15% or less, the grant for each
18 school year shall be \$355 multiplied by the low income
19 eligible pupil count.

20 (b) For any school district with a Low Income
21 Concentration Level greater than 15%, the grant for each
22 school year shall be \$294.25 added to the product of \$2,700
23 and the square of the Low Income Concentration Level, all
24 multiplied by the low income eligible pupil count.

25 For the 2003-2004 school year and each school year
26 thereafter through the 2008-2009 school year only, the grant

1 shall be no less than the grant for the 2002-2003 school year.
2 For the 2009-2010 school year only, the grant shall be no less
3 than the grant for the 2002-2003 school year multiplied by
4 0.66. For the 2010-2011 school year only, the grant shall be no
5 less than the grant for the 2002-2003 school year multiplied by
6 0.33. Notwithstanding the provisions of this paragraph to the
7 contrary, if for any school year supplemental general State aid
8 grants are prorated as provided in paragraph (1) of this
9 subsection (H), then the grants under this paragraph shall be
10 prorated.

11 For the 2003-2004 school year only, the grant shall be no
12 greater than the grant received during the 2002-2003 school
13 year added to the product of 0.25 multiplied by the difference
14 between the grant amount calculated under subsection (a) or (b)
15 of this paragraph (2.10), whichever is applicable, and the
16 grant received during the 2002-2003 school year. For the
17 2004-2005 school year only, the grant shall be no greater than
18 the grant received during the 2002-2003 school year added to
19 the product of 0.50 multiplied by the difference between the
20 grant amount calculated under subsection (a) or (b) of this
21 paragraph (2.10), whichever is applicable, and the grant
22 received during the 2002-2003 school year. For the 2005-2006
23 school year only, the grant shall be no greater than the grant
24 received during the 2002-2003 school year added to the product
25 of 0.75 multiplied by the difference between the grant amount
26 calculated under subsection (a) or (b) of this paragraph

1 (2.10), whichever is applicable, and the grant received during
2 the 2002-2003 school year.

3 (3) School districts with an Average Daily Attendance of
4 more than 1,000 and less than 50,000 that qualify for
5 supplemental general State aid pursuant to this subsection
6 shall submit a plan to the State Board of Education prior to
7 October 30 of each year for the use of the funds resulting from
8 this grant of supplemental general State aid for the
9 improvement of instruction in which priority is given to
10 meeting the education needs of disadvantaged children. Such
11 plan shall be submitted in accordance with rules and
12 regulations promulgated by the State Board of Education.

13 (4) School districts with an Average Daily Attendance of
14 50,000 or more that qualify for supplemental general State aid
15 pursuant to this subsection shall be required to distribute
16 from funds available pursuant to this Section, no less than
17 \$261,000,000 in accordance with the following requirements:

18 (a) The required amounts shall be distributed to the
19 attendance centers within the district in proportion to the
20 number of pupils enrolled at each attendance center who are
21 eligible to receive free or reduced-price lunches or
22 breakfasts under the federal Child Nutrition Act of 1966
23 and under the National School Lunch Act during the
24 immediately preceding school year.

25 (b) The distribution of these portions of supplemental
26 and general State aid among attendance centers according to

1 these requirements shall not be compensated for or
2 contravened by adjustments of the total of other funds
3 appropriated to any attendance centers, and the Board of
4 Education shall utilize funding from one or several sources
5 in order to fully implement this provision annually prior
6 to the opening of school.

7 (c) Each attendance center shall be provided by the
8 school district a distribution of noncategorical funds and
9 other categorical funds to which an attendance center is
10 entitled under law in order that the general State aid and
11 supplemental general State aid provided by application of
12 this subsection supplements rather than supplants the
13 noncategorical funds and other categorical funds provided
14 by the school district to the attendance centers.

15 (d) Any funds made available under this subsection that
16 by reason of the provisions of this subsection are not
17 required to be allocated and provided to attendance centers
18 may be used and appropriated by the board of the district
19 for any lawful school purpose.

20 (e) Funds received by an attendance center pursuant to
21 this subsection shall be used by the attendance center at
22 the discretion of the principal and local school council
23 for programs to improve educational opportunities at
24 qualifying schools through the following programs and
25 services: early childhood education, reduced class size or
26 improved adult to student classroom ratio, enrichment

1 programs, remedial assistance, attendance improvement, and
2 other educationally beneficial expenditures which
3 supplement the regular and basic programs as determined by
4 the State Board of Education. Funds provided shall not be
5 expended for any political or lobbying purposes as defined
6 by board rule.

7 (f) Each district subject to the provisions of this
8 subdivision (H) (4) shall submit an acceptable plan to meet
9 the educational needs of disadvantaged children, in
10 compliance with the requirements of this paragraph, to the
11 State Board of Education prior to July 15 of each year.
12 This plan shall be consistent with the decisions of local
13 school councils concerning the school expenditure plans
14 developed in accordance with part 4 of Section 34-2.3. The
15 State Board shall approve or reject the plan within 60 days
16 after its submission. If the plan is rejected, the district
17 shall give written notice of intent to modify the plan
18 within 15 days of the notification of rejection and then
19 submit a modified plan within 30 days after the date of the
20 written notice of intent to modify. Districts may amend
21 approved plans pursuant to rules promulgated by the State
22 Board of Education.

23 Upon notification by the State Board of Education that
24 the district has not submitted a plan prior to July 15 or a
25 modified plan within the time period specified herein, the
26 State aid funds affected by that plan or modified plan

1 shall be withheld by the State Board of Education until a
2 plan or modified plan is submitted.

3 If the district fails to distribute State aid to
4 attendance centers in accordance with an approved plan, the
5 plan for the following year shall allocate funds, in
6 addition to the funds otherwise required by this
7 subsection, to those attendance centers which were
8 underfunded during the previous year in amounts equal to
9 such underfunding.

10 For purposes of determining compliance with this
11 subsection in relation to the requirements of attendance
12 center funding, each district subject to the provisions of
13 this subsection shall submit as a separate document by
14 December 1 of each year a report of expenditure data for
15 the prior year in addition to any modification of its
16 current plan. If it is determined that there has been a
17 failure to comply with the expenditure provisions of this
18 subsection regarding contravention or supplanting, the
19 State Superintendent of Education shall, within 60 days of
20 receipt of the report, notify the district and any affected
21 local school council. The district shall within 45 days of
22 receipt of that notification inform the State
23 Superintendent of Education of the remedial or corrective
24 action to be taken, whether by amendment of the current
25 plan, if feasible, or by adjustment in the plan for the
26 following year. Failure to provide the expenditure report

1 or the notification of remedial or corrective action in a
2 timely manner shall result in a withholding of the affected
3 funds.

4 The State Board of Education shall promulgate rules and
5 regulations to implement the provisions of this
6 subsection. No funds shall be released under this
7 subdivision (H) (4) to any district that has not submitted a
8 plan that has been approved by the State Board of
9 Education.

10 (I) (Blank).

11 (J) (Blank).

12 (K) Grants to Laboratory and Alternative Schools.

13 In calculating the amount to be paid to the governing board
14 of a public university that operates a laboratory school under
15 this Section or to any alternative school that is operated by a
16 regional superintendent of schools, the State Board of
17 Education shall require by rule such reporting requirements as
18 it deems necessary.

19 As used in this Section, "laboratory school" means a public
20 school which is created and operated by a public university and
21 approved by the State Board of Education. The governing board
22 of a public university which receives funds from the State
23 Board under this subsection (K) or subsection (g) of Section

1 18-8.15 of this Code may not increase the number of students
2 enrolled in its laboratory school from a single district, if
3 that district is already sending 50 or more students, except
4 under a mutual agreement between the school board of a
5 student's district of residence and the university which
6 operates the laboratory school. A laboratory school may not
7 have more than 1,000 students, excluding students with
8 disabilities in a special education program.

9 As used in this Section, "alternative school" means a
10 public school which is created and operated by a Regional
11 Superintendent of Schools and approved by the State Board of
12 Education. Such alternative schools may offer courses of
13 instruction for which credit is given in regular school
14 programs, courses to prepare students for the high school
15 equivalency testing program or vocational and occupational
16 training. A regional superintendent of schools may contract
17 with a school district or a public community college district
18 to operate an alternative school. An alternative school serving
19 more than one educational service region may be established by
20 the regional superintendents of schools of the affected
21 educational service regions. An alternative school serving
22 more than one educational service region may be operated under
23 such terms as the regional superintendents of schools of those
24 educational service regions may agree.

25 Each laboratory and alternative school shall file, on forms
26 provided by the State Superintendent of Education, an annual

1 State aid claim which states the Average Daily Attendance of
2 the school's students by month. The best 3 months' Average
3 Daily Attendance shall be computed for each school. The general
4 State aid entitlement shall be computed by multiplying the
5 applicable Average Daily Attendance by the Foundation Level as
6 determined under this Section.

7 (L) Payments, Additional Grants in Aid and Other Requirements.

8 (1) For a school district operating under the financial
9 supervision of an Authority created under Article 34A, the
10 general State aid otherwise payable to that district under this
11 Section, but not the supplemental general State aid, shall be
12 reduced by an amount equal to the budget for the operations of
13 the Authority as certified by the Authority to the State Board
14 of Education, and an amount equal to such reduction shall be
15 paid to the Authority created for such district for its
16 operating expenses in the manner provided in Section 18-11. The
17 remainder of general State school aid for any such district
18 shall be paid in accordance with Article 34A when that Article
19 provides for a disposition other than that provided by this
20 Article.

21 (2) (Blank).

22 (3) Summer school. Summer school payments shall be made as
23 provided in Section 18-4.3.

24 (M) (Blank). ~~Education Funding Advisory Board.~~

1 ~~The Education Funding Advisory Board, hereinafter in this~~
2 ~~subsection (M) referred to as the "Board", is hereby created.~~
3 ~~The Board shall consist of 5 members who are appointed by the~~
4 ~~Governor, by and with the advice and consent of the Senate. The~~
5 ~~members appointed shall include representatives of education,~~
6 ~~business, and the general public. One of the members so~~
7 ~~appointed shall be designated by the Governor at the time the~~
8 ~~appointment is made as the chairperson of the Board. The~~
9 ~~initial members of the Board may be appointed any time after~~
10 ~~the effective date of this amendatory Act of 1997. The regular~~
11 ~~term of each member of the Board shall be for 4 years from the~~
12 ~~third Monday of January of the year in which the term of the~~
13 ~~member's appointment is to commence, except that of the 5~~
14 ~~initial members appointed to serve on the Board, the member who~~
15 ~~is appointed as the chairperson shall serve for a term that~~
16 ~~commences on the date of his or her appointment and expires on~~
17 ~~the third Monday of January, 2002, and the remaining 4 members,~~
18 ~~by lots drawn at the first meeting of the Board that is held~~
19 ~~after all 5 members are appointed, shall determine 2 of their~~
20 ~~number to serve for terms that commence on the date of their~~
21 ~~respective appointments and expire on the third Monday of~~
22 ~~January, 2001, and 2 of their number to serve for terms that~~
23 ~~commence on the date of their respective appointments and~~
24 ~~expire on the third Monday of January, 2000. All members~~
25 ~~appointed to serve on the Board shall serve until their~~
26 ~~respective successors are appointed and confirmed. Vacancies~~

1 ~~shall be filled in the same manner as original appointments. If~~
2 ~~a vacancy in membership occurs at a time when the Senate is not~~
3 ~~in session, the Governor shall make a temporary appointment~~
4 ~~until the next meeting of the Senate, when he or she shall~~
5 ~~appoint, by and with the advice and consent of the Senate, a~~
6 ~~person to fill that membership for the unexpired term. If the~~
7 ~~Senate is not in session when the initial appointments are~~
8 ~~made, those appointments shall be made as in the case of~~
9 ~~vacancies.~~

10 ~~The Education Funding Advisory Board shall be deemed~~
11 ~~established, and the initial members appointed by the Governor~~
12 ~~to serve as members of the Board shall take office, on the date~~
13 ~~that the Governor makes his or her appointment of the fifth~~
14 ~~initial member of the Board, whether those initial members are~~
15 ~~then serving pursuant to appointment and confirmation or~~
16 ~~pursuant to temporary appointments that are made by the~~
17 ~~Governor as in the case of vacancies.~~

18 ~~The State Board of Education shall provide such staff~~
19 ~~assistance to the Education Funding Advisory Board as is~~
20 ~~reasonably required for the proper performance by the Board of~~
21 ~~its responsibilities.~~

22 ~~For school years after the 2000-2001 school year, the~~
23 ~~Education Funding Advisory Board, in consultation with the~~
24 ~~State Board of Education, shall make recommendations as~~
25 ~~provided in this subsection (M) to the General Assembly for the~~
26 ~~foundation level under subdivision (B) (3) of this Section and~~

1 ~~for the supplemental general State aid grant level under~~
2 ~~subsection (H) of this Section for districts with high~~
3 ~~concentrations of children from poverty. The recommended~~
4 ~~foundation level shall be determined based on a methodology~~
5 ~~which incorporates the basic education expenditures of~~
6 ~~low spending schools exhibiting high academic performance. The~~
7 ~~Education Funding Advisory Board shall make such~~
8 ~~recommendations to the General Assembly on January 1 of odd~~
9 ~~numbered years, beginning January 1, 2001.~~

10 (N) (Blank).

11 (O) References.

12 (1) References in other laws to the various subdivisions of
13 Section 18-8 as that Section existed before its repeal and
14 replacement by this Section 18-8.05 shall be deemed to refer to
15 the corresponding provisions of this Section 18-8.05, to the
16 extent that those references remain applicable.

17 (2) References in other laws to State Chapter 1 funds shall
18 be deemed to refer to the supplemental general State aid
19 provided under subsection (H) of this Section.

20 (P) Public Act 93-838 and Public Act 93-808 make inconsistent
21 changes to this Section. Under Section 6 of the Statute on
22 Statutes there is an irreconcilable conflict between Public Act
23 93-808 and Public Act 93-838. Public Act 93-838, being the last

1 acted upon, is controlling. The text of Public Act 93-838 is
2 the law regardless of the text of Public Act 93-808.

3 (Q) State Fiscal Year 2015 Payments.

4 For payments made for State fiscal year 2015, the State
5 Board of Education shall, for each school district, calculate
6 that district's pro-rata share of a minimum sum of \$13,600,000
7 or additional amounts as needed from the total net General
8 State Aid funding as calculated under this Section that shall
9 be deemed attributable to the provision of special educational
10 facilities and services, as defined in Section 14-1.08 of this
11 Code, in a manner that ensures compliance with maintenance of
12 State financial support requirements under the federal
13 Individuals with Disabilities Education Act. Each school
14 district must use such funds only for the provision of special
15 educational facilities and services, as defined in Section
16 14-1.08 of this Code, and must comply with any expenditure
17 verification procedures adopted by the State Board of
18 Education.

19 (R) State Fiscal Year 2016 Payments.

20 For payments made for State fiscal year 2016, the State
21 Board of Education shall, for each school district, calculate
22 that district's pro rata share of a minimum sum of \$1 or
23 additional amounts as needed from the total net General State
24 Aid funding as calculated under this Section that shall be

1 deemed attributable to the provision of special educational
2 facilities and services, as defined in Section 14-1.08 of this
3 Code, in a manner that ensures compliance with maintenance of
4 State financial support requirements under the federal
5 Individuals with Disabilities Education Act. Each school
6 district must use such funds only for the provision of special
7 educational facilities and services, as defined in Section
8 14-1.08 of this Code, and must comply with any expenditure
9 verification procedures adopted by the State Board of
10 Education.

11 (Source: P.A. 98-972, eff. 8-15-14; 99-2, eff. 3-26-15; 99-194,
12 eff. 7-30-15; 99-523, eff. 6-30-16.)

13 (105 ILCS 5/18-8.10)

14 Sec. 18-8.10. Fast growth grants.

15 (a) If there has been an increase in a school district's
16 student population over the most recent 2 school years of (i)
17 over 1.5% in a district with over 10,000 pupils in average
18 daily attendance (as defined in Section 18-8.05 or 18-8.15 of
19 this Code) or (ii) over 7.5% in any other district, then the
20 district is eligible for a grant under this Section, subject to
21 appropriation.

22 (b) The State Board of Education shall determine a per
23 pupil grant amount for each school district. The total grant
24 amount for a district for any given school year shall equal the
25 per pupil grant amount multiplied by the difference between the

1 number of pupils in average daily attendance for the 2 most
2 recent school years.

3 (c) Funds for grants under this Section must be
4 appropriated to the State Board of Education in a separate line
5 item for this purpose. If the amount appropriated in any fiscal
6 year is insufficient to pay all grants for a school year, then
7 the amount appropriated shall be prorated among eligible
8 districts. As soon as possible after funds have been
9 appropriated to the State Board of Education, the State Board
10 of Education shall distribute the grants to eligible districts.

11 (d) If a school district intentionally reports incorrect
12 average daily attendance numbers to receive a grant under this
13 Section, then the district shall be denied State aid in the
14 same manner as State aid is denied for intentional incorrect
15 reporting of average daily attendance numbers under Section
16 18-8.05 or 18-8.15 of this Code.

17 (Source: P.A. 93-1042, eff. 10-8-04.)

18 (105 ILCS 5/18-8.15 new)

19 Sec. 18-8.15. Evidence-based funding for student success
20 for the 2017-2018 and subsequent school years.

21 (a) General provisions.

22 (1) The purpose of this Section is to ensure that, by June
23 30, 2027 and beyond, this State has a kindergarten through
24 grade 12 public education system with the capacity to ensure
25 the educational development of all persons to the limits of

1 their capacities in accordance with Section 1 of Article X of
2 the Constitution of the State of Illinois. To accomplish that
3 objective, this Section creates a method of funding public
4 education that is evidence-based; is sufficient to ensure every
5 student receives a meaningful opportunity to learn
6 irrespective of race, ethnicity, sexual orientation, gender,
7 or community-income level; and is sustainable and predictable.
8 When fully funded under this Section, every school shall have
9 the resources, based on what the evidence indicates is needed,
10 to:

11 (A) provide all students with a high quality education
12 that offers the academic, enrichment, social and emotional
13 support, technical, and career-focused programs that will
14 allow them to become competitive workers, responsible
15 parents, productive citizens of this State, and active
16 members of our national democracy;

17 (B) ensure all students receive the education they need
18 to graduate from high school with the skills required to
19 pursue post-secondary education and training for a
20 rewarding career;

21 (C) reduce, with a goal of eliminating, the achievement
22 gap between at-risk and non-at-risk students by raising the
23 performance of at-risk students and not by reducing
24 standards; and

25 (D) ensure this State satisfies its obligation to
26 assume the primary responsibility to fund public education

1 and simultaneously relieve the disproportionate burden
2 placed on local property taxes to fund schools.

3 (2) The evidence-based funding formula under this Section
4 shall be applied to all Organizational Units in this State. As
5 further defined and described in this Section, there are 4
6 major components of the evidence-based funding model:

7 (A) First, the model calculates a unique adequacy
8 target for each Organizational Unit in this State that
9 considers the costs to implement research-based
10 activities, the unit's student demographics, and regional
11 wage difference.

12 (B) Second, the model calculates each Organizational
13 Unit's local capacity, or the amount each Organizational
14 Unit is assumed to contribute towards its adequacy target
15 from local resources.

16 (C) Third, the model calculates how much funding the
17 State currently contributes to the Organizational Unit,
18 and adds that to the unit's local capacity to determine the
19 unit's overall current adequacy of funding.

20 (D) Finally, the model's distribution method allocates
21 new State funding to those Organizational Units that are
22 least well-funded, considering both local capacity and
23 State funding, in relation to their adequacy target.

24 (3) An Organizational Unit receiving any funding under this
25 Section may apply those funds to any fund so received for which
26 that Organizational Unit is authorized to make expenditures by

1 law.

2 (4) As used in this Section, the following terms shall have
3 the meanings ascribed in this paragraph (4):

4 "Adequacy Target" is defined in paragraph (1) of subsection
5 (b) of this Section.

6 "Adjusted EAV" is defined in paragraph (4) of subsection
7 (d) of this Section.

8 "Adjusted Local Capacity Target" is defined in paragraph
9 (3) of subsection (c) of this Section.

10 "Adjusted Operating Tax Rate" means a tax rate for all
11 Organizational Units, for which the State Superintendent shall
12 calculate and subtract for the Operating Tax Rate a
13 transportation rate based on total expenses for transportation
14 services under this Code, as reported on the most recent Annual
15 Financial Report in Pupil Transportation Services, function
16 2550 in both the Education and Transportation funds and
17 functions 4110 and 4120 in the Transportation fund, less any
18 corresponding fiscal year State of Illinois scheduled payments
19 excluding net adjustments for prior years for regular,
20 vocational, or special education transportation reimbursement
21 pursuant to Section 29-5 or subsection (b) of Section 14-13.01
22 of this Code divided by the Adjusted EAV. If an Organizational
23 Unit's corresponding fiscal year State of Illinois scheduled
24 payments excluding net adjustments for prior years for regular,
25 vocational, or special education transportation reimbursement
26 pursuant to Section 29-5 or subsection (b) of Section 14-13.01

1 of this Code exceed the total transportation expenses, as
2 defined in this paragraph, no transportation rate shall be
3 subtracted from the Operating Tax Rate.

4 "Allocation Rate" is defined in paragraph (3) of subsection
5 (g) of this Section.

6 "Alternative School" means a public school that is created
7 and operated by a regional superintendent of schools and
8 approved by the State Board.

9 "Applicable Tax Rate" is defined in paragraph (1) of
10 subsection (d) of this Section.

11 "Assessment" means any of those benchmark, progress
12 monitoring, formative, diagnostic, and other assessments, in
13 addition to the State accountability assessment, that assist
14 teachers' needs in understanding the skills and meeting the
15 needs of the students they serve.

16 "Assistant principal" means a school administrator duly
17 endorsed to be employed as an assistant principal in this
18 State.

19 "At-risk student" means a student who is at risk of not
20 meeting the Illinois Learning Standards or not graduating from
21 elementary or high school and who demonstrates a need for
22 vocational support or social services beyond that provided by
23 the regular school program. All students included in an
24 Organizational Unit's Low-Income Count, as well as all EL and
25 disabled students attending the Organizational Unit, shall be
26 considered at-risk students under this Section.

1 "Average Student Enrollment" or "ASE" means, for an
2 Organizational Unit in a given school year, the greater of the
3 average number of students (grades K through 12) reported to
4 the State Board as enrolled in the Organizational Unit on
5 October 1 and March 1, plus the special education
6 pre-kindergarten students with services of at least more than 2
7 hours a day as reported to the State Board on December 1, in
8 the immediately preceding school year or the average number of
9 students (grades K through 12) reported to the State Board as
10 enrolled in the Organizational Unit on October 1 and March 1,
11 plus the special education pre-kindergarten students with
12 services of at least more than 2 hours a day as reported to the
13 State Board on December 1, for each of the immediately
14 preceding 3 school years. For the purposes of this definition,
15 "enrolled in the Organizational Unit" means the number of
16 students reported to the State Board who are enrolled in
17 schools within the Organizational Unit that the student attends
18 or would attend if not placed or transferred to another school
19 or program to receive needed services. For the purposes of
20 calculating "ASE", all students, grades K through 12, excluding
21 those attending kindergarten for a half day, shall be counted
22 as 1.0. All students attending kindergarten for a half day
23 shall be counted as 0.5, unless in 2017 by June 15 or by March 1
24 in subsequent years, the school district reports to the State
25 Board of Education the intent to implement full-day
26 kindergarten district-wide for all students, then all students

1 attending kindergarten shall be counted as 1.0. Special
2 education pre-kindergarten students shall be counted as 0.5
3 each. If the State Board does not collect or has not collected
4 both an October 1 and March 1 enrollment count by grade or a
5 December 1 collection of special education pre-kindergarten
6 students as of the effective date of this amendatory Act of the
7 100th General Assembly, it shall establish such collection for
8 all future years. For any year where a count by grade level was
9 collected only once, that count shall be used as the single
10 count available for computing a 3-year average ASE. School
11 districts shall submit the data for the ASE calculation to the
12 State Board within 45 days of the dates required in this
13 Section for submission of enrollment data in order for it to be
14 included in the ASE calculation.

15 "Base Funding Guarantee" is defined in paragraph (7) of
16 subsection (g) of this Section.

17 "Base Funding Minimum" is defined in subsection (e) of this
18 Section.

19 "Base Tax Year" means the property tax levy year used to
20 calculate the Budget Year allocation of primary State aid.

21 "Base Tax Year's Extension" means the product of the
22 equalized assessed valuation utilized by the county clerk in
23 the Base Tax Year multiplied by the limiting rate as calculated
24 by the county clerk and defined in PTELL.

25 "Bilingual Education Allocation" means the amount of an
26 Organizational Unit's final Adequacy Target attributable to

1 bilingual education divided by the Organizational Unit's final
2 Adequacy Target, the product of which shall be multiplied by
3 the amount of new funding received pursuant to this Section. An
4 Organizational Unit's final Adequacy Target attributable to
5 bilingual education shall include all additional investments
6 in EL student's adequacy elements.

7 "Budget Year" means the school year for which primary State
8 aid is calculated and awarded under this Section.

9 "Central office" means individual administrators and
10 support service personnel charged with managing the
11 instructional programs, business and operations, and security
12 of the Organizational Unit.

13 "Comparable Wage Index" or "CWI" means a regional cost
14 differentiation metric that measures systemic, regional
15 variations in the salaries of college graduates who are not
16 educators. The CWI utilized for this Section shall, for the
17 first 3 years of Evidence-Based Funding implementation, be the
18 CWI initially developed by the National Center for Education
19 Statistics, as most recently updated by Texas A & M University.
20 In the fourth and subsequent years of Evidence-Based Funding
21 implementation, the State Superintendent shall re-determine
22 the CWI using a similar methodology to that identified in the
23 Texas A & M University study, with adjustments made no less
24 frequently than once every 5 years.

25 "Computer technology and equipment" means computers
26 servers, notebooks, network equipment, copiers, printers,

1 instructional software, security software, curriculum
2 management courseware, and other similar materials and
3 equipment.

4 "Core subject" means mathematics; science; reading,
5 English, writing, and language arts; history and social
6 studies; world languages; and subjects taught as Advanced
7 Placement in high schools.

8 "Core teacher" means a regular classroom teacher in
9 elementary schools and teachers of a core subject in middle and
10 high schools.

11 "Core Intervention teacher (tutor)" means a licensed
12 teacher providing one-on-one or small group tutoring to
13 students struggling to meet proficiency in core subjects.

14 "CPPRT" means corporate personal property replacement tax
15 funds paid to an Organizational Unit during the calendar year
16 one year before the calendar year in which a school year
17 begins, pursuant to "An Act in relation to the abolition of ad
18 valorem personal property tax and the replacement of revenues
19 lost thereby, and amending and repealing certain Acts and parts
20 of Acts in connection therewith", certified August 14, 1979, as
21 amended (Public Act 81-1st S.S.-1).

22 "EAV" means equalized assessed valuation as defined in
23 paragraph (2) of subsection (d) of this Section and calculated
24 in accordance with paragraph (3) of subsection (d) of this
25 Section.

26 "ECI" means the Bureau of Labor Statistics' national

1 employment cost index for civilian workers in educational
2 services in elementary and secondary schools on a cumulative
3 basis for the 12-month calendar year preceding the fiscal year
4 of the Evidence-Based Funding calculation.

5 "EIS Data" means the employment information system data
6 maintained by the State Board on educators within
7 Organizational Units.

8 "Employee benefits" means health, dental, and vision
9 insurance offered to employees of an Organizational Unit, the
10 costs associated with statutorily required payment of the
11 normal cost of the Organizational Unit's teacher pensions,
12 Social Security employer contributions, and Illinois Municipal
13 Retirement Fund employer contributions.

14 "English learner" or "EL" means a child included in the
15 definition of "English learners" under Section 14C-2 of this
16 Code participating in a program of transitional bilingual
17 education or a transitional program of instruction meeting the
18 requirements and program application procedures of Article 14C
19 of this Code. For the purposes of collecting the number of EL
20 students enrolled, the same collection and calculation
21 methodology as defined above for "ASE" shall apply to English
22 learners.

23 "Essential Elements" means those elements, resources, and
24 educational programs that have been identified through
25 academic research as necessary to improve student success,
26 improve academic performance, close achievement gaps, and

1 provide for other per student costs related to the delivery and
2 leadership of the Organizational Unit, as well as the
3 maintenance and operations of the unit, and which are specified
4 in paragraph (2) of subsection (b) of this Section.

5 "Evidence-Based Funding" means State funding provided to
6 an Organizational Unit pursuant to this Section.

7 "Extended day" means academic and enrichment programs
8 provided to students outside the regular school day before and
9 after school or during non-instructional times during the
10 school day.

11 "Extension Limitation Ratio" means a numerical ratio in
12 which the numerator is the Base Tax Year's Extension and the
13 denominator is the Preceding Tax Year's Extension.

14 "Final Percent of Adequacy" is defined in paragraph (4) of
15 subsection (f) of this Section.

16 "Final Resources" is defined in paragraph (3) of subsection
17 (f) of this Section.

18 "Full-time equivalent" or "FTE" means the full-time
19 equivalency compensation for staffing the relevant position at
20 an Organizational Unit.

21 "Funding Gap" is defined in paragraph (1) of subsection
22 (g).

23 "Guidance counselor" means a licensed guidance counselor
24 who provides guidance and counseling support for students
25 within an Organizational Unit.

26 "Hybrid District" means a partial elementary unit district

1 created pursuant to Article 11E of this Code.

2 "Instructional assistant" means a core or special
3 education, non-licensed employee who assists a teacher in the
4 classroom and provides academic support to students.

5 "Instructional facilitator" means a qualified teacher or
6 licensed teacher leader who facilitates and coaches continuous
7 improvement in classroom instruction; provides instructional
8 support to teachers in the elements of research-based
9 instruction or demonstrates the alignment of instruction with
10 curriculum standards and assessment tools; develops or
11 coordinates instructional programs or strategies; develops and
12 implements training; chooses standards-based instructional
13 materials; provides teachers with an understanding of current
14 research; serves as a mentor, site coach, curriculum
15 specialist, or lead teacher; or otherwise works with fellow
16 teachers, in collaboration, to use data to improve
17 instructional practice or develop model lessons.

18 "Instructional materials" means relevant instructional
19 materials for student instruction, including, but not limited
20 to, textbooks, consumable workbooks, laboratory equipment,
21 library books, and other similar materials.

22 "Laboratory School" means a public school that is created
23 and operated by a public university and approved by the State
24 Board.

25 "Librarian" means a teacher with an endorsement as a
26 library information specialist or another individual whose

1 primary responsibility is overseeing library resources within
2 an Organizational Unit.

3 "Local Capacity" is defined in paragraph (1) of subsection
4 (c) of this Section.

5 "Local Capacity Percentage" is defined in subparagraph (A)
6 of paragraph (2) of subsection (c) of this Section.

7 "Local Capacity Ratio" is defined in subparagraph (B) of
8 paragraph (2) of subsection (c) of this Section.

9 "Local Capacity Target" is defined in paragraph (2) of
10 subsection (c) of this Section.

11 "Low-Income Count" means, for an Organizational Unit in a
12 fiscal year, the higher of the average number of students for
13 the prior school year or the immediately preceding 3 school
14 years who, as of July 1 of the immediately preceding fiscal
15 year (as determined by the Department of Human Services), are
16 eligible for at least one of the following low income programs:
17 Medicaid, the Children's Health Insurance Program, TANF, or
18 Food Stamps, excluding pupils who are eligible for services
19 provided by the Department of Children and Family Services.
20 Until such time that grade level low-income populations become
21 available, grade level low-income populations shall be
22 determined by applying the low-income percentage to total
23 student enrollments by grade level. The low-income percentage
24 is determined by dividing the Low-Income Count by the Average
25 Student Enrollment.

26 "Maintenance and operations" means custodial services,

1 facility and ground maintenance, facility operations, facility
2 security, routine facility repairs, and other similar services
3 and functions.

4 "Minimum Funding Level" is defined in paragraph (6) of
5 subsection (g) of this Section.

6 "New State Funds" means, for a given school year, all State
7 funds appropriated for Evidence-Based Funding in excess of the
8 amount needed to fund the Base Funding Minimum for all
9 Organizational Units in that school year.

10 "Net State Contribution Target" means, for a given school
11 year, the amount of State funds that would be necessary to
12 fully meet the Adequacy Target of an Operational Unit minus the
13 Preliminary Resources available to each unit.

14 "Nurse" means an individual licensed as a certified school
15 nurse, in accordance with the rules established for nursing
16 services by the State Board, who is an employee of and is
17 available to provide health care-related services for students
18 of an Organizational Unit.

19 "Operating Tax Rate" means the rate utilized in the
20 previous year to extend property taxes for all purposes,
21 except, Bond and Interest, Summer School, Rent, Capital
22 Improvement, and Vocational Education Building purposes. For
23 Hybrid Districts, the Operating Tax Rate shall be the combined
24 elementary and high school rates utilized in the previous year
25 to extend property taxes for all purposes, except, Bond and
26 Interest, Summer School, Rent, Capital Improvement, and

1 Vocational Education Building purposes.

2 "Organizational Unit" means a Laboratory School, an
3 Alternative School, or any public school district that is
4 recognized as such by the State Board and that contains
5 elementary schools typically serving kindergarten through 5th
6 grades, middle schools typically serving 6th through 8th
7 grades, or high schools typically serving 9th through 12th
8 grades. The General Assembly acknowledges that the actual grade
9 levels served by a particular Organizational Unit may vary
10 slightly from what is typical.

11 "Organizational Unit CWI" is determined by calculating the
12 CWI in the region and original county in which an
13 Organizational Unit's primary administrative office is located
14 as set forth in this paragraph, provided that if the
15 Organizational Unit CWI as calculated in accordance with this
16 paragraph is less than 0.9, the Organizational Unit CWI shall
17 be increased to 0.9. Each county's current CWI value shall be
18 adjusted based on the CWI value of that county's neighboring
19 Illinois counties, to create a "weighted adjusted index value".
20 This shall be calculated by summing the CWI values of all of a
21 county's adjacent Illinois counties and dividing by the number
22 of adjacent Illinois counties, then taking the weighted value
23 of the original county's CWI value and the adjacent Illinois
24 county average. To calculate this weighted value, if the number
25 of adjacent Illinois counties is greater than 2, the original
26 county's CWI value will be weighted at 0.25 and the adjacent

1 Illinois county average will be weighted at 0.75. If the number
2 of adjacent Illinois counties is 2, the original county's CWI
3 value will be weighted at 0.33 and the adjacent Illinois county
4 average will be weighted at 0.66. The greater of the county's
5 current CWI value and its weighted adjusted index value shall
6 be used as the Organizational Unit CWI.

7 "Preceding Tax Year" means the property tax levy year
8 immediately preceding the Base Tax Year.

9 "Preceding Tax Year's Extension" means the product of the
10 equalized assessed valuation utilized by the county clerk in
11 the Preceding Tax Year multiplied by the Operating Tax Rate.

12 "Preliminary Percent of Adequacy" is defined in paragraph
13 (2) of subsection (f) of this Section.

14 "Preliminary Resources" is defined in paragraph (2) 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 "PTELL EAV" is defined in paragraph (4) of subsection (d)
8 of this Section.

9 "Pupil support staff" means a nurse, psychologist, social
10 worker, family liaison personnel, or other staff member who
11 provides support to at-risk or struggling students.

12 "Real Receipts" is defined in paragraph (1) of subsection
13 (d) of this Section.

14 "Regionalization Factor" means, for a particular
15 Organizational Unit, the figure derived by dividing the
16 Organizational Unit CWI by the Statewide Weighted CWI.

17 "School site staff" means the primary school secretary and
18 any additional clerical personnel assigned to a school.

19 "Special education" means special educational facilities
20 and services, as defined in Section 14-1.08 of this Code.

21 "Special Education Allocation" means the amount of an
22 Organizational Unit's final Adequacy Target attributable to
23 special education divided by the Organizational Unit's final
24 Adequacy Target, the product of which shall be multiplied by
25 the amount of new funding received pursuant to this Section. An
26 Organizational Unit's final Adequacy Target attributable to

1 special education shall include all special education
2 investment adequacy elements.

3 "Specialist teacher" means a teacher who provides
4 instruction in subject areas not included in core subjects,
5 including, but not limited to, art, music, physical education,
6 health, driver education, career-technical education, and such
7 other subject areas as may be mandated by State law or provided
8 by an Organizational Unit.

9 "Specially Funded Unit" means an Alternative School, safe
10 school, Department of Juvenile Justice school, special
11 education cooperative or entity recognized by the State Board
12 as a special education cooperative, State-approved charter
13 school, or alternative learning opportunities program that
14 received direct funding from the State Board during the
15 2016-2017 school year through any of the funding sources
16 included within the calculation of the Base Funding Minimum or
17 Glenwood Academy.

18 "Supplemental Grant Funding" means supplemental general
19 State aid funding received by an Organization Unit during the
20 2016-2017 school year pursuant to subsection (H) of Section
21 18-8.05 of this Code.

22 "State Adequacy Level" is the sum of the Adequacy Targets
23 of all Organizational Units.

24 "State Board" means the State Board of Education.

25 "State Superintendent" means the State Superintendent of
26 Education.

1 "Statewide Weighted CWI" means a figure determined by
2 multiplying each Organizational Unit CWI times the ASE for that
3 Organizational Unit creating a weighted value, summing all
4 Organizational Unit's weighted values, and dividing by the
5 total ASE of all Organizational Units, thereby creating an
6 average weighted index.

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 with the salary amounts in the Essential Elements multiplied by
11 a Regionalization Factor calculated pursuant to paragraph (3)
12 of this subsection (b).

13 (2) The Essential Elements are attributable on a pro-rata
14 basis related to defined subgroups of the ASE of each
15 Organizational Unit as specified in this paragraph (2), with
16 investments and FTE positions pro-rata funded based on ASE
17 counts in excess or less than the thresholds set forth in this
18 paragraph (2). The method for calculating attributable
19 pro-rata costs and the defined subgroups thereto are as
20 follows:

21 (A) Core class size investments. Each Organizational
22 Unit shall receive the funding required to support that
23 number of FTE core teacher positions as is needed to keep
24 the respective class sizes of the Organizational Unit to
25 the following maximum numbers:

26 (1) For grades kindergarten through 3, the

1 Organizational Unit shall receive funding required to
2 support one FTE core teacher position for every 15
3 Low-Income Count students in those grades and one FTE
4 core teacher position for every 20 non-Low-Income
5 Count students in those grades.

6 (2) For grades 4 through 12, the Organizational
7 Unit shall receive funding required to support one FTE
8 core teacher position for every 20 Low-Income Count
9 students in those grades and one FTE core teacher
10 position for every 25 non-Low-Income Count students in
11 those grades.

12 The number of non-Low-Income Count students in a grade
13 shall be determined by subtracting the Low-Income students
14 in that grade from the ASE of the Organizational Unit for
15 that grade.

16 (B) Specialist teacher investments. Each
17 Organizational Unit shall receive the funding needed to
18 cover that number of FTE specialist teacher positions that
19 correspond to the following percentages:

20 (i) if the Organizational Unit operates an
21 elementary or middle school, then 20.00% of the number
22 of the Organizational Unit's core teachers, as
23 determined under subparagraph (A) of this paragraph
24 (2); and

25 (ii) if such Organizational Unit operates a high
26 school, then 33.33% of the number of the Organizational

1 Unit's core teachers.

2 (C) Instructional facilitator investments. Each
3 Organizational Unit shall receive the funding needed to
4 cover one FTE instructional facilitator position for every
5 200 combined ASE of pre-kindergarten children with
6 disabilities and all kindergarten through grade 12
7 students of the Organizational Unit.

8 (D) Core intervention teacher (tutor) investments.
9 Each Organizational Unit shall receive the funding needed
10 to cover one FTE teacher position for each prototypical
11 elementary, middle, and high school.

12 (E) Substitute teacher investments. Each
13 Organizational Unit shall receive the funding needed to
14 cover substitute teacher costs that is equal to 5.70% of
15 the minimum pupil attendance days required under Section
16 10-19 of this code for all full-time equivalent core,
17 specialist, and intervention teachers, school nurses,
18 special education teachers and instructional assistants,
19 instructional facilitators, and summer school and
20 extended-day teacher positions, as determined under this
21 paragraph (2), at a salary rate of 33.33% of the average
22 salary for grade K through 12 teachers and 33.33% of the
23 average salary of each instructional assistant position.

24 (F) Core guidance counselor investments. Each
25 Organizational Unit shall receive the funding needed to
26 cover one FTE guidance counselor for each 450 combined ASE

1 of pre-kindergarten children with disabilities and all
2 kindergarten through grade 5 students, plus one FTE
3 guidance counselor for each 250 grades 6 through 8 ASE
4 middle school students, plus one FTE guidance counselor for
5 each 250 grades 9 through 12 ASE high school students.

6 (G) Nurse investments. Each Organizational Unit shall
7 receive the funding needed to cover one FTE nurse for each
8 750 combined ASE of pre-kindergarten children with
9 disabilities and all kindergarten through grade 12
10 students across all grade levels it serves.

11 (H) Supervisory aide investments. Each Organizational
12 Unit shall receive the funding needed to cover one FTE for
13 each 225 combined ASE of pre-kindergarten children with
14 disabilities and all kindergarten through grade 5
15 students, plus one FTE for each 225 ASE middle school
16 students, plus one FTE for each 200 ASE high school
17 students.

18 (I) Librarian investments. Each Organizational Unit
19 shall receive the funding needed to cover one FTE librarian
20 for each prototypical elementary school, middle school,
21 and high school and one FTE aide or media technician for
22 every 300 combined ASE of pre-kindergarten children with
23 disabilities and all kindergarten through grade 12
24 students.

25 (J) Principal investments. Each Organizational Unit
26 shall receive the funding needed to cover one FTE principal

1 position for each prototypical elementary school, plus one
2 FTE principal position for each prototypical middle
3 school, plus one FTE principal position for each
4 prototypical high school.

5 (K) Assistant principal investments. Each
6 Organizational Unit shall receive the funding needed to
7 cover one FTE assistant principal position for each
8 prototypical elementary school, plus one FTE assistant
9 principal position for each prototypical middle school,
10 plus one FTE assistant principal position for each
11 prototypical high school.

12 (L) School site staff investments. Each Organizational
13 Unit shall receive the funding needed for one FTE position
14 for each 225 ASE of pre-kindergarten children with
15 disabilities and all kindergarten through grade 5
16 students, plus one FTE position for each 225 ASE middle
17 school students, plus one FTE position for each 200 ASE
18 high school students.

19 (M) Gifted investments. Each Organizational Unit shall
20 receive \$40 per kindergarten through grade 12 ASE.

21 (N) Professional development investments. Each
22 Organizational Unit shall receive \$125 per student of the
23 combined ASE of pre-kindergarten children with
24 disabilities and all kindergarten through grade 12
25 students for trainers and other professional
26 development-related expenses for supplies and materials.

1 (O) Instructional material investments. Each
2 Organizational Unit shall receive \$190 per student of the
3 combined ASE of pre-kindergarten children with
4 disabilities and all kindergarten through grade 12
5 students to cover instructional material costs.

6 (P) Assessment investments. Each Organizational Unit
7 shall receive \$25 per student of the combined ASE of
8 pre-kindergarten children with disabilities and all
9 kindergarten through grade 12 students student to cover
10 assessment costs.

11 (Q) Computer technology and equipment investments.
12 Each Organizational Unit shall receive \$285.50 per student
13 of the combined ASE of pre-kindergarten children with
14 disabilities and all kindergarten through grade 12
15 students to cover computer technology and equipment costs.
16 For the 2018-2019 school year and subsequent school years,
17 Tier 1 and Tier 2 Organizational Units selected by the
18 State Board through a request for proposals process shall,
19 upon the State Board's approval of an Organizational Unit's
20 one-to-one computing technology plan, receive an
21 additional \$285.50 per student of the combined ASE of
22 pre-kindergarten children with disabilities and all
23 kindergarten through grade 12 students to cover computer
24 technology and equipment costs. The State Board may
25 establish additional requirements for Organizational Unit
26 expenditures of funds received pursuant to this

1 subparagraph (Q). It is the intent of this amendatory Act
2 of the 100th General Assembly that all Tier 1 and Tier 2
3 districts that apply for the technology grant receive the
4 addition to their Adequacy Target, subject to compliance
5 with the requirements of the State Board.

6 (R) Student activities investments. Each
7 Organizational Unit shall receive the following funding
8 amounts to cover student activities: \$100 per kindergarten
9 through grade 5 ASE student in elementary school, plus \$200
10 per ASE student in middle school, plus \$675 per ASE student
11 in high school.

12 (S) Maintenance and operations investments. Each
13 Organizational Unit shall receive \$1,038 per student of the
14 combined ASE of pre-kindergarten children with
15 disabilities and all kindergarten through grade 12 for
16 day-to-day maintenance and operations expenditures,
17 including salary, supplies, and materials, as well as
18 purchased services, but excluding employee benefits. The
19 proportion of salary for the application of a
20 Regionalization Factor and the calculation of benefits is
21 equal to \$352.92.

22 (T) Central office investments. Each Organizational
23 Unit shall receive \$742 per student of the combined ASE of
24 pre-kindergarten children with disabilities and all
25 kindergarten through grade 12 students to cover central
26 office operations, including administrators and classified

1 personnel charged with managing the instructional
2 programs, business and operations of the school district,
3 and security personnel. The proportion of salary for the
4 application of a Regionalization Factor and the
5 calculation of benefits is equal to \$368.48.

6 (U) Employee benefit investments. Each Organizational
7 Unit shall receive 30% of the total of all
8 salary-calculated elements of the Adequacy Target,
9 excluding substitute teachers and student activities
10 investments, to cover benefit costs. For central office and
11 maintenance and operations investments, the benefit
12 calculation shall be based upon the salary proportion of
13 each investment. If at any time the responsibility for
14 funding the employer normal cost of teacher pensions is
15 assigned to school districts, then that amount certified by
16 the Teachers' Retirement System of the State of Illinois to
17 be paid by the Organizational Unit for the preceding school
18 year shall be added to the benefit investment. For any
19 fiscal year in which a school district organized under
20 Article 34 of this Code is responsible for paying the
21 employer normal cost of teacher pensions, then that amount
22 of its employer normal cost plus the amount for retiree
23 health insurance as certified by the Public School
24 Teachers' Pension and Retirement Fund of Chicago to be paid
25 by the school district for the preceding school year that
26 is statutorily required to cover employer normal costs and

1 the amount for retiree health insurance shall be added to
2 the 30% specified in this subparagraph (U). The Public
3 School Teachers' Pension and Retirement Fund of Chicago
4 shall submit such information as the State Superintendent
5 may require for the calculations set forth in this
6 subparagraph (U).

7 (V) Additional investments in low-income students. In
8 addition to and not in lieu of all other funding under this
9 paragraph (2), each Organizational Unit shall receive
10 funding based on the average teacher salary for grades K
11 through 12 to cover the costs of: (i) one FTE intervention
12 teacher (tutor) position for every 125 Low-Income Count
13 students; (ii) one FTE pupil support staff position for
14 every 125 Low-Income Count students; (iii) one FTE extended
15 day teacher position for every 120 Low-Income Count
16 students; and (iv) one FTE summer school teacher position
17 for every 120 Low-Income Count students.

18 (W) Additional investments in EL students. In addition
19 to and not in lieu of all other funding under this
20 paragraph (2), each Organizational Unit shall receive
21 funding based on the average teacher salary for grades K
22 through 12 to cover the costs of:

23 (i) one FTE intervention teacher (tutor) position
24 for every 125 EL students;

25 (ii) one FTE pupil support staff position for every
26 125 EL students;

1 (iii) one FTE extended day teacher position for
2 every 120 EL students;

3 (iv) one FTE summer school teacher position for
4 every 120 EL students; and

5 (v) one FTE core teacher position for every 100 EL
6 students.

7 (X) Special education investments. Each Organizational
8 Unit shall receive funding based on the average teacher
9 salary for grades K through 12 to cover special education
10 as follows:

11 (i) one FTE teacher position for every 141 combined
12 ASE of pre-kindergarten children with disabilities and
13 all kindergarten through grade 12 students;

14 (ii) one FTE instructional assistant for every 141
15 combined ASE of pre-kindergarten children with
16 disabilities and all kindergarten through grade 12
17 students; and

18 (iii) one FTE psychologist position for every
19 1,000 combined ASE of pre-kindergarten children with
20 disabilities and all kindergarten through grade 12
21 students.

22 (3) For calculating the salaries included within the
23 Essential Elements, the State Superintendent shall annually
24 calculate average salaries to the nearest dollar using the
25 employment information system data maintained by the State
26 Board, limited to public schools only and excluding special

1 education and vocational cooperatives, schools operated by the
2 Department of Juvenile Justice, and charter schools, for the
3 following positions:

4 (A) Teacher for grades K through 8.

5 (B) Teacher for grades 9 through 12.

6 (C) Teacher for grades K through 12.

7 (D) Guidance counselor for grades K through 8.

8 (E) Guidance counselor for grades 9 through 12.

9 (F) Guidance counselor for grades K through 12.

10 (G) Social worker.

11 (H) Psychologist.

12 (I) Librarian.

13 (J) Nurse.

14 (K) Principal.

15 (L) Assistant principal.

16 For the purposes of this paragraph (3), "teacher" includes core
17 teachers, specialist and elective teachers, instructional
18 facilitators, tutors, special education teachers, pupil
19 support staff teachers, English learner teachers, extended-day
20 teachers, and summer school teachers. Where specific grade data
21 is not required for the Essential Elements, the average salary
22 for corresponding positions shall apply. For substitute
23 teachers, the average teacher salary for grades K through 12
24 shall apply.

25 For calculating the salaries included within the Essential
26 Elements for positions not included within EIS Data, the

1 following salaries shall be used in the first year of
2 implementation of Evidence-Based Funding:

3 (i) school site staff, \$30,000; and

4 (ii) on-instructional assistant, instructional
5 assistant, library aide, library media tech, or
6 supervisory aide: \$25,000.

7 In the second and subsequent years of implementation of
8 Evidence-Based Funding, the amounts in items (i) and (ii) of
9 this paragraph (3) shall annually increase by the ECI.

10 The salary amounts for the Essential Elements determined
11 pursuant to subparagraphs (A) through (L), (S) and (T), and (V)
12 through (X) of paragraph (2) of subsection (b) of this Section
13 shall be multiplied by a Regionalization Factor.

14 (c) Local capacity calculation.

15 (1) Each Organizational Unit's Local Capacity represents
16 an amount of funding it is assumed to contribute toward its
17 Adequacy Target for purposes of the Evidence-Based Funding
18 formula calculation. "Local Capacity" means either (i) the
19 Organizational Unit's Local Capacity Target as calculated in
20 accordance with paragraph (2) of this subsection (c) if its
21 Real Receipts are equal to or less than its Local Capacity
22 Target or (ii) the Organizational Unit's Adjusted Local
23 Capacity, as calculated in accordance with paragraph (3) of
24 this subsection (c) if Real Receipts are more than its Local
25 Capacity Target.

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 Ratio.

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 or PTELL EAV, whichever is less, by its
14 Adequacy Target, with the resulting ratio further adjusted
15 as follows:

16 (i) for Organizational Units serving grades
17 kindergarten through 12 and Hybrid Districts, no
18 further adjustments shall be made;

19 (ii) for Organizational Units serving grades
20 kindergarten through 8, the ratio shall be multiplied
21 by 9/13;

22 (iii) for Organizational Units serving grades 9
23 through 12, the Local Capacity Ratio shall be
24 multiplied by 4/13; and

25 (iv) for an Organizational Unit with a different
26 grade configuration than those specified in items (i)

1 through (iii) of this subparagraph (B), the State
2 Superintendent shall determine a comparable adjustment
3 based on the grades served.

4 (C) Local Capacity Percentage converts each
5 Organizational Unit's Local Capacity Ratio to a normal
6 curve equivalent score to determine each Organizational
7 Unit's relative position to all other Organizational Units
8 in this State. The Local Capacity Percentage normal curve
9 equivalent score for each Organizational Unit shall be
10 calculated using the standard normal distribution of the
11 score in relation to the weighted mean and weighted
12 standard deviation and Local Capacity Ratios of all
13 Organizational Units. If the value assigned to any
14 Organizational Unit is in excess of 90%, the value shall be
15 adjusted to 90%. For Laboratory Schools, the Local Capacity
16 Percentage shall be set at 10% in recognition of the
17 absence of EAV and resources from the public university
18 that are allocated to the Laboratory School. The weighted
19 mean for the Local Capacity Percentage shall be determined
20 by multiplying each Organizational Unit's Local Capacity
21 Ratio times the ASE for the unit creating a weighted value,
22 summing the weighted values of all Organizational Units,
23 and dividing by the total ASE of all Organizational Units.
24 The weighted standard deviation shall be determined by
25 taking the square root of the weighted variance of all
26 Organizational Units' Local Capacity Ratio, where the

1 variance is calculated by squaring the difference between
2 each unit's Local Capacity Ratio and the weighted mean,
3 then multiplying the variance for each unit times the ASE
4 for the unit to create a weighted variance for each unit,
5 then summing all units' weighted variance and dividing by
6 the total ASE of all units.

7 (3) If an Organizational Unit's Real Receipts are more than
8 its Local Capacity Target, then its Local Capacity shall equal
9 an Adjusted Local Capacity Target as calculated in accordance
10 with this paragraph (3). The Adjusted Local Capacity Target is
11 calculated as the sum of the Organizational Unit's Local
12 Capacity Target and its Real Receipts Adjustment. The Real
13 Receipts Adjustment equals the Organizational Unit's Real
14 Receipts less its Local Capacity Target, with the resulting
15 figure multiplied by the Local Capacity Percentage.

16 As used in this paragraph (3), "Real Percent of Adequacy"
17 means the sum of an Organizational Unit's Real Receipts, CPPRT,
18 and Base Funding Minimum, with the resulting figure divided by
19 the Organizational Unit's Adequacy Target.

20 (d) Calculation of Real Receipts, EAV, and Adjusted EAV for
21 purposes of the Local Capacity calculation.

22 (1) An Organizational Unit's Real Receipts are the product
23 of its Applicable Tax Rate and its Adjusted EAV. An
24 Organizational Unit's Applicable Tax Rate is its Adjusted
25 Operating Tax Rate for property within the Organizational Unit.

26 (2) The State Superintendent shall calculate the Equalized

1 Assessed Valuation, or EAV, of all taxable property of each
2 Organizational Unit as of September 30 of the previous year in
3 accordance with paragraph (3) of this subsection (d). The State
4 Superintendent shall then determine the Adjusted EAV of each
5 Organizational Unit in accordance with paragraph (4) of this
6 subsection (d), which Adjusted EAV figure shall be used for the
7 purposes of calculating Local Capacity.

8 (3) To calculate Real Receipts and EAV, the Department of
9 Revenue shall supply to the State Superintendent the value as
10 equalized or assessed by the Department of Revenue of all
11 taxable property of every Organizational Unit, together with
12 (i) the applicable tax rate used in extending taxes for the
13 funds of the Organizational Unit as of September 30 of the
14 previous year and (ii) the limiting rate for all Organizational
15 Units subject to property tax extension limitations as imposed
16 under PTELL.

17 (A) The Department of Revenue shall add to the
18 equalized assessed value of all taxable property of each
19 Organizational Unit situated entirely or partially within
20 a county that is or was subject to the provisions of
21 Section 15-176 or 15-177 of the Property Tax Code (i) an
22 amount equal to the total amount by which the homestead
23 exemption allowed under Section 15-176 or 15-177 of the
24 Property Tax Code for real property situated in that
25 Organizational Unit exceeds the total amount that would
26 have been allowed in that Organizational Unit if the

1 maximum reduction under Section 15-176 was (I) \$4,500 in
2 Cook County or \$3,500 in all other counties in tax year
3 2003 or (II) \$5,000 in all counties in tax year 2004 and
4 thereafter and (ii) an amount equal to the aggregate amount
5 for the taxable year of all additional exemptions under
6 Section 15-175 of the Property Tax Code for owners with a
7 household income of \$30,000 or less. The county clerk of
8 any county that is or was subject to the provisions of
9 Section 15-176 or 15-177 of the Property Tax Code shall
10 annually calculate and certify to the Department of Revenue
11 for each Organizational Unit all homestead exemption
12 amounts under Section 15-176 or 15-177 of the Property Tax
13 Code and all amounts of additional exemptions under Section
14 15-175 of the Property Tax Code for owners with a household
15 income of \$30,000 or less. It is the intent of this
16 subparagraph (A) that if the general homestead exemption
17 for a parcel of property is determined under Section 15-176
18 or 15-177 of the Property Tax Code rather than Section
19 15-175, then the calculation of EAV shall not be affected
20 by the difference, if any, between the amount of the
21 general homestead exemption allowed for that parcel of
22 property under Section 15-176 or 15-177 of the Property Tax
23 Code and the amount that would have been allowed had the
24 general homestead exemption for that parcel of property
25 been determined under Section 15-175 of the Property Tax
26 Code. It is further the intent of this subparagraph (A)

1 that if additional exemptions are allowed under Section
2 15-175 of the Property Tax Code for owners with a household
3 income of less than \$30,000, then the calculation of EAV
4 shall not be affected by the difference, if any, because of
5 those additional exemptions.

6 (B) With respect to any part of an Organizational Unit
7 within a redevelopment project area in respect to which a
8 municipality has adopted tax increment allocation
9 financing pursuant to the Tax Increment Allocation
10 Redevelopment Act, Division 74.4 of the Illinois Municipal
11 Code, or the Industrial Jobs Recovery Law, Division 74.6 of
12 the Illinois Municipal Code, no part of the current EAV of
13 real property located in any such project area which is
14 attributable to an increase above the total initial EAV of
15 such property shall be used as part of the EAV of the
16 Organizational Unit, until such time as all redevelopment
17 project costs have been paid, as provided in Section
18 11-74.4-8 of the Tax Increment Allocation Redevelopment
19 Act or in Section 11-74.6-35 of the Industrial Jobs
20 Recovery Law. For the purpose of the EAV of the
21 Organizational Unit, the total initial EAV or the current
22 EAV, whichever is lower, shall be used until such time as
23 all redevelopment project costs have been paid.

24 (C) For Organizational Units that are Hybrid
25 Districts, the State Superintendent shall use the lesser of
26 the equalized assessed valuation for property within the

1 partial elementary unit district for elementary purposes,
2 as defined in Article 11E of this Code, or the equalized
3 assessed valuation for property within the partial
4 elementary unit district for high school purposes, as
5 defined in Article 11E of this Code.

6 (4) An Organizational Unit's Adjusted EAV shall be the
7 average of its EAV over the immediately preceding 3 years or
8 its EAV in the immediately preceding year if the EAV in the
9 immediately preceding year has declined by 10% or more compared
10 to the 3-year average. In the event of Organizational Unit
11 reorganization, consolidation, or annexation, the
12 Organizational Unit's Adjusted EAV for the first 3 years after
13 such change shall be as follows: the most current EAV shall be
14 used in the first year, the average of a 2-year EAV or its EAV
15 in the immediately preceding year if the EAV declines by 10% or
16 more compared to the 2-year average for the second year, and a
17 3-year average EAV or its EAV in the immediately preceding year
18 if the adjusted EAV declines by 10% or more compared to the
19 3-year average for the third year.

20 "PTELL EAV" means a figure calculated by the State Board
21 for Organizational Units subject to PTELL as described in this
22 paragraph (4) for the purposes of calculating an Organizational
23 Unit's Local Capacity Ratio. Except as otherwise provided in
24 this paragraph (4), for an Organizational Unit that has
25 approved or does approve an increase in its limiting rate, the
26 PTELL EAV of an Organizational Unit shall be equal to the

1 product of the equalized assessed valuation last used in the
2 calculation of general State aid under Section 18-8.05 of this
3 Code or Evidence-Based Funding under this Section and the
4 Organizational Unit's Extension Limitation Ratio. If an
5 Organizational Unit has approved or does approve an increase in
6 its limiting rate, pursuant to Section 18-190 of the Property
7 Tax Code, affecting the Base Tax Year, the PTELL EAV shall be
8 equal to the product of the equalized assessed valuation last
9 used in the calculation of general State aid under Section
10 18-8.05 of this Code or Evidence-Based Funding under this
11 Section multiplied by an amount equal to one plus the
12 percentage increase, if any, in the Consumer Price Index for
13 All Urban Consumers for all items published by the United
14 States Department of Labor for the 12-month calendar year
15 preceding the Base Tax Year, plus the equalized assessed
16 valuation of new property, annexed property, and recovered tax
17 increment value and minus the equalized assessed valuation of
18 disconnected property.

19 As used in this paragraph (4), "new property" and
20 "recovered tax increment value" shall have the meanings set
21 forth in the Property Tax Extension Limitation Law.

22 (e) Base Funding Minimum calculation.

23 (1) For the 2017-2018 school year, the Base Funding Minimum
24 of an Organizational Unit, other than a Specially Funded Unit,
25 shall be the amount of State funds distributed to the
26 Organizational Unit during the 2016-2017 school year prior to

1 any adjustments and specified appropriation amounts described
2 in this paragraph (1) from the following Sections, as
3 calculated by the State Superintendent: Section 18-8.05 of this
4 Code (general State aid); Section 5 of Article 224 of Public
5 Act 99-524 (equity grants); Section 14-7.02b of this Code
6 (funding for children requiring special education services);
7 Section 14-13.01 of this Code (special education facilities and
8 staffing), except for reimbursement of the cost of
9 transportation pursuant to Section 14-13.01; Section 14C-12 of
10 this Code (English learners); and Section 18-4.3 of this Code
11 (summer school), based on an appropriation level of
12 \$13,121,600. For Specially Funded Units, the Base Funding
13 Minimum shall be the total amount of State funds allotted to
14 the Specially Funded Unit during the 2016-2017 school year. The
15 Base Funding Minimum for Glenwood Academy shall be \$625,500.

16 (2) For the 2018-2019 school year through the 2020-2021
17 school year, the Base Funding Minimum of Organizational Units
18 and Specially Funded Units shall be the sum of (i) the amount
19 of Evidence-Based Funding for the prior school year and (ii)
20 the Base Funding Minimum for the prior school year.

21 (3) Beginning with the 2021-2022 school year and every
22 school year thereafter, the Base Funding Minimum of an
23 Organizational Unit shall be the sum of (i) the Evidence-Based
24 Funding for the prior school year and (ii) the Base Funding
25 Minimum for the prior school year divided by the Organizational
26 Unit's ASE for the prior school year multiplied by the

1 Organizational Unit's ASE for the current school year. For
2 Specially Funded Units, the Base Funding Minimum shall be the
3 sum of (i) the Evidence-Based Funding for the prior school year
4 and (ii) the Base Funding Minimum for the prior school year.

5 (f) Percent of Adequacy and Final Resources calculation.

6 (1) The Evidence-Based Funding formula establishes a
7 Percent of Adequacy for each Organizational Unit in order to
8 place such units into tiers for the purposes of the funding
9 distribution system described in subsection (g) of this
10 Section. Initially, an Organizational Unit's Preliminary
11 Resources and Preliminary Percent of Adequacy are calculated
12 pursuant to paragraph (2) of this subsection (f). Then, an
13 Organizational Unit's Final Resources and Final Percent of
14 Adequacy are calculated to account for the Organizational
15 Unit's poverty concentration levels pursuant to paragraphs (3)
16 and (4) of this subsection (f).

17 (2) An Organizational Unit's Preliminary Resources are
18 equal to the sum of its Local Capacity Target, CPPRT, and Base
19 Funding Minimum. An Organizational Unit's Preliminary Percent
20 of Adequacy is the lesser of (i) its Preliminary Resources
21 divided by its Adequacy Target or (ii) 100%.

22 (3) Except for Specially Funded Units, an Organizational
23 Unit's Final Resources are equal the sum of its Local Capacity,
24 CPPRT, and Adjusted Base Funding Minimum. The Base Funding
25 Minimum of each Specially Funded Unit shall serve as its Final
26 Resources, except that the Base Funding Minimum for

1 State-approved charter schools shall not include any portion of
2 general State aid allocated in the prior year based on the per
3 capita tuition charge times the charter school enrollment.

4 (4) An Organizational Unit's Final Percent of Adequacy is
5 its Final Resources divided by its Adequacy Target. A
6 Organizational Unit's Adjusted Base Funding Minimum is equal to
7 its Base Funding Minimum less its Supplemental Grant Funding,
8 with the resulting figure added to the product of its
9 Supplemental Grant Funding and Preliminary Percent of
10 Adequacy.

11 (g) Evidence-Based Funding formula distribution system.

12 (1) In each school year under the Evidence-Based Funding
13 formula, each Organizational Unit receives funding equal to the
14 sum of its Base Funding Minimum and the unit's allocation of
15 New State Funds determined pursuant to this subsection (g). To
16 allocate New State Funds, the Evidence-Based Funding formula
17 distribution system first places all Organizational Units into
18 one of 4 tiers in accordance with paragraph (3) of this
19 subsection (g), based on the Organizational Unit's Final
20 Percent of Adequacy. New State Funds are allocated to each of
21 the 4 tiers as follows: Tier 1 Aggregate Funding equals 50% of
22 all New State Funds, Tier 2 Aggregate Funding equals 49% of all
23 New State Funds, Tier 3 Aggregate Funding equals 0.9% of all
24 New State Funds, and Tier 4 Aggregate Funding equals 0.1% of
25 all New State Funds. Each Organizational Unit within Tier 1 or
26 Tier 2 receives an allocation of New State Funds equal to its

1 tier Funding Gap, as defined in the following sentence,
2 multiplied by the tier's Allocation Rate determined pursuant to
3 paragraph (4) of this subsection (g). For Tier 1, an
4 Organizational Unit's Funding Gap equals the tier's Target
5 Ratio, as specified in paragraph (5) of this subsection (g),
6 multiplied by the Organizational Unit's Adequacy Target, with
7 the resulting amount reduced by the Organizational Unit's Final
8 Resources. For Tier 2, an Organizational Unit's Funding Gap
9 equals the tier's Target Ratio, as described in paragraph (5)
10 of this subsection (g), multiplied by the Organizational Unit's
11 Adequacy Target, with the resulting amount reduced by the
12 Organizational Unit's Final Resources and its Tier 1 funding
13 allocation. To determine the Organizational Unit's Funding
14 Gap, the resulting amount is then multiplied by a factor equal
15 to one minus the Organizational Unit's Local Capacity Target
16 percentage. Each Organizational Unit within Tier 3 or Tier 4
17 receives an allocation of New State Funds equal to the product
18 of its Adequacy Target and the tier's Allocation Rate, as
19 specified in paragraph (4) of this subsection (g).

20 (2) To ensure equitable distribution of dollars for all
21 Tier 2 Organizational Units, no Tier 2 Organizational Unit
22 shall receive fewer dollars per ASE than any Tier 3
23 Organizational Unit. Each Tier 2 and Tier 3 Organizational Unit
24 shall have its funding allocation divided by its ASE. Any Tier
25 2 Organizational Unit with a funding allocation per ASE below
26 the greatest Tier 3 allocation per ASE shall get a funding

1 allocation equal to the greatest Tier 3 funding allocation per
2 ASE multiplied by the Organizational Unit's ASE. Each Tier 2
3 Organizational Unit's Tier 2 funding allocation shall be
4 multiplied by the percentage calculated by dividing the
5 original Tier 2 Aggregate Funding by the sum of all Tier 2
6 Organizational Unit's Tier 2 funding allocation after
7 adjusting districts' funding below Tier 3 levels.

8 (3) Organizational Units are placed into one of 4 tiers as
9 follows:

10 (A) Tier 1 consists of all Organizational Units, except
11 for Specially Funded Units, with a Percent of Adequacy less
12 than the Tier 1 Target Ratio. The Tier 1 Target Ratio is
13 the ratio level that allows for Tier 1 Aggregate Funding to
14 be distributed, with the Tier 1 Allocation Rate determined
15 pursuant to paragraph (4) of this subsection (g).

16 (B) Tier 2 consists of all Tier 1 Units and all other
17 Organizational Units, except for Specially Funded Units,
18 with a Percent of Adequacy of less than 0.90.

19 (C) Tier 3 consists of all Organizational Units, except
20 for Specially Funded Units, with a Percent of Adequacy of
21 at least 0.90 and less than 1.0.

22 (D) Tier 4 consists of all Organizational Units with a
23 Percent of Adequacy of at least 1.0 and Specially Funded
24 Units, excluding Glenwood Academy.

25 (4) The Allocation Rates for Tiers 1 through 4 is
26 determined as follows:

1 (A) The Tier 1 Allocation Rate is 30%.

2 (B) The Tier 2 Allocation Rate is the result of the
3 following equation: Tier 2 Aggregate Funding, divided by
4 the sum of the Funding Gaps for all Tier 2 Organizational
5 Units, unless the result of such equation is higher than
6 1.0. If the result of such equation is higher than 1.0,
7 then the Tier 2 Allocation Rate is 1.0.

8 (C) The Tier 3 Allocation Rate is the result of the
9 following equation: Tier 3 Aggregate Funding, divided by
10 the sum of the Adequacy Targets of all Tier 3
11 Organizational Units.

12 (D) The Tier 4 Allocation Rate is the result of the
13 following equation: Tier 4 Aggregate Funding, divided by
14 the sum of the Adequacy Targets of all Tier 4
15 Organizational Units.

16 (5) A tier's Target Ratio is determined as follows:

17 (A) The Tier 1 Target Ratio is the ratio level that
18 allows for Tier 1 Aggregate Funding to be distributed with
19 the Tier 1 Allocation Rate.

20 (B) The Tier 2 Target Ratio is 0.90.

21 (C) The Tier 3 Target Ratio is 1.0.

22 (6) If, at any point, the Tier 1 Target Ratio is greater
23 than 90%, than all Tier 1 funding shall be allocated to Tier 2
24 and no Tier 1 Organizational Unit's funding may be identified.

25 (7) In the event that all Tier 2 Organizational Units
26 receive funding at the Tier 2 Target Ratio level, any remaining

1 New State Funds shall be allocated to Tier 3 and Tier 4
2 Organizational Units.

3 (8) If any Specially Funded Units, excluding Glenwood
4 Academy, recognized by the State Board do not qualify for
5 direct funding following the implementation of this amendatory
6 Act of the 100th General Assembly from any of the funding
7 sources included within the definition of Base Funding Minimum,
8 the unqualified portion of the Base Funding Minimum shall be
9 transferred to one or more appropriate Organizational Units as
10 determined by the State Superintendent based on the prior year
11 ASE of the Organizational Units.

12 (9) The Minimum Funding Level is intended to establish a
13 target for State funding that will keep pace with inflation and
14 continue to advance equity through the Evidence-Based Funding
15 formula. The Minimum Funding Level is equal to the sum of 1% of
16 the State Adequacy Level. If New State Funds are less than the
17 Minimum Funding Level, than funding for tiers shall be reduced
18 in the following manner:

19 (A) First, Tier 4 funding shall be reduced by an amount
20 equal to the difference between the Minimum Funding Level
21 and New State Funds until such time as Tier 4 funding is
22 exhausted.

23 (B) Next, Tier 3 funding shall be reduced by an amount
24 equal to the difference between the Minimum Funding Level
25 and New State Funds and the reduction in Tier 4 funding
26 until such time as Tier 3 funding is exhausted.

1 (C) Next, Tier 2 funding shall be reduced by an amount
2 equal to the difference between the Minimum Funding level
3 and new State Funds and the reduction Tier 4 and Tier 3.
4 Finally, Tier 1 funding shall be reduced by an amount equal
5 to the difference between the Minimum Funding level and New
6 State Funds and the reduction in Tier 2, 3, and 4 funding.
7 In addition, the Allocation Rate for Tier 1 shall be
8 reduced to a percentage equal to 50%, multiplied by the
9 result of New State Funds divided by the Minimum Funding
10 Level.

11 (10) In the event of a decrease in the amount of the
12 appropriation for this Section in any fiscal year after
13 implementation of this Section, the Organizational Units
14 receiving Tier 1 and Tier 2 funding, as determined under
15 paragraph (3) of this subsection (g), shall be held harmless by
16 establishing a Base Funding Guarantee equal to the per pupil
17 kindergarten through grade 12 funding received in accordance
18 with this Section in the prior fiscal year. Reductions shall be
19 made to the Base Funding Minimum of Organizational Units in
20 Tier 3 and Tier 4 on a per pupil basis equivalent to the total
21 number of the ASE in Tier 3-funded and Tier 4-funded
22 Organizational Units divided by the total reduction in State
23 funding. The Base Funding Minimum as reduced shall continue to
24 be applied to Tier 3 and Tier 4 Organizational Units and
25 adjusted by the relative formula when increases in
26 appropriations for this Section resume. In no event may State

1 funding reductions to Organizational Units in Tier 3 or Tier 4
2 exceed an amount that would be less than the Base Funding
3 Minimum established in the first year of implementation of this
4 Section. If additional reductions are required, all school
5 districts shall receive a reduction by a per pupil amount equal
6 to the aggregate additional appropriation reduction divided by
7 the total ASE of all Organizational Units.

8 (11) The State Superintendent shall make minor adjustments
9 to the distribution formulae set forth in this subsection (g)
10 to account for the rounding of percentages to the nearest tenth
11 of a percentage and dollar amounts to the nearest whole dollar.

12 (h) State Superintendent administration of funding and
13 district submission requirements.

14 (1) The State Superintendent shall, in accordance with
15 appropriations made by the General Assembly, meet the funding
16 obligations created under this Section.

17 (2) The State Superintendent shall calculate the Adequacy
18 Target for each Organizational Unit and Net State Contribution
19 Target for each Organizational Unit under this Section. The
20 State Superintendent shall also certify the actual amounts of
21 the New State Funds payable for each eligible Organizational
22 Unit based on the equitable distribution calculation to the
23 unit's treasurer, as soon as possible after such amounts are
24 calculated, including any applicable adjusted charge-off
25 increase. No Evidence-Based Funding shall be distributed
26 within an Organizational Unit without the approval of the

1 unit's school board.

2 (3) Annually, the State Superintendent shall calculate and
3 report to each Organizational Unit the unit's aggregate
4 financial adequacy amount, which shall be the sum of the
5 Adequacy Target for each Organizational Unit. The State
6 Superintendent shall calculate and report separately for each
7 Organizational Unit the unit's total State funds allocated for
8 its students with disabilities. The State Superintendent shall
9 calculate and report separately for each Organizational Unit
10 the amount of funding and applicable FTE calculated for each
11 Essential Element of the unit's Adequacy Target.

12 (4) Annually, the State Superintendent shall calculate and
13 report to each Organizational Unit the amount the unit must
14 expend on special education and bilingual education pursuant to
15 the unit's Base Funding Minimum, Special Education Allocation,
16 and Bilingual Education Allocation.

17 (5) Moneys distributed under this Section shall be
18 calculated on a school year basis, but paid on a fiscal year
19 basis, with payments beginning in August and extending through
20 June. Unless otherwise provided, the moneys appropriated for
21 each fiscal year shall be distributed in 22 equal payments at
22 least 2 times monthly to each Organizational Unit. The State
23 Board shall publish a yearly distribution schedule at its
24 meeting in June. If moneys appropriated for any fiscal year are
25 distributed other than monthly, the distribution shall be on
26 the same basis for each Organizational Unit.

1 (6) Any school district that fails, for any given school
2 year, to maintain school as required by law or to maintain a
3 recognized school is not eligible to receive Evidence-Based
4 Funding. In case of non-recognition of one or more attendance
5 centers in a school district otherwise operating recognized
6 schools, the claim of the district shall be reduced in the
7 proportion that the enrollment in the attendance center or
8 centers bears to the enrollment of the school district.
9 "Recognized school" means any public school that meets the
10 standards for recognition by the State Board. A school district
11 or attendance center not having recognition status at the end
12 of a school term is entitled to receive State aid payments due
13 upon a legal claim that was filed while it was recognized.

14 (7) School district claims filed under this Section are
15 subject to Sections 18-9 and 18-12 of this Code, except as
16 otherwise provided in this Section.

17 (8) Each fiscal year, the State Superintendent shall
18 calculate for each Organizational Unit an amount of its Base
19 Funding Minimum and Evidence-Based Funding that shall be deemed
20 attributable to the provision of special educational
21 facilities and services, as defined in Section 14-1.08 of this
22 Code, in a manner that ensures compliance with maintenance of
23 State financial support requirements under the federal
24 Individuals with Disabilities Education Act. An Organizational
25 Unit must use such funds only for the provision of special
26 educational facilities and services, as defined in Section

1 14-1.08 of this Code, and must comply with any expenditure
2 verification procedures adopted by the State Board.

3 (9) All Organizational Units in this State must submit
4 annual spending plans by the end of September of each year to
5 the State Board as part of the annual budget process, which
6 shall describe how each Organizational Unit will utilize the
7 Base Minimum Funding and Evidence-Based funding it receives
8 from this State under this Section with specific identification
9 of the intended utilization of Low-Income, EL, and special
10 education resources. Additionally, the annual spending plans
11 of each Organizational Unit shall describe how the
12 Organizational Unit expects to achieve student growth and how
13 the Organizational Unit will achieve State education goals, as
14 defined by the State Board. The State Superintendent may, from
15 time to time, identify additional requisites for
16 Organizational Units to satisfy when compiling the annual
17 spending plans required under this subsection (h). The format
18 and scope of annual spending plans shall be developed by the
19 State Superintendent in conjunction with the Professional
20 Review Panel.

21 (10) No later than January 1, 2018, the State
22 Superintendent shall develop a 5-year strategic plan for all
23 Organizational Units to help in planning for adequacy funding
24 under this Section. The State Superintendent shall submit the
25 plan to the Governor and the General Assembly, as provided in
26 Section 3.1 of the General Assembly Organization Act. The plan

1 shall include recommendations for:

2 (A) a framework for collaborative, professional,
3 innovative, and 21st century learning environments using
4 the Evidence-Based Funding model;

5 (B) ways to prepare and support this State's educators
6 for successful instructional careers;

7 (C) application and enhancement of the current
8 financial accountability measures, the approved State plan
9 to comply with the federal Every Student Succeeds Act, and
10 the Illinois Balanced Accountability Measures in relation
11 to student growth and elements of the Evidence-Based
12 Funding model; and

13 (D) implementation of an effective school adequacy
14 funding system based on projected and recommended funding
15 levels from the General Assembly.

16 (i) Professional Review Panel.

17 (1) A Professional Review Panel is created to study and
18 review the implementation and effect of the Evidence-Based
19 Funding model under this Section and to recommend continual
20 recalibration and future study topics and modifications to the
21 Evidence-Based Funding model. The Panel shall elect a
22 chairperson and vice chairperson by a majority vote of the
23 Panel and shall advance recommendations based on a majority
24 vote of the Panel. A minority opinion may also accompany any
25 recommendation of the majority of the Panel. The Panel shall be
26 appointed by the State Superintendent, except as otherwise

1 provided in paragraph (2) of this subsection (i) and include
2 the following members:

3 (A) Two appointees that represent district
4 superintendents, recommended by a statewide organization
5 that represents district superintendents.

6 (B) Two appointees that represent school boards,
7 recommended by a statewide organization that represents
8 school boards.

9 (C) Two appointees from districts that represent
10 school business officials, recommended by a statewide
11 organization that represents school business officials.

12 (D) Two appointees that represent school principals,
13 recommended by a statewide organization that represents
14 school principals.

15 (E) Two appointees that represent teachers,
16 recommended by a statewide organization that represents
17 teachers.

18 (F) Two appointees that represent teachers,
19 recommended by another statewide organization that
20 represents teachers.

21 (G) Two appointees that represent regional
22 superintendents of schools, recommended by organizations
23 that represent regional superintendents.

24 (H) Two independent experts selected solely by the
25 State Superintendent.

26 (I) Two independent experts recommended by public

1 universities in this State.

2 (J) One member recommended by a statewide organization
3 that represents parents.

4 (K) Two representatives recommended by collective
5 impact organizations that represent major metropolitan
6 areas or geographic areas in Illinois.

7 (L) One member from a statewide organization focused on
8 research-based education policy to support a school system
9 that prepares all students for college, a career, and
10 democratic citizenship.

11 (M) One representative from a school district
12 organized under Article 34 of this Code.

13 The State Superintendent shall ensure that the membership of
14 the Panel includes representatives from school districts and
15 communities reflecting the geographic, socio-economic, racial,
16 and ethnic diversity of this State. The State Superintendent
17 shall additionally ensure that the membership of the Panel
18 includes representatives with expertise in bilingual education
19 and special education. Staff from the State Board shall staff
20 the Panel.

21 (2) In addition to those Panel members appointed by the
22 State Superintendent, 4 members of the General Assembly shall
23 be appointed as follows: one member of the House of
24 Representatives appointed by the Speaker of the House of
25 Representatives, one member of the Senate appointed by the
26 President of the Senate, one member of the House of

1 Representatives appointed by the Minority Leader of the House
2 of Representatives, and one member of the Senate appointed by
3 the Minority Leader of the Senate. There shall be one
4 additional member appointed by the Governor. All members
5 appointed by legislative leaders or the Governor shall be
6 non-voting, ex officio members.

7 (3) On an annual basis, the State Superintendent shall
8 recalibrate the following per pupil elements of the Adequacy
9 Target and applied to the formulas, based on the Panel's study
10 of average expenses as reported in the most recent annual
11 financial report:

12 (A) gifted under subparagraph (M) of paragraph (2) of
13 subsection (b) of this Section;

14 (B) instructional materials under subparagraph (O) of
15 paragraph (2) of subsection (b) of this Section;

16 (C) assessment under subparagraph (P) of paragraph (2)
17 of subsection (b) of this Section;

18 (D) student activities under subparagraph (R) of
19 paragraph (2) of subsection (b) of this Section;

20 (E) maintenance and operations under subparagraph (S)
21 of paragraph (2) of subsection (b) of this Section; and

22 (F) central office under subparagraph (T) of paragraph
23 (2) of subsection (b) of this Section.

24 (4) On a periodic basis, the Panel shall study all the
25 following elements and make recommendations to the State Board,
26 the General Assembly, and the Governor for modification of this

1 Section:

2 (A) The format and scope of annual spending plans
3 referenced in paragraph (9) of subsection (h) of this
4 Section.

5 (B) The Comparable Wage Index under this Section, to be
6 studied by the Panel and reestablished by the State
7 Superintendent every 5 years.

8 (C) Maintenance and operations. Within 5 years after
9 the implementation of this Section, the Panel shall make
10 recommendations for the further study of maintenance and
11 operations costs, including capital maintenance costs, and
12 recommend any additional reporting data required from
13 Organizational Units.

14 (D) "At-risk student" definition. Within 5 years after
15 the implementation of this Section, the Panel shall make
16 recommendations for the further study and determination of
17 an "at-risk student" definition. Within 5 years after the
18 implementation of this Section, the Panel shall evaluate
19 and make recommendations regarding adequate funding for
20 poverty concentration under the Evidence-Based Funding
21 model.

22 (E) Benefits. Within 5 years after the implementation
23 of this Section, the Panel shall make recommendations for
24 further study of benefit costs.

25 (F) Technology. The per pupil target for technology
26 shall be reviewed every 3 years to determine whether

1 current allocations are sufficient to develop 21st century
2 learning in all classrooms in this State and supporting a
3 one-to-one technological device program in each school.
4 Recommendations shall be made no later than 3 years after
5 the implementation of this Section.

6 (G) Local Capacity Target. Within 3 years after the
7 implementation of this Section, the Panel shall make
8 recommendations for any additional data desired to analyze
9 possible modifications to the Local Capacity Target, to be
10 based on measures in addition to solely EAV and to be
11 completed within 5 years after implementation of this
12 Section.

13 (H) Funding for Alternative Schools, Laboratory
14 Schools, safe schools, and alternative learning
15 opportunities programs. By the beginning of the 2021-2022
16 school year, the Panel shall study and make recommendations
17 regarding the funding levels for Alternative Schools,
18 Laboratory Schools, safe schools, and alternative learning
19 opportunities programs in this State.

20 (I) Funding for college and career acceleration
21 strategies. By the beginning of the 2021-2022 school year,
22 the Panel shall study and make recommendations regarding
23 funding levels to support college and career acceleration
24 strategies in high school that have been demonstrated to
25 result in improved secondary and postsecondary outcomes,
26 including Advanced Placement, dual-credit opportunities,

1 and college and career pathway systems.

2 (J) Special education investments. By the beginning of
3 the 2021-2022 school year, the Panel shall study and make
4 recommendations on whether and how to account for
5 disability types within the special education funding
6 category.

7 (K) Early childhood investments. In collaboration with
8 the Illinois Early Learning Council, the Panel shall
9 include an analysis of what level of Preschool for All
10 Children funding would be necessary to serve all children
11 ages 0 through 5 years in the highest-priority service
12 tier, as specified in paragraph (4.5) of subsection (a) of
13 Section 2-3.71 of this Code, and an analysis of the
14 potential cost savings that that level of Preschool for All
15 Children investment would have on the kindergarten through
16 grade 12 system.

17 (L) Minimum Funding Level. Within 3 years after the
18 implementation of this Section and at a minimum of every 3
19 years thereafter, the Panel shall make recommendations for
20 any adjustments to be made to the Minimum Funding Level, to
21 be based on measures related to rising educational costs.

22 (5) Within 5 years after the implementation of this
23 Section, the Panel shall complete an evaluative study of the
24 entire Evidence-Based Funding model, including an assessment
25 of whether or not the formula is achieving State goals. The
26 Panel shall report to the State Board, the General Assembly,

1 and the Governor on the findings of the study.

2 (6) Within 3 years after the implementation of this
3 Section, the Panel shall evaluate and provide recommendations
4 to the Governor and the General Assembly on the hold-harmless
5 provisions of this Section found in the Base Funding Minimum.

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 5/22-62 new)

8 Sec. 22-62. Discharge of unfunded mandates.

9 (a) School districts need not comply with and may discharge
10 any mandate or requirement placed on school districts by this
11 Code or by administrative rules adopted by the State Board of
12 Education that is unfunded.

13 (b) Subsection (a) of this Section does not apply to any of
14 the following:

15 (1) Laws and rules pertaining to student health, life,
16 or safety.

17 (2) Federally required mandates, including without
18 limitation compliance with the federal Every Student
19 Succeeds Act.

20 (3) Laws and rules pertaining to civil rights and
21 protections.

22 (c) Before a school district may lawfully discharge an
23 unfunded mandate under subsection (a) of this Section, it must
24 hold a public hearing on the matter. The school district must
25 post information that sets forth the time, date, place, and

1 general subject matter of the public hearing on its Internet
2 website at least 14 days prior to the hearing. The school
3 district must publish a notice of the public hearing at least 7
4 days prior to the hearing in a newspaper of general circulation
5 within the school district that sets forth the time, date,
6 place, and general subject matter of the hearing. The school
7 district must notify, in writing, the affected exclusive
8 collective bargaining agent and those State legislators
9 representing the affected territory of its intent to discharge
10 an unfunded mandate and of the hearing to be held to take
11 testimony from staff. The affected exclusive collective
12 bargaining agent must be notified of the public hearing at
13 least 7 days prior to the date of the hearing and must be
14 allowed to attend the hearing. The school district shall attest
15 to compliance with the requirements of this subsection (c).

16 (d) A school board shall report each unfunded mandate it
17 has discharged under this Section to the State Board of
18 Education. The State Board shall compile and report this
19 information to the General Assembly each year.

20 (105 ILCS 5/26-16)

21 Sec. 26-16. Graduation incentives program.

22 (a) The General Assembly finds that it is critical to
23 provide options for children to succeed in school. The purpose
24 of this Section is to provide incentives for and encourage all
25 Illinois students who have experienced or are experiencing

1 difficulty in the traditional education system to enroll in
2 alternative programs.

3 (b) Any student who is below the age of 20 years is
4 eligible to enroll in a graduation incentives program if he or
5 she:

6 (1) is considered a dropout pursuant to Section 26-2a
7 of this Code;

8 (2) has been suspended or expelled pursuant to Section
9 10-22.6 or 34-19 of this Code;

10 (3) is pregnant or is a parent;

11 (4) has been assessed as chemically dependent; or

12 (5) is enrolled in a bilingual education or LEP
13 program.

14 (c) The following programs qualify as graduation
15 incentives programs for students meeting the criteria
16 established in this Section:

17 (1) Any public elementary or secondary education
18 graduation incentives program established by a school
19 district or by a regional office of education.

20 (2) Any alternative learning opportunities program
21 established pursuant to Article 13B of this Code.

22 (3) Vocational or job training courses approved by the
23 State Superintendent of Education that are available
24 through the Illinois public community college system.
25 Students may apply for reimbursement of 50% of tuition
26 costs for one course per semester or a maximum of 3 courses

1 per school year. Subject to available funds, students may
2 apply for reimbursement of up to 100% of tuition costs upon
3 a showing of employment within 6 months after completion of
4 a vocational or job training program. The qualifications
5 for reimbursement shall be established by the State
6 Superintendent of Education by rule.

7 (4) Job and career programs approved by the State
8 Superintendent of Education that are available through
9 Illinois-accredited private business and vocational
10 schools. Subject to available funds, pupils may apply for
11 reimbursement of up to 100% of tuition costs upon a showing
12 of employment within 6 months after completion of a job or
13 career program. The State Superintendent of Education
14 shall establish, by rule, the qualifications for
15 reimbursement, criteria for determining reimbursement
16 amounts, and limits on reimbursement.

17 (5) Adult education courses that offer preparation for
18 high school equivalency testing.

19 (d) Graduation incentives programs established by school
20 districts are entitled to claim general State aid and
21 evidence-based funding, subject to Sections 13B-50, 13B-50.5,
22 and 13B-50.10 of this Code. Graduation incentives programs
23 operated by regional offices of education are entitled to
24 receive general State aid and evidence-based funding at the
25 foundation level of support per pupil enrolled. A school
26 district must ensure that its graduation incentives program

1 receives supplemental general State aid, transportation
2 reimbursements, and special education resources, if
3 appropriate, for students enrolled in the program.

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

5 (105 ILCS 5/27-6) (from Ch. 122, par. 27-6)

6 Sec. 27-6. Courses in physical education required; special
7 activities.

8 (a) Pupils enrolled in the public schools and State
9 universities engaged in preparing teachers shall be required to
10 engage ~~daily~~ during the school day, except on block scheduled
11 days for those public schools engaged in block scheduling, in
12 courses of physical education for such periods as are
13 compatible with the optimum growth and developmental needs of
14 individuals at the various age levels except when appropriate
15 excuses are submitted to the school by a pupil's parent or
16 guardian or by a person licensed under the Medical Practice Act
17 of 1987 and except as provided in subsection (b) of this
18 Section. A school board may determine the schedule or frequency
19 of physical education courses, provided that a pupil engages in
20 a course of physical education for a minimum of 3 days per
21 week.

22 Special activities in physical education shall be provided
23 for pupils whose physical or emotional condition, as determined
24 by a person licensed under the Medical Practice Act of 1987,
25 prevents their participation in the courses provided for normal

1 children.

2 (b) A school board is authorized to excuse pupils enrolled
3 in grades 11 and 12 from engaging in physical education courses
4 if those pupils request to be excused for any of the following
5 reasons: (1) for ongoing participation in an interscholastic
6 athletic program; (2) to enroll in academic classes which are
7 required for admission to an institution of higher learning,
8 provided that failure to take such classes will result in the
9 pupil being denied admission to the institution of his or her
10 choice; or (3) to enroll in academic classes which are required
11 for graduation from high school, provided that failure to take
12 such classes will result in the pupil being unable to graduate.
13 A school board may also excuse pupils in grades 9 through 12
14 enrolled in a marching band program for credit from engaging in
15 physical education courses if those pupils request to be
16 excused for ongoing participation in such marching band
17 program. A school board may also, on a case-by-case basis,
18 excuse pupils in grades 9 through 12 who participate in an
19 interscholastic or extracurricular athletic program from
20 engaging in physical education courses. In addition, a pupil in
21 any of grades 3 through 12 who is eligible for special
22 education may be excused if the pupil's parent or guardian
23 agrees that the pupil must utilize the time set aside for
24 physical education to receive special education support and
25 services or, if there is no agreement, the individualized
26 education program team for the pupil determines that the pupil

1 must utilize the time set aside for physical education to
2 receive special education support and services, which
3 agreement or determination must be made a part of the
4 individualized education program. However, a pupil requiring
5 adapted physical education must receive that service in
6 accordance with the individualized education program developed
7 for the pupil. If requested, a school board is authorized to
8 excuse a pupil from engaging in a physical education course if
9 the pupil has an individualized educational program under
10 Article 14 of this Code, is participating in an adaptive
11 athletic program outside of the school setting, and documents
12 such participation as determined by the school board. A school
13 board may also excuse pupils in grades 9 through 12 enrolled in
14 a Reserve Officer's Training Corps (ROTC) program sponsored by
15 the school district from engaging in physical education
16 courses. School boards which choose to exercise this authority
17 shall establish a policy to excuse pupils on an individual
18 basis.

19 (c) The provisions of this Section are subject to the
20 provisions of Section 27-22.05.

21 (Source: P.A. 98-116, eff. 7-29-13.)

22 (105 ILCS 5/27-7) (from Ch. 122, par. 27-7)

23 Sec. 27-7. Physical education course of study. A physical
24 education course of study shall include a developmentally
25 planned and sequential curriculum that fosters the development

1 of movement skills, enhances health-related fitness, increases
2 students' knowledge, offers direct opportunities to learn how
3 to work cooperatively in a group setting, and encourages
4 healthy habits and attitudes for a healthy lifestyle. A
5 physical education course of study shall provide students with
6 an opportunity for an appropriate amount of ~~daily~~ physical
7 activity. A physical education course of study must be part of
8 the regular school curriculum and not extra-curricular in
9 nature or organization.

10 The State Board of Education shall prepare and make
11 available guidelines for the various grades and types of
12 schools in order to make effective the purposes set forth in
13 this section and the requirements provided in Section 27-6, and
14 shall see that the general provisions and intent of Sections
15 27-5 to 27-9, inclusive, are enforced.

16 (Source: P.A. 94-189, eff. 7-12-05; 94-200, eff. 7-12-05.)

17 (105 ILCS 5/27-8.1) (from Ch. 122, par. 27-8.1)

18 (Text of Section before amendment by P.A. 99-927)

19 Sec. 27-8.1. Health examinations and immunizations.

20 (1) In compliance with rules and regulations which the
21 Department of Public Health shall promulgate, and except as
22 hereinafter provided, all children in Illinois shall have a
23 health examination as follows: within one year prior to
24 entering kindergarten or the first grade of any public,
25 private, or parochial elementary school; upon entering the

1 sixth and ninth grades of any public, private, or parochial
2 school; prior to entrance into any public, private, or
3 parochial nursery school; and, irrespective of grade,
4 immediately prior to or upon entrance into any public, private,
5 or parochial school or nursery school, each child shall present
6 proof of having been examined in accordance with this Section
7 and the rules and regulations promulgated hereunder. Any child
8 who received a health examination within one year prior to
9 entering the fifth grade for the 2007-2008 school year is not
10 required to receive an additional health examination in order
11 to comply with the provisions of Public Act 95-422 when he or
12 she attends school for the 2008-2009 school year, unless the
13 child is attending school for the first time as provided in
14 this paragraph.

15 A tuberculosis skin test screening shall be included as a
16 required part of each health examination included under this
17 Section if the child resides in an area designated by the
18 Department of Public Health as having a high incidence of
19 tuberculosis. Additional health examinations of pupils,
20 including eye examinations, may be required when deemed
21 necessary by school authorities. Parents are encouraged to have
22 their children undergo eye examinations at the same points in
23 time required for health examinations.

24 (1.5) In compliance with rules adopted by the Department of
25 Public Health and except as otherwise provided in this Section,
26 all children in kindergarten and the second and sixth grades of

1 any public, private, or parochial school shall have a dental
2 examination. Each of these children shall present proof of
3 having been examined by a dentist in accordance with this
4 Section and rules adopted under this Section before May 15th of
5 the school year. If a child in the second or sixth grade fails
6 to present proof by May 15th, the school may hold the child's
7 report card until one of the following occurs: (i) the child
8 presents proof of a completed dental examination or (ii) the
9 child presents proof that a dental examination will take place
10 within 60 days after May 15th. The Department of Public Health
11 shall establish, by rule, a waiver for children who show an
12 undue burden or a lack of access to a dentist. Each public,
13 private, and parochial school must give notice of this dental
14 examination requirement to the parents and guardians of
15 students at least 60 days before May 15th of each school year.

16 (1.10) Except as otherwise provided in this Section, all
17 children enrolling in kindergarten in a public, private, or
18 parochial school on or after the effective date of this
19 amendatory Act of the 95th General Assembly and any student
20 enrolling for the first time in a public, private, or parochial
21 school on or after the effective date of this amendatory Act of
22 the 95th General Assembly shall have an eye examination. Each
23 of these children shall present proof of having been examined
24 by a physician licensed to practice medicine in all of its
25 branches or a licensed optometrist within the previous year, in
26 accordance with this Section and rules adopted under this

1 Section, before October 15th of the school year. If the child
2 fails to present proof by October 15th, the school may hold the
3 child's report card until one of the following occurs: (i) the
4 child presents proof of a completed eye examination or (ii) the
5 child presents proof that an eye examination will take place
6 within 60 days after October 15th. The Department of Public
7 Health shall establish, by rule, a waiver for children who show
8 an undue burden or a lack of access to a physician licensed to
9 practice medicine in all of its branches who provides eye
10 examinations or to a licensed optometrist. Each public,
11 private, and parochial school must give notice of this eye
12 examination requirement to the parents and guardians of
13 students in compliance with rules of the Department of Public
14 Health. Nothing in this Section shall be construed to allow a
15 school to exclude a child from attending because of a parent's
16 or guardian's failure to obtain an eye examination for the
17 child.

18 (2) The Department of Public Health shall promulgate rules
19 and regulations specifying the examinations and procedures
20 that constitute a health examination, which shall include the
21 collection of data relating to obesity (including at a minimum,
22 date of birth, gender, height, weight, blood pressure, and date
23 of exam), and a dental examination and may recommend by rule
24 that certain additional examinations be performed. The rules
25 and regulations of the Department of Public Health shall
26 specify that a tuberculosis skin test screening shall be

1 included as a required part of each health examination included
2 under this Section if the child resides in an area designated
3 by the Department of Public Health as having a high incidence
4 of tuberculosis. The Department of Public Health shall specify
5 that a diabetes screening as defined by rule shall be included
6 as a required part of each health examination. Diabetes testing
7 is not required.

8 Physicians licensed to practice medicine in all of its
9 branches, licensed advanced practice nurses, or licensed
10 physician assistants shall be responsible for the performance
11 of the health examinations, other than dental examinations, eye
12 examinations, and vision and hearing screening, and shall sign
13 all report forms required by subsection (4) of this Section
14 that pertain to those portions of the health examination for
15 which the physician, advanced practice nurse, or physician
16 assistant is responsible. If a registered nurse performs any
17 part of a health examination, then a physician licensed to
18 practice medicine in all of its branches must review and sign
19 all required report forms. Licensed dentists shall perform all
20 dental examinations and shall sign all report forms required by
21 subsection (4) of this Section that pertain to the dental
22 examinations. Physicians licensed to practice medicine in all
23 its branches or licensed optometrists shall perform all eye
24 examinations required by this Section and shall sign all report
25 forms required by subsection (4) of this Section that pertain
26 to the eye examination. For purposes of this Section, an eye

1 examination shall at a minimum include history, visual acuity,
2 subjective refraction to best visual acuity near and far,
3 internal and external examination, and a glaucoma evaluation,
4 as well as any other tests or observations that in the
5 professional judgment of the doctor are necessary. Vision and
6 hearing screening tests, which shall not be considered
7 examinations as that term is used in this Section, shall be
8 conducted in accordance with rules and regulations of the
9 Department of Public Health, and by individuals whom the
10 Department of Public Health has certified. In these rules and
11 regulations, the Department of Public Health shall require that
12 individuals conducting vision screening tests give a child's
13 parent or guardian written notification, before the vision
14 screening is conducted, that states, "Vision screening is not a
15 substitute for a complete eye and vision evaluation by an eye
16 doctor. Your child is not required to undergo this vision
17 screening if an optometrist or ophthalmologist has completed
18 and signed a report form indicating that an examination has
19 been administered within the previous 12 months."

20 (3) Every child shall, at or about the same time as he or
21 she receives a health examination required by subsection (1) of
22 this Section, present to the local school proof of having
23 received such immunizations against preventable communicable
24 diseases as the Department of Public Health shall require by
25 rules and regulations promulgated pursuant to this Section and
26 the Communicable Disease Prevention Act.

1 (4) The individuals conducting the health examination,
2 dental examination, or eye examination shall record the fact of
3 having conducted the examination, and such additional
4 information as required, including for a health examination
5 data relating to obesity (including at a minimum, date of
6 birth, gender, height, weight, blood pressure, and date of
7 exam), on uniform forms which the Department of Public Health
8 and the State Board of Education shall prescribe for statewide
9 use. The examiner shall summarize on the report form any
10 condition that he or she suspects indicates a need for special
11 services, including for a health examination factors relating
12 to obesity. The individuals confirming the administration of
13 required immunizations shall record as indicated on the form
14 that the immunizations were administered.

15 (5) If a child does not submit proof of having had either
16 the health examination or the immunization as required, then
17 the child shall be examined or receive the immunization, as the
18 case may be, and present proof by October 15 of the current
19 school year, or by an earlier date of the current school year
20 established by a school district. To establish a date before
21 October 15 of the current school year for the health
22 examination or immunization as required, a school district must
23 give notice of the requirements of this Section 60 days prior
24 to the earlier established date. If for medical reasons one or
25 more of the required immunizations must be given after October
26 15 of the current school year, or after an earlier established

1 date of the current school year, then the child shall present,
2 by October 15, or by the earlier established date, a schedule
3 for the administration of the immunizations and a statement of
4 the medical reasons causing the delay, both the schedule and
5 the statement being issued by the physician, advanced practice
6 nurse, physician assistant, registered nurse, or local health
7 department that will be responsible for administration of the
8 remaining required immunizations. If a child does not comply by
9 October 15, or by the earlier established date of the current
10 school year, with the requirements of this subsection, then the
11 local school authority shall exclude that child from school
12 until such time as the child presents proof of having had the
13 health examination as required and presents proof of having
14 received those required immunizations which are medically
15 possible to receive immediately. During a child's exclusion
16 from school for noncompliance with this subsection, the child's
17 parents or legal guardian shall be considered in violation of
18 Section 26-1 and subject to any penalty imposed by Section
19 26-10. This subsection (5) does not apply to dental
20 examinations and eye examinations. If the student is an
21 out-of-state transfer student and does not have the proof
22 required under this subsection (5) before October 15 of the
23 current year or whatever date is set by the school district,
24 then he or she may only attend classes (i) if he or she has
25 proof that an appointment for the required vaccinations has
26 been scheduled with a party authorized to submit proof of the

1 required vaccinations. If the proof of vaccination required
2 under this subsection (5) is not submitted within 30 days after
3 the student is permitted to attend classes, then the student is
4 not 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.)

3 (Text of Section after amendment by P.A. 99-927)

4 Sec. 27-8.1. Health examinations and immunizations.

5 (1) In compliance with rules and regulations which the
6 Department of Public Health shall promulgate, and except as
7 hereinafter provided, all children in Illinois shall have a
8 health examination as follows: within one year prior to
9 entering kindergarten or the first grade of any public,
10 private, or parochial elementary school; upon entering the
11 sixth and ninth grades of any public, private, or parochial
12 school; prior to entrance into any public, private, or
13 parochial nursery school; and, irrespective of grade,
14 immediately prior to or upon entrance into any public, private,
15 or parochial school or nursery school, each child shall present
16 proof of having been examined in accordance with this Section
17 and the rules and regulations promulgated hereunder. Any child
18 who received a health examination within one year prior to
19 entering the fifth grade for the 2007-2008 school year is not
20 required to receive an additional health examination in order
21 to comply with the provisions of Public Act 95-422 when he or
22 she attends school for the 2008-2009 school year, unless the
23 child is attending school for the first time as provided in
24 this paragraph.

25 A tuberculosis skin test screening shall be included as a

1 required part of each health examination included under this
2 Section if the child resides in an area designated by the
3 Department of Public Health as having a high incidence of
4 tuberculosis. Additional health examinations of pupils,
5 including eye examinations, may be required when deemed
6 necessary by school authorities. Parents are encouraged to have
7 their children undergo eye examinations at the same points in
8 time required for health examinations.

9 (1.5) In compliance with rules adopted by the Department of
10 Public Health and except as otherwise provided in this Section,
11 all children in kindergarten and the second and sixth grades of
12 any public, private, or parochial school shall have a dental
13 examination. Each of these children shall present proof of
14 having been examined by a dentist in accordance with this
15 Section and rules adopted under this Section before May 15th of
16 the school year. If a child in the second or sixth grade fails
17 to present proof by May 15th, the school may hold the child's
18 report card until one of the following occurs: (i) the child
19 presents proof of a completed dental examination or (ii) the
20 child presents proof that a dental examination will take place
21 within 60 days after May 15th. The Department of Public Health
22 shall establish, by rule, a waiver for children who show an
23 undue burden or a lack of access to a dentist. Each public,
24 private, and parochial school must give notice of this dental
25 examination requirement to the parents and guardians of
26 students at least 60 days before May 15th of each school year.

1 (1.10) Except as otherwise provided in this Section, all
2 children enrolling in kindergarten in a public, private, or
3 parochial school on or after the effective date of this
4 amendatory Act of the 95th General Assembly and any student
5 enrolling for the first time in a public, private, or parochial
6 school on or after the effective date of this amendatory Act of
7 the 95th General Assembly shall have an eye examination. Each
8 of these children shall present proof of having been examined
9 by a physician licensed to practice medicine in all of its
10 branches or a licensed optometrist within the previous year, in
11 accordance with this Section and rules adopted under this
12 Section, before October 15th of the school year. If the child
13 fails to present proof by October 15th, the school may hold the
14 child's report card until one of the following occurs: (i) the
15 child presents proof of a completed eye examination or (ii) the
16 child presents proof that an eye examination will take place
17 within 60 days after October 15th. The Department of Public
18 Health shall establish, by rule, a waiver for children who show
19 an undue burden or a lack of access to a physician licensed to
20 practice medicine in all of its branches who provides eye
21 examinations or to a licensed optometrist. Each public,
22 private, and parochial school must give notice of this eye
23 examination requirement to the parents and guardians of
24 students in compliance with rules of the Department of Public
25 Health. Nothing in this Section shall be construed to allow a
26 school to exclude a child from attending because of a parent's

1 or guardian's failure to obtain an eye examination for the
2 child.

3 (2) The Department of Public Health shall promulgate rules
4 and regulations specifying the examinations and procedures
5 that constitute a health examination, which shall include an
6 age-appropriate developmental screening, an age-appropriate
7 social and emotional screening, and the collection of data
8 relating to obesity (including at a minimum, date of birth,
9 gender, height, weight, blood pressure, and date of exam), and
10 a dental examination and may recommend by rule that certain
11 additional examinations be performed. The rules and
12 regulations of the Department of Public Health shall specify
13 that a tuberculosis skin test screening shall be included as a
14 required part of each health examination included under this
15 Section if the child resides in an area designated by the
16 Department of Public Health as having a high incidence of
17 tuberculosis. With respect to the developmental screening and
18 the social and emotional screening, the Department of Public
19 Health must develop rules and appropriate revisions to the
20 Child Health Examination form in conjunction with a statewide
21 organization representing school boards; a statewide
22 organization representing pediatricians; statewide
23 organizations representing individuals holding Illinois
24 educator licenses with school support personnel endorsements,
25 including school social workers, school psychologists, and
26 school nurses; a statewide organization representing

1 children's mental health experts; a statewide organization
2 representing school principals; the Director of Healthcare and
3 Family Services or his or her designee, the State
4 Superintendent of Education or his or her designee; and
5 representatives of other appropriate State agencies and, at a
6 minimum, must recommend the use of validated screening tools
7 appropriate to the child's age or grade, and, with regard to
8 the social and emotional screening, require recording only
9 whether or not the screening was completed. The rules shall
10 take into consideration the screening recommendations of the
11 American Academy of Pediatrics and must be consistent with the
12 State Board of Education's social and emotional learning
13 standards. The Department of Public Health shall specify that a
14 diabetes screening as defined by rule shall be included as a
15 required part of each health examination. Diabetes testing is
16 not required.

17 Physicians licensed to practice medicine in all of its
18 branches, licensed advanced practice nurses, or licensed
19 physician assistants shall be responsible for the performance
20 of the health examinations, other than dental examinations, eye
21 examinations, and vision and hearing screening, and shall sign
22 all report forms required by subsection (4) of this Section
23 that pertain to those portions of the health examination for
24 which the physician, advanced practice nurse, or physician
25 assistant is responsible. If a registered nurse performs any
26 part of a health examination, then a physician licensed to

1 practice medicine in all of its branches must review and sign
2 all required report forms. Licensed dentists shall perform all
3 dental examinations and shall sign all report forms required by
4 subsection (4) of this Section that pertain to the dental
5 examinations. Physicians licensed to practice medicine in all
6 its branches or licensed optometrists shall perform all eye
7 examinations required by this Section and shall sign all report
8 forms required by subsection (4) of this Section that pertain
9 to the eye examination. For purposes of this Section, an eye
10 examination shall at a minimum include history, visual acuity,
11 subjective refraction to best visual acuity near and far,
12 internal and external examination, and a glaucoma evaluation,
13 as well as any other tests or observations that in the
14 professional judgment of the doctor are necessary. Vision and
15 hearing screening tests, which shall not be considered
16 examinations as that term is used in this Section, shall be
17 conducted in accordance with rules and regulations of the
18 Department of Public Health, and by individuals whom the
19 Department of Public Health has certified. In these rules and
20 regulations, the Department of Public Health shall require that
21 individuals conducting vision screening tests give a child's
22 parent or guardian written notification, before the vision
23 screening is conducted, that states, "Vision screening is not a
24 substitute for a complete eye and vision evaluation by an eye
25 doctor. Your child is not required to undergo this vision
26 screening if an optometrist or ophthalmologist has completed

1 and signed a report form indicating that an examination has
2 been administered within the previous 12 months."

3 (2.5) With respect to the developmental screening and the
4 social and emotional screening portion of the health
5 examination, each child may present proof of having been
6 screened in accordance with this Section and the rules adopted
7 under this Section before October 15th of the school year. With
8 regard to the social and emotional screening only, the
9 examining health care provider shall only record whether or not
10 the screening was completed. If the child fails to present
11 proof of the developmental screening or the social and
12 emotional screening portions of the health examination by
13 October 15th of the school year, qualified school support
14 personnel may, with a parent's or guardian's consent, offer the
15 developmental screening or the social and emotional screening
16 to the child. Each public, private, and parochial school must
17 give notice of the developmental screening and social and
18 emotional screening requirements to the parents and guardians
19 of students in compliance with the rules of the Department of
20 Public Health. Nothing in this Section shall be construed to
21 allow a school to exclude a child from attending because of a
22 parent's or guardian's failure to obtain a developmental
23 screening or a social and emotional screening for the child.
24 Once a developmental screening or a social and emotional
25 screening is completed and proof has been presented to the
26 school, the school may, with a parent's or guardian's consent,

1 make available appropriate school personnel to work with the
2 parent or guardian, the child, and the provider who signed the
3 screening form to obtain any appropriate evaluations and
4 services as indicated on the form and in other information and
5 documentation provided by the parents, guardians, or provider.

6 (3) Every child shall, at or about the same time as he or
7 she receives a health examination required by subsection (1) of
8 this Section, present to the local school proof of having
9 received such immunizations against preventable communicable
10 diseases as the Department of Public Health shall require by
11 rules and regulations promulgated pursuant to this Section and
12 the Communicable Disease Prevention Act.

13 (4) The individuals conducting the health examination,
14 dental examination, or eye examination shall record the fact of
15 having conducted the examination, and such additional
16 information as required, including for a health examination
17 data relating to obesity (including at a minimum, date of
18 birth, gender, height, weight, blood pressure, and date of
19 exam), on uniform forms which the Department of Public Health
20 and the State Board of Education shall prescribe for statewide
21 use. The examiner shall summarize on the report form any
22 condition that he or she suspects indicates a need for special
23 services, including for a health examination factors relating
24 to obesity. The duty to summarize on the report form does not
25 apply to social and emotional screenings. The confidentiality
26 of the information and records relating to the developmental

1 screening and the social and emotional screening shall be
2 determined by the statutes, rules, and professional ethics
3 governing the type of provider conducting the screening. The
4 individuals confirming the administration of required
5 immunizations shall record as indicated on the form that the
6 immunizations were administered.

7 (5) If a child does not submit proof of having had either
8 the health examination or the immunization as required, then
9 the child shall be examined or receive the immunization, as the
10 case may be, and present proof by October 15 of the current
11 school year, or by an earlier date of the current school year
12 established by a school district. To establish a date before
13 October 15 of the current school year for the health
14 examination or immunization as required, a school district must
15 give notice of the requirements of this Section 60 days prior
16 to the earlier established date. If for medical reasons one or
17 more of the required immunizations must be given after October
18 15 of the current school year, or after an earlier established
19 date of the current school year, then the child shall present,
20 by October 15, or by the earlier established date, a schedule
21 for the administration of the immunizations and a statement of
22 the medical reasons causing the delay, both the schedule and
23 the statement being issued by the physician, advanced practice
24 nurse, physician assistant, registered nurse, or local health
25 department that will be responsible for administration of the
26 remaining required immunizations. If a child does not comply by

1 October 15, or by the earlier established date of the current
2 school year, with the requirements of this subsection, then the
3 local school authority shall exclude that child from school
4 until such time as the child presents proof of having had the
5 health examination as required and presents proof of having
6 received those required immunizations which are medically
7 possible to receive immediately. During a child's exclusion
8 from school for noncompliance with this subsection, the child's
9 parents or legal guardian shall be considered in violation of
10 Section 26-1 and subject to any penalty imposed by Section
11 26-10. This subsection (5) does not apply to dental
12 examinations, eye examinations, and the developmental
13 screening and the social and emotional screening portions of
14 the health examination. If the student is an out-of-state
15 transfer student and does not have the proof required under
16 this subsection (5) before October 15 of the current year or
17 whatever date is set by the school district, then he or she may
18 only attend classes (i) if he or she has proof that an
19 appointment for the required vaccinations has been scheduled
20 with a party authorized to submit proof of the required
21 vaccinations. If the proof of vaccination required under this
22 subsection (5) is not submitted within 30 days after the
23 student is permitted to attend classes, then the student is not
24 to be permitted to attend classes until proof of the
25 vaccinations has been properly submitted. No school district or
26 employee of a school district shall be held liable for any

1 injury or illness to another person that results from admitting
2 an out-of-state transfer student to class that has an
3 appointment scheduled pursuant to this subsection (5).

4 (6) Every school shall report to the State Board of
5 Education by November 15, in the manner which that agency shall
6 require, the number of children who have received the necessary
7 immunizations and the health examination (other than a dental
8 examination or eye examination) as required, indicating, of
9 those who have not received the immunizations and examination
10 as required, the number of children who are exempt from health
11 examination and immunization requirements on religious or
12 medical grounds as provided in subsection (8). On or before
13 December 1 of each year, every public school district and
14 registered nonpublic school shall make publicly available the
15 immunization data they are required to submit to the State
16 Board of Education by November 15. The immunization data made
17 publicly available must be identical to the data the school
18 district or school has reported to the State Board of
19 Education.

20 Every school shall report to the State Board of Education
21 by June 30, in the manner that the State Board requires, the
22 number of children who have received the required dental
23 examination, indicating, of those who have not received the
24 required dental examination, the number of children who are
25 exempt from the dental examination on religious grounds as
26 provided in subsection (8) of this Section and the number of

1 children who have received a waiver under subsection (1.5) of
2 this Section.

3 Every school shall report to the State Board of Education
4 by June 30, in the manner that the State Board requires, the
5 number of children who have received the required eye
6 examination, indicating, of those who have not received the
7 required eye examination, the number of children who are exempt
8 from the eye examination as provided in subsection (8) of this
9 Section, the number of children who have received a waiver
10 under subsection (1.10) of this Section, and the total number
11 of children in noncompliance with the eye examination
12 requirement.

13 The reported information under this subsection (6) shall be
14 provided to the Department of Public Health by the State Board
15 of Education.

16 (7) Upon determining that the number of pupils who are
17 required to be in compliance with subsection (5) of this
18 Section is below 90% of the number of pupils enrolled in the
19 school district, 10% of each State aid payment made pursuant to
20 Section 18-8.05 or 18-8.15 to the school district for such year
21 may be withheld by the State Board of Education until the
22 number of students in compliance with subsection (5) is the
23 applicable specified percentage or higher.

24 (8) Children of parents or legal guardians who object to
25 health, dental, or eye examinations or any part thereof, to
26 immunizations, or to vision and hearing screening tests on

1 religious grounds shall not be required to undergo the
2 examinations, tests, or immunizations to which they so object
3 if such parents or legal guardians present to the appropriate
4 local school authority a signed Certificate of Religious
5 Exemption detailing the grounds for objection and the specific
6 immunizations, tests, or examinations to which they object. The
7 grounds for objection must set forth the specific religious
8 belief that conflicts with the examination, test,
9 immunization, or other medical intervention. The signed
10 certificate shall also reflect the parent's or legal guardian's
11 understanding of the school's exclusion policies in the case of
12 a vaccine-preventable disease outbreak or exposure. The
13 certificate must also be signed by the authorized examining
14 health care provider responsible for the performance of the
15 child's health examination confirming that the provider
16 provided education to the parent or legal guardian on the
17 benefits of immunization and the health risks to the student
18 and to the community of the communicable diseases for which
19 immunization is required in this State. However, the health
20 care provider's signature on the certificate reflects only that
21 education was provided and does not allow a health care
22 provider grounds to determine a religious exemption. Those
23 receiving immunizations required under this Code shall be
24 provided with the relevant vaccine information statements that
25 are required to be disseminated by the federal National
26 Childhood Vaccine Injury Act of 1986, which may contain

1 information on circumstances when a vaccine should not be
2 administered, prior to administering a vaccine. A healthcare
3 provider may consider including without limitation the
4 nationally accepted recommendations from federal agencies such
5 as the Advisory Committee on Immunization Practices, the
6 information outlined in the relevant vaccine information
7 statement, and vaccine package inserts, along with the
8 healthcare provider's clinical judgment, to determine whether
9 any child may be more susceptible to experiencing an adverse
10 vaccine reaction than the general population, and, if so, the
11 healthcare provider may exempt the child from an immunization
12 or adopt an individualized immunization schedule. The
13 Certificate of Religious Exemption shall be created by the
14 Department of Public Health and shall be made available and
15 used by parents and legal guardians by the beginning of the
16 2015-2016 school year. Parents or legal guardians must submit
17 the Certificate of Religious Exemption to their local school
18 authority prior to entering kindergarten, sixth grade, and
19 ninth grade for each child for which they are requesting an
20 exemption. The religious objection stated need not be directed
21 by the tenets of an established religious organization.
22 However, general philosophical or moral reluctance to allow
23 physical examinations, eye examinations, immunizations, vision
24 and hearing screenings, or dental examinations does not provide
25 a sufficient basis for an exception to statutory requirements.
26 The local school authority is responsible for determining if

1 the content of the Certificate of Religious Exemption
2 constitutes a valid religious objection. The local school
3 authority shall inform the parent or legal guardian of
4 exclusion procedures, in accordance with the Department's
5 rules under Part 690 of Title 77 of the Illinois Administrative
6 Code, at the time the objection is presented.

7 If the physical condition of the child is such that any one
8 or more of the immunizing agents should not be administered,
9 the examining physician, advanced practice nurse, or physician
10 assistant responsible for the performance of the health
11 examination shall endorse that fact upon the health examination
12 form.

13 Exempting a child from the health, dental, or eye
14 examination does not exempt the child from participation in the
15 program of physical education training provided in Sections
16 27-5 through 27-7 of this Code.

17 (9) For the purposes of this Section, "nursery schools"
18 means those nursery schools operated by elementary school
19 systems or secondary level school units or institutions of
20 higher learning.

21 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;
22 99-249, eff. 8-3-15; 99-642, eff. 7-28-16; 99-927, eff.
23 6-1-17.)

24 (105 ILCS 5/27-24.2) (from Ch. 122, par. 27-24.2)

25 Sec. 27-24.2. Safety education; driver education course.

1 Instruction shall be given in safety education in each of
2 grades one through 8, equivalent to one class period each week,
3 and any school district which maintains grades 9 through 12
4 shall offer a driver education course in any such school which
5 it operates. Its curriculum shall include content dealing with
6 Chapters 11, 12, 13, 15, and 16 of the Illinois Vehicle Code,
7 the rules adopted pursuant to those Chapters insofar as they
8 pertain to the operation of motor vehicles, and the portions of
9 the Litter Control Act relating to the operation of motor
10 vehicles. The course of instruction given in grades 10 through
11 12 shall include an emphasis on the development of knowledge,
12 attitudes, habits, and skills necessary for the safe operation
13 of motor vehicles, including motorcycles insofar as they can be
14 taught in the classroom, and instruction on distracted driving
15 as a major traffic safety issue. In addition, the course shall
16 include instruction on special hazards existing at and required
17 safety and driving precautions that must be observed at
18 emergency situations, highway construction and maintenance
19 zones, and railroad crossings and the approaches thereto.
20 Beginning with the 2017-2018 school year, the course shall also
21 include instruction concerning law enforcement procedures for
22 traffic stops, including a demonstration of the proper actions
23 to be taken during a traffic stop and appropriate interactions
24 with law enforcement. The course of instruction required of
25 each eligible student at the high school level shall consist of
26 a minimum of 30 clock hours of classroom instruction and a

1 minimum of 6 clock hours of individual behind-the-wheel
2 instruction in a dual control car on public roadways taught by
3 a driver education instructor endorsed by the State Board of
4 Education. Both the classroom instruction part and the practice
5 driving part of such driver education course shall be open to a
6 resident or non-resident student attending a non-public school
7 in the district wherein the course is offered. Each student
8 attending any public or non-public high school in the district
9 must receive a passing grade in at least 8 courses during the
10 previous 2 semesters prior to enrolling in a driver education
11 course, or the student shall not be permitted to enroll in the
12 course; provided that the local superintendent of schools (with
13 respect to a student attending a public high school in the
14 district) or chief school administrator (with respect to a
15 student attending a non-public high school in the district) may
16 waive the requirement if the superintendent or chief school
17 administrator, as the case may be, deems it to be in the best
18 interest of the student. A student may be allowed to commence
19 the classroom instruction part of such driver education course
20 prior to reaching age 15 if such student then will be eligible
21 to complete the entire course within 12 months after being
22 allowed to commence such classroom instruction.

23 A school district may offer a driver education course in a
24 school by contracting with a commercial driver training school
25 to provide both the classroom instruction part and the practice
26 driving part or either one without having to request a

1 modification or waiver of administrative rules of the State
2 Board of Education if a public hearing on whether to enter into
3 a contract with a commercial driver training school has been
4 held at a regular or special school board meeting prior to
5 entering into such a contract. If a school district chooses to
6 contract with a commercial driver training school, then the
7 district must provide evidence to the State Board of Education
8 that the commercial driver training school with which it will
9 contract holds a license issued by the Secretary of State under
10 Article IV of Chapter 6 of the Illinois Vehicle Code and that
11 each instructor employed by the commercial driver training
12 school to provide instruction to students served by the school
13 district holds a valid teaching license issued under the
14 requirements of this Code and rules of the State Board of
15 Education. Such evidence must include, but need not be limited
16 to, a list of each instructor assigned to teach students served
17 by the school district, which list shall include the
18 instructor's name, personal identification number as required
19 by the State Board of Education, birth date, and driver's
20 license number. Once the contract is entered into, the school
21 district shall notify the State Board of Education of any
22 changes in the personnel providing instruction within 15
23 calendar days after an instructor leaves the program or a new
24 instructor is hired. Such notification shall include the
25 instructor's name, personal identification number as required
26 by the State Board of Education, birth date, and driver's

1 license number. If the school district maintains an Internet
2 website, then the district shall post a copy of the final
3 contract between the district and the commercial driver
4 training school on the district's Internet website. If no
5 Internet website exists, then the school district shall make
6 available the contract upon request. A record of all materials
7 in relation to the contract must be maintained by the school
8 district and made available to parents and guardians upon
9 request. The instructor's date of birth and driver's license
10 number and any other personally identifying information as
11 deemed by the federal Driver's Privacy Protection Act of 1994
12 must be redacted from any public materials.

13 Such a course may be commenced immediately after the
14 completion of a prior course. Teachers of such courses shall
15 meet the licensure ~~certification~~ requirements of this Code Act
16 and regulations of the State Board as to qualifications.

17 Subject to rules of the State Board of Education, the
18 school district may charge a reasonable fee, not to exceed \$50,
19 to students who participate in the course, unless a student is
20 unable to pay for such a course, in which event the fee for
21 such a student must be waived. However, the district may
22 increase this fee to an amount not to exceed \$250 by school
23 board resolution following a public hearing on the increase,
24 which increased fee must be waived for students who participate
25 in the course and are unable to pay for the course. The total
26 amount from driver education fees and reimbursement from the

1 State for driver education must not exceed the total cost of
2 the driver education program in any year and must be deposited
3 into the school district's driver education fund as a separate
4 line item budget entry. All moneys deposited into the school
5 district's driver education fund must be used solely for the
6 funding of a high school driver education program approved by
7 the State Board of Education that uses driver education
8 instructors endorsed by the State Board of Education.

9 (Source: P.A. 99-642, eff. 7-28-16; 99-720, eff. 1-1-17.)

10 (105 ILCS 5/27A-9)

11 Sec. 27A-9. Term of charter; renewal.

12 (a) For charters granted before January 1, 2017 (the
13 effective date of Public Act 99-840) ~~this amendatory Act of the~~
14 ~~99th General Assembly~~, a charter may be granted for a period
15 not less than 5 and not more than 10 school years. For charters
16 granted on or after January 1, 2017 (the effective date of
17 Public Act 99-840) ~~this amendatory Act of the 99th General~~
18 ~~Assembly~~, a charter shall be granted for a period of 5 school
19 years. For charters renewed before January 1, 2017 (the
20 effective date of Public Act 99-840) ~~this amendatory Act of the~~
21 ~~99th General Assembly~~, a charter may be renewed in incremental
22 periods not to exceed 5 school years. For charters renewed on
23 or after January 1, 2017 (the effective date of Public Act
24 99-840) ~~this amendatory Act of the 99th General Assembly~~, a
25 charter may be renewed in incremental periods not to exceed 10

1 school years; however, the Commission may renew a charter only
2 in incremental periods not to exceed 5 years. Authorizers shall
3 ensure that every charter granted on or after January 1, 2017
4 (the effective date of Public Act 99-840) ~~this amendatory Act~~
5 ~~of the 99th General Assembly~~ includes standards and goals for
6 academic, organizational, and financial performance. A charter
7 must meet all standards and goals for academic, organizational,
8 and financial performance set forth by the authorizer in order
9 to be renewed for a term in excess of 5 years but not more than
10 10 years. If an authorizer fails to establish standards and
11 goals, a charter shall not be renewed for a term in excess of 5
12 years. Nothing contained in this Section shall require an
13 authorizer to grant a full 10-year renewal term to any
14 particular charter school, but an authorizer may award a full
15 10-year renewal term to charter schools that have a
16 demonstrated track record of improving student performance.

17 (b) A charter school renewal proposal submitted to the
18 local school board or the Commission, as the chartering entity,
19 shall contain:

20 (1) A report on the progress of the charter school in
21 achieving the goals, objectives, pupil performance
22 standards, content standards, and other terms of the
23 initial approved charter proposal; and

24 (2) A financial statement that discloses the costs of
25 administration, instruction, and other spending categories
26 for the charter school that is understandable to the

1 general public and that will allow comparison of those
2 costs to other schools or other comparable organizations,
3 in a format required by the State Board.

4 (c) A charter may be revoked or not renewed if the local
5 school board or the Commission, as the chartering entity,
6 clearly demonstrates that the charter school did any of the
7 following, or otherwise failed to comply with the requirements
8 of this law:

9 (1) Committed a material violation of any of the
10 conditions, standards, or procedures set forth in the
11 charter.

12 (2) Failed to meet or make reasonable progress toward
13 achievement of the content standards or pupil performance
14 standards identified in the charter.

15 (3) Failed to meet generally accepted standards of
16 fiscal management.

17 (4) Violated any provision of law from which the
18 charter school was not exempted.

19 In the case of revocation, the local school board or the
20 Commission, as the chartering entity, shall notify the charter
21 school in writing of the reason why the charter is subject to
22 revocation. The charter school shall submit a written plan to
23 the local school board or the Commission, whichever is
24 applicable, to rectify the problem. The plan shall include a
25 timeline for implementation, which shall not exceed 2 years or
26 the date of the charter's expiration, whichever is earlier. If

1 the local school board or the Commission, as the chartering
2 entity, finds that the charter school has failed to implement
3 the plan of remediation and adhere to the timeline, then the
4 chartering entity shall revoke the charter. Except in
5 situations of an emergency where the health, safety, or
6 education of the charter school's students is at risk, the
7 revocation shall take place at the end of a school year.
8 Nothing in Public Act 96-105 ~~this amendatory Act of the 96th~~
9 ~~General Assembly~~ shall be construed to prohibit an
10 implementation timetable that is less than 2 years in duration.

11 (d) (Blank).

12 (e) Notice of a local school board's decision to deny,
13 revoke, or not ~~to~~ renew a charter shall be provided to the
14 Commission and the State Board. The Commission may reverse a
15 local board's decision if the Commission finds that the charter
16 school or charter school proposal (i) is in compliance with
17 this Article, and (ii) is in the best interests of the students
18 it is designed to serve. The Commission may condition the
19 granting of an appeal on the acceptance by the charter school
20 of funding in an amount less than that requested in the
21 proposal submitted to the local school board. Final decisions
22 of the Commission shall be subject to judicial review under the
23 Administrative Review Law.

24 (f) Notwithstanding other provisions of this Article, if
25 the Commission on appeal reverses a local board's decision or
26 if a charter school is approved by referendum, the Commission

1 shall act as the authorized chartering entity for the charter
2 school. The Commission shall approve the charter and shall
3 perform all functions under this Article otherwise performed by
4 the local school board. The State Board shall determine whether
5 the charter proposal approved by the Commission is consistent
6 with the provisions of this Article and, if the approved
7 proposal complies, certify the proposal pursuant to this
8 Article. The State Board shall report the aggregate number of
9 charter school pupils resident in a school district to that
10 district and shall notify the district of the amount of funding
11 to be paid by the State Board to the charter school enrolling
12 such students. The Commission shall require the charter school
13 to maintain accurate records of daily attendance that shall be
14 deemed sufficient to file claims under Section 18-8.05 or
15 18-8.15 notwithstanding any other requirements of that Section
16 regarding hours of instruction and teacher certification. The
17 State Board shall withhold from funds otherwise due the
18 district the funds authorized by this Article to be paid to the
19 charter school and shall pay such amounts to the charter
20 school.

21 (g) For charter schools authorized by the Commission, the
22 Commission shall quarterly certify to the State Board the
23 student enrollment for each of its charter schools.

24 (h) For charter schools authorized by the Commission, the
25 State Board shall pay directly to a charter school any federal
26 or State aid attributable to a student with a disability

1 attending the school.

2 (Source: P.A. 98-739, eff. 7-16-14; 99-840, eff. 1-1-17;
3 revised 10-27-16.)

4 (105 ILCS 5/27A-11)

5 Sec. 27A-11. Local financing.

6 (a) For purposes of the School Code, pupils enrolled in a
7 charter school shall be included in the pupil enrollment of the
8 school district within which the pupil resides. Each charter
9 school (i) shall determine the school district in which each
10 pupil who is enrolled in the charter school resides, (ii) shall
11 report the aggregate number of pupils resident of a school
12 district who are enrolled in the charter school to the school
13 district in which those pupils reside, and (iii) shall maintain
14 accurate records of daily attendance that shall be deemed
15 sufficient to file claims under Section 18-8 or 18-8.15
16 notwithstanding any other requirements of that Section
17 regarding hours of instruction and teacher certification.

18 (b) Except for a charter school established by referendum
19 under Section 27A-6.5, as part of a charter school contract,
20 the charter school and the local school board shall agree on
21 funding and any services to be provided by the school district
22 to the charter school. Agreed funding that a charter school is
23 to receive from the local school board for a school year shall
24 be paid in equal quarterly installments with the payment of the
25 installment for the first quarter being made not later than

1 July 1, unless the charter establishes a different payment
2 schedule. However, if a charter school dismisses a pupil from
3 the charter school after receiving a quarterly payment, the
4 charter school shall return to the school district, on a
5 quarterly basis, the prorated portion of public funding
6 provided for the education of that pupil for the time the
7 student is not enrolled at the charter school. Likewise, if a
8 pupil transfers to a charter school between quarterly payments,
9 the school district shall provide, on a quarterly basis, a
10 prorated portion of the public funding to the charter school to
11 provide for the education of that pupil.

12 All services centrally or otherwise provided by the school
13 district including, but not limited to, rent, food services,
14 custodial services, maintenance, curriculum, media services,
15 libraries, transportation, and warehousing shall be subject to
16 negotiation between a charter school and the local school board
17 and paid for out of the revenues negotiated pursuant to this
18 subsection (b); provided that the local school board shall not
19 attempt, by negotiation or otherwise, to obligate a charter
20 school to provide pupil transportation for pupils for whom a
21 district is not required to provide transportation under the
22 criteria set forth in subsection (a) (13) of Section 27A-7.

23 In no event shall the funding be less than 97% ~~75%~~ or more
24 than 103% ~~125%~~ of the school district's per capita student
25 tuition multiplied by the number of students residing in the
26 district who are enrolled in the charter school.

1 It is the intent of the General Assembly that funding and
2 service agreements under this subsection (b) shall be neither a
3 financial incentive nor a financial disincentive to the
4 establishment of a charter school.

5 The charter school may set and collect reasonable fees.
6 Fees collected from students enrolled at a charter school shall
7 be retained by the charter school.

8 (c) Notwithstanding subsection (b) of this Section, the
9 proportionate share of State and federal resources generated by
10 students with disabilities or staff serving them shall be
11 directed to charter schools enrolling those students by their
12 school districts or administrative units. The proportionate
13 share of moneys generated under other federal or State
14 categorical aid programs shall be directed to charter schools
15 serving students eligible for that aid.

16 (d) The governing body of a charter school is authorized to
17 accept gifts, donations, or grants of any kind made to the
18 charter school and to expend or use gifts, donations, or grants
19 in accordance with the conditions prescribed by the donor;
20 however, a gift, donation, or grant may not be accepted by the
21 governing body if it is subject to any condition contrary to
22 applicable law or contrary to the terms of the contract between
23 the charter school and the local school board. Charter schools
24 shall be encouraged to solicit and utilize community volunteer
25 speakers and other instructional resources when providing
26 instruction on the Holocaust and other historical events.

1 (e) (Blank).

2 (f) The Commission shall provide technical assistance to
3 persons and groups preparing or revising charter applications.

4 (g) At the non-renewal or revocation of its charter, each
5 charter school shall refund to the local board of education all
6 unspent funds.

7 (h) A charter school is authorized to incur temporary,
8 short term debt to pay operating expenses in anticipation of
9 receipt of funds from the local school board.

10 (Source: P.A. 98-640, eff. 6-9-14; 98-739, eff. 7-16-14; 99-78,
11 eff. 7-20-15.)

12 (105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

13 Sec. 29-5. Reimbursement by State for transportation. Any
14 school district, maintaining a school, transporting resident
15 pupils to another school district's vocational program,
16 offered through a joint agreement approved by the State Board
17 of Education, as provided in Section 10-22.22 or transporting
18 its resident pupils to a school which meets the standards for
19 recognition as established by the State Board of Education
20 which provides transportation meeting the standards of safety,
21 comfort, convenience, efficiency and operation prescribed by
22 the State Board of Education for resident pupils in
23 kindergarten or any of grades 1 through 12 who: (a) reside at
24 least 1 1/2 miles as measured by the customary route of travel,
25 from the school attended; or (b) reside in areas where

1 conditions are such that walking constitutes a hazard to the
2 safety of the child when determined under Section 29-3; and (c)
3 are transported to the school attended from pick-up points at
4 the beginning of the school day and back again at the close of
5 the school day or transported to and from their assigned
6 attendance centers during the school day, shall be reimbursed
7 by the State as hereinafter provided in this Section.

8 The State will pay the cost of transporting eligible pupils
9 less the prior year assessed valuation in a dual school
10 district maintaining secondary grades 9 to 12 inclusive times a
11 qualifying rate of .05%; in elementary school districts
12 maintaining grades K to 8 times a qualifying rate of .06%; and
13 in unit districts maintaining grades K to 12, including
14 optional elementary unit districts and combined high school -
15 unit districts, times a qualifying rate of .07%; provided that
16 for optional elementary unit districts and combined high school
17 - unit districts, prior year assessed valuation for high school
18 purposes, as defined in Article 11E of this Code, must be used.
19 To be eligible to receive reimbursement in excess of 4/5 of the
20 cost to transport eligible pupils, a school district shall have
21 a Transportation Fund tax rate of at least .12%. If a school
22 district does not have a .12% Transportation Fund tax rate, the
23 amount of its claim in excess of 4/5 of the cost of
24 transporting pupils shall be reduced by the sum arrived at by
25 subtracting the Transportation Fund tax rate from .12% and
26 multiplying that amount by the district's prior year ~~districts~~

1 equalized or assessed valuation, provided, that in no case
2 shall said reduction result in reimbursement of less than 4/5
3 of the cost to transport eligible pupils.

4 The minimum amount to be received by a district is \$16
5 times the number of eligible pupils transported.

6 When calculating the reimbursement for transportation
7 costs, the State Board of Education may not deduct the number
8 of pupils enrolled in early education programs from the number
9 of pupils eligible for reimbursement if the pupils enrolled in
10 the early education programs are transported at the same time
11 as other eligible pupils.

12 Any such district transporting resident pupils during the
13 school day to an area vocational school or another school
14 district's vocational program more than 1 1/2 miles from the
15 school attended, as provided in Sections 10-22.20a and
16 10-22.22, shall be reimbursed by the State for 4/5 of the cost
17 of transporting eligible pupils.

18 School day means that period of time which the pupil is
19 required to be in attendance for instructional purposes.

20 If a pupil is at a location within the school district
21 other than his residence for child care purposes at the time
22 for transportation to school, that location may be considered
23 for purposes of determining the 1 1/2 miles from the school
24 attended.

25 Claims for reimbursement that include children who attend
26 any school other than a public school shall show the number of

1 such children transported.

2 Claims for reimbursement under this Section shall not be
3 paid for the transportation of pupils for whom transportation
4 costs are claimed for payment under other Sections of this Act.

5 The allowable direct cost of transporting pupils for
6 regular, vocational, and special education pupil
7 transportation shall be limited to the sum of the cost of
8 physical examinations required for employment as a school bus
9 driver; the salaries of full or part-time drivers and school
10 bus maintenance personnel; employee benefits excluding
11 Illinois municipal retirement payments, social security
12 payments, unemployment insurance payments and workers'
13 compensation insurance premiums; expenditures to independent
14 carriers who operate school buses; payments to other school
15 districts for pupil transportation services; pre-approved
16 contractual expenditures for computerized bus scheduling; the
17 cost of gasoline, oil, tires, and other supplies necessary for
18 the operation of school buses; the cost of converting buses'
19 gasoline engines to more fuel efficient engines or to engines
20 which use alternative energy sources; the cost of travel to
21 meetings and workshops conducted by the regional
22 superintendent or the State Superintendent of Education
23 pursuant to the standards established by the Secretary of State
24 under Section 6-106 of the Illinois Vehicle Code to improve the
25 driving skills of school bus drivers; the cost of maintenance
26 of school buses including parts and materials used;

1 expenditures for leasing transportation vehicles, except
2 interest and service charges; the cost of insurance and
3 licenses for transportation vehicles; expenditures for the
4 rental of transportation equipment; plus a depreciation
5 allowance of 20% for 5 years for school buses and vehicles
6 approved for transporting pupils to and from school and a
7 depreciation allowance of 10% for 10 years for other
8 transportation equipment so used. Each school year, if a school
9 district has made expenditures to the Regional Transportation
10 Authority or any of its service boards, a mass transit
11 district, or an urban transportation district under an
12 intergovernmental agreement with the district to provide for
13 the transportation of pupils and if the public transit carrier
14 received direct payment for services or passes from a school
15 district within its service area during the 2000-2001 school
16 year, then the allowable direct cost of transporting pupils for
17 regular, vocational, and special education pupil
18 transportation shall also include the expenditures that the
19 district has made to the public transit carrier. In addition to
20 the above allowable costs school districts shall also claim all
21 transportation supervisory salary costs, including Illinois
22 municipal retirement payments, and all transportation related
23 building and building maintenance costs without limitation.

24 Special education allowable costs shall also include
25 expenditures for the salaries of attendants or aides for that
26 portion of the time they assist special education pupils while

1 in transit and expenditures for parents and public carriers for
2 transporting special education pupils when pre-approved by the
3 State Superintendent of Education.

4 Indirect costs shall be included in the reimbursement claim
5 for districts which own and operate their own school buses.
6 Such indirect costs shall include administrative costs, or any
7 costs attributable to transporting pupils from their
8 attendance centers to another school building for
9 instructional purposes. No school district which owns and
10 operates its own school buses may claim reimbursement for
11 indirect costs which exceed 5% of the total allowable direct
12 costs for pupil transportation.

13 The State Board of Education shall prescribe uniform
14 regulations for determining the above standards and shall
15 prescribe forms of cost accounting and standards of determining
16 reasonable depreciation. Such depreciation shall include the
17 cost of equipping school buses with the safety features
18 required by law or by the rules, regulations and standards
19 promulgated by the State Board of Education, and the Department
20 of Transportation for the safety and construction of school
21 buses provided, however, any equipment cost reimbursed by the
22 Department of Transportation for equipping school buses with
23 such safety equipment shall be deducted from the allowable cost
24 in the computation of reimbursement under this Section in the
25 same percentage as the cost of the equipment is depreciated.

26 On or before August 15, annually, the chief school

1 administrator for the district shall certify to the State
2 Superintendent of Education the district's claim for
3 reimbursement for the school year ending on June 30 next
4 preceding. The State Superintendent of Education shall check
5 and approve the claims and prepare the vouchers showing the
6 amounts due for district reimbursement claims. Each fiscal
7 year, the State Superintendent of Education shall prepare and
8 transmit the first 3 vouchers to the Comptroller on the 30th
9 day of September, December and March, respectively, and the
10 final voucher, no later than June 20.

11 If the amount appropriated for transportation
12 reimbursement is insufficient to fund total claims for any
13 fiscal year, the State Board of Education shall reduce each
14 school district's allowable costs and flat grant amount
15 proportionately to make total adjusted claims equal the total
16 amount appropriated.

17 For purposes of calculating claims for reimbursement under
18 this Section for any school year beginning July 1, 1998, or
19 thereafter, the equalized assessed valuation for a school
20 district used to compute reimbursement shall be computed in the
21 same manner as it is computed under paragraph (2) of subsection
22 (G) of Section 18-8.05.

23 All reimbursements received from the State shall be
24 deposited into the district's transportation fund or into the
25 fund from which the allowable expenditures were made.

26 Notwithstanding any other provision of law, any school

1 district receiving a payment under this Section or under
2 Section 14-7.02, 14-7.02b, or 14-13.01 of this Code may
3 classify all or a portion of the funds that it receives in a
4 particular fiscal year or from general State aid pursuant to
5 Section 18-8.05 of this Code as funds received in connection
6 with any funding program for which it is entitled to receive
7 funds from the State in that fiscal year (including, without
8 limitation, any funding program referenced in this Section),
9 regardless of the source or timing of the receipt. The district
10 may not classify more funds as funds received in connection
11 with the funding program than the district is entitled to
12 receive in that fiscal year for that program. Any
13 classification by a district must be made by a resolution of
14 its board of education. The resolution must identify the amount
15 of any payments or general State aid to be classified under
16 this paragraph and must specify the funding program to which
17 the funds are to be treated as received in connection
18 therewith. This resolution is controlling as to the
19 classification of funds referenced therein. A certified copy of
20 the resolution must be sent to the State Superintendent of
21 Education. The resolution shall still take effect even though a
22 copy of the resolution has not been sent to the State
23 Superintendent of Education in a timely manner. No
24 classification under this paragraph by a district shall affect
25 the total amount or timing of money the district is entitled to
26 receive under this Code. No classification under this paragraph

1 by a district shall in any way relieve the district from or
2 affect any requirements that otherwise would apply with respect
3 to that funding program, including any accounting of funds by
4 source, reporting expenditures by original source and purpose,
5 reporting requirements, or requirements of providing services.

6 Any school district with a population of not more than
7 500,000 must deposit all funds received under this Article into
8 the transportation fund and use those funds for the provision
9 of transportation services.

10 (Source: P.A. 95-903, eff. 8-25-08; 96-1264, eff. 1-1-11.)

11 (105 ILCS 5/34-2.3) (from Ch. 122, par. 34-2.3)

12 Sec. 34-2.3. Local school councils - Powers and duties.
13 Each local school council shall have and exercise, consistent
14 with the provisions of this Article and the powers and duties
15 of the board of education, the following powers and duties:

16 1. (A) To annually evaluate the performance of the
17 principal of the attendance center using a Board approved
18 principal evaluation form, which shall include the evaluation
19 of (i) student academic improvement, as defined by the school
20 improvement plan, (ii) student absenteeism rates at the school,
21 (iii) instructional leadership, (iv) the effective
22 implementation of programs, policies, or strategies to improve
23 student academic achievement, (v) school management, and (vi)
24 any other factors deemed relevant by the local school council,
25 including, without limitation, the principal's communication

1 skills and ability to create and maintain a student-centered
2 learning environment, to develop opportunities for
3 professional development, and to encourage parental
4 involvement and community partnerships to achieve school
5 improvement;

6 (B) to determine in the manner provided by subsection (c)
7 of Section 34-2.2 and subdivision 1.5 of this Section whether
8 the performance contract of the principal shall be renewed; and

9 (C) to directly select, in the manner provided by
10 subsection (c) of Section 34-2.2, a new principal (including a
11 new principal to fill a vacancy) -- without submitting any list
12 of candidates for that position to the general superintendent
13 as provided in paragraph 2 of this Section -- to serve under a
14 4 year performance contract; provided that (i) the
15 determination of whether the principal's performance contract
16 is to be renewed, based upon the evaluation required by
17 subdivision 1.5 of this Section, shall be made no later than
18 150 days prior to the expiration of the current
19 performance-based contract of the principal, (ii) in cases
20 where such performance contract is not renewed -- a direct
21 selection of a new principal -- to serve under a 4 year
22 performance contract shall be made by the local school council
23 no later than 45 days prior to the expiration of the current
24 performance contract of the principal, and (iii) a selection by
25 the local school council of a new principal to fill a vacancy
26 under a 4 year performance contract shall be made within 90

1 days after the date such vacancy occurs. A Council shall be
2 required, if requested by the principal, to provide in writing
3 the reasons for the council's not renewing the principal's
4 contract.

5 1.5. The local school council's determination of whether to
6 renew the principal's contract shall be based on an evaluation
7 to assess the educational and administrative progress made at
8 the school during the principal's current performance-based
9 contract. The local school council shall base its evaluation on
10 (i) student academic improvement, as defined by the school
11 improvement plan, (ii) student absenteeism rates at the school,
12 (iii) instructional leadership, (iv) the effective
13 implementation of programs, policies, or strategies to improve
14 student academic achievement, (v) school management, and (vi)
15 any other factors deemed relevant by the local school council,
16 including, without limitation, the principal's communication
17 skills and ability to create and maintain a student-centered
18 learning environment, to develop opportunities for
19 professional development, and to encourage parental
20 involvement and community partnerships to achieve school
21 improvement. If a local school council fails to renew the
22 performance contract of a principal rated by the general
23 superintendent, or his or her designee, in the previous years'
24 evaluations as meeting or exceeding expectations, the
25 principal, within 15 days after the local school council's
26 decision not to renew the contract, may request a review of the

1 local school council's principal non-retention decision by a
2 hearing officer appointed by the American Arbitration
3 Association. A local school council member or members or the
4 general superintendent may support the principal's request for
5 review. During the period of the hearing officer's review of
6 the local school council's decision on whether or not to retain
7 the principal, the local school council shall maintain all
8 authority to search for and contract with a person to serve as
9 interim or acting principal, or as the principal of the
10 attendance center under a 4-year performance contract,
11 provided that any performance contract entered into by the
12 local school council shall be voidable or modified in
13 accordance with the decision of the hearing officer. The
14 principal may request review only once while at that attendance
15 center. If a local school council renews the contract of a
16 principal who failed to obtain a rating of "meets" or "exceeds
17 expectations" in the general superintendent's evaluation for
18 the previous year, the general superintendent, within 15 days
19 after the local school council's decision to renew the
20 contract, may request a review of the local school council's
21 principal retention decision by a hearing officer appointed by
22 the American Arbitration Association. The general
23 superintendent may request a review only once for that
24 principal at that attendance center. All requests to review the
25 retention or non-retention of a principal shall be submitted to
26 the general superintendent, who shall, in turn, forward such

1 requests, within 14 days of receipt, to the American
2 Arbitration Association. The general superintendent shall send
3 a contemporaneous copy of the request that was forwarded to the
4 American Arbitration Association to the principal and to each
5 local school council member and shall inform the local school
6 council of its rights and responsibilities under the
7 arbitration process, including the local school council's
8 right to representation and the manner and process by which the
9 Board shall pay the costs of the council's representation. If
10 the local school council retains the principal and the general
11 superintendent requests a review of the retention decision, the
12 local school council and the general superintendent shall be
13 considered parties to the arbitration, a hearing officer shall
14 be chosen between those 2 parties pursuant to procedures
15 promulgated by the State Board of Education, and the principal
16 may retain counsel and participate in the arbitration. If the
17 local school council does not retain the principal and the
18 principal requests a review of the retention decision, the
19 local school council and the principal shall be considered
20 parties to the arbitration and a hearing officer shall be
21 chosen between those 2 parties pursuant to procedures
22 promulgated by the State Board of Education. The hearing shall
23 begin (i) within 45 days after the initial request for review
24 is submitted by the principal to the general superintendent or
25 (ii) if the initial request for review is made by the general
26 superintendent, within 45 days after that request is mailed to

1 the American Arbitration Association. The hearing officer
2 shall render a decision within 45 days after the hearing begins
3 and within 90 days after the initial request for review. The
4 Board shall contract with the American Arbitration Association
5 for all of the hearing officer's reasonable and necessary
6 costs. In addition, the Board shall pay any reasonable costs
7 incurred by a local school council for representation before a
8 hearing officer.

9 1.10. The hearing officer shall conduct a hearing, which
10 shall include (i) a review of the principal's performance,
11 evaluations, and other evidence of the principal's service at
12 the school, (ii) reasons provided by the local school council
13 for its decision, and (iii) documentation evidencing views of
14 interested persons, including, without limitation, students,
15 parents, local school council members, school faculty and
16 staff, the principal, the general superintendent or his or her
17 designee, and members of the community. The burden of proof in
18 establishing that the local school council's decision was
19 arbitrary and capricious shall be on the party requesting the
20 arbitration, and this party shall sustain the burden by a
21 preponderance of the evidence. The hearing officer shall set
22 the local school council decision aside if that decision, in
23 light of the record developed at the hearing, is arbitrary and
24 capricious. The decision of the hearing officer may not be
25 appealed to the Board or the State Board of Education. If the
26 hearing officer decides that the principal shall be retained,

1 the retention period shall not exceed 2 years.

2 2. In the event (i) the local school council does not renew
3 the performance contract of the principal, or the principal
4 fails to receive a satisfactory rating as provided in
5 subsection (h) of Section 34-8.3, or the principal is removed
6 for cause during the term of his or her performance contract in
7 the manner provided by Section 34-85, or a vacancy in the
8 position of principal otherwise occurs prior to the expiration
9 of the term of a principal's performance contract, and (ii) the
10 local school council fails to directly select a new principal
11 to serve under a 4 year performance contract, the local school
12 council in such event shall submit to the general
13 superintendent a list of 3 candidates -- listed in the local
14 school council's order of preference -- for the position of
15 principal, one of which shall be selected by the general
16 superintendent to serve as principal of the attendance center.
17 If the general superintendent fails or refuses to select one of
18 the candidates on the list to serve as principal within 30 days
19 after being furnished with the candidate list, the general
20 superintendent shall select and place a principal on an interim
21 basis (i) for a period not to exceed one year or (ii) until the
22 local school council selects a new principal with 7 affirmative
23 votes as provided in subsection (c) of Section 34-2.2,
24 whichever occurs first. If the local school council fails or
25 refuses to select and appoint a new principal, as specified by
26 subsection (c) of Section 34-2.2, the general superintendent

1 may select and appoint a new principal on an interim basis for
2 an additional year or until a new contract principal is
3 selected by the local school council. There shall be no
4 discrimination on the basis of race, sex, creed, color or
5 disability unrelated to ability to perform in connection with
6 the submission of candidates for, and the selection of a
7 candidate to serve as principal of an attendance center. No
8 person shall be directly selected, listed as a candidate for,
9 or selected to serve as principal of an attendance center (i)
10 if such person has been removed for cause from employment by
11 the Board or (ii) if such person does not hold a valid
12 administrative certificate issued or exchanged under Article
13 21 and endorsed as required by that Article for the position of
14 principal. A principal whose performance contract is not
15 renewed as provided under subsection (c) of Section 34-2.2 may
16 nevertheless, if otherwise qualified and certified as herein
17 provided and if he or she has received a satisfactory rating as
18 provided in subsection (h) of Section 34-8.3, be included by a
19 local school council as one of the 3 candidates listed in order
20 of preference on any candidate list from which one person is to
21 be selected to serve as principal of the attendance center
22 under a new performance contract. The initial candidate list
23 required to be submitted by a local school council to the
24 general superintendent in cases where the local school council
25 does not renew the performance contract of its principal and
26 does not directly select a new principal to serve under a 4

1 year performance contract shall be submitted not later than 30
2 days prior to the expiration of the current performance
3 contract. In cases where the local school council fails or
4 refuses to submit the candidate list to the general
5 superintendent no later than 30 days prior to the expiration of
6 the incumbent principal's contract, the general superintendent
7 may appoint a principal on an interim basis for a period not to
8 exceed one year, during which time the local school council
9 shall be able to select a new principal with 7 affirmative
10 votes as provided in subsection (c) of Section 34-2.2. In cases
11 where a principal is removed for cause or a vacancy otherwise
12 occurs in the position of principal and the vacancy is not
13 filled by direct selection by the local school council, the
14 candidate list shall be submitted by the local school council
15 to the general superintendent within 90 days after the date
16 such removal or vacancy occurs. In cases where the local school
17 council fails or refuses to submit the candidate list to the
18 general superintendent within 90 days after the date of the
19 vacancy, the general superintendent may appoint a principal on
20 an interim basis for a period of one year, during which time
21 the local school council shall be able to select a new
22 principal with 7 affirmative votes as provided in subsection
23 (c) of Section 34-2.2.

24 2.5. Whenever a vacancy in the office of a principal occurs
25 for any reason, the vacancy shall be filled in the manner
26 provided by this Section by the selection of a new principal to

1 serve under a 4 year performance contract.

2 3. To establish additional criteria to be included as part
3 of the performance contract of its principal, provided that
4 such additional criteria shall not discriminate on the basis of
5 race, sex, creed, color or disability unrelated to ability to
6 perform, and shall not be inconsistent with the uniform 4 year
7 performance contract for principals developed by the board as
8 provided in Section 34-8.1 of the School Code or with other
9 provisions of this Article governing the authority and
10 responsibility of principals.

11 4. To approve the expenditure plan prepared by the
12 principal with respect to all funds allocated and distributed
13 to the attendance center by the Board. The expenditure plan
14 shall be administered by the principal. Notwithstanding any
15 other provision of this Act or any other law, any expenditure
16 plan approved and administered under this Section 34-2.3 shall
17 be consistent with and subject to the terms of any contract for
18 services with a third party entered into by the Chicago School
19 Reform Board of Trustees or the board under this Act.

20 Via a supermajority vote of 7 members of the local school
21 council or 8 members of a high school local school council, the
22 Council may transfer allocations pursuant to Section 34-2.3
23 within funds; provided that such a transfer is consistent with
24 applicable law and collective bargaining agreements.

25 Beginning in fiscal year 1991 and in each fiscal year
26 thereafter, the Board may reserve up to 1% of its total fiscal

1 year budget for distribution on a prioritized basis to schools
2 throughout the school system in order to assure adequate
3 programs to meet the needs of special student populations as
4 determined by the Board. This distribution shall take into
5 account the needs catalogued in the Systemwide Plan and the
6 various local school improvement plans of the local school
7 councils. Information about these centrally funded programs
8 shall be distributed to the local school councils so that their
9 subsequent planning and programming will account for these
10 provisions.

11 Beginning in fiscal year 1991 and in each fiscal year
12 thereafter, from other amounts available in the applicable
13 fiscal year budget, the board shall allocate a lump sum amount
14 to each local school based upon such formula as the board shall
15 determine taking into account the special needs of the student
16 body. The local school principal shall develop an expenditure
17 plan in consultation with the local school council, the
18 professional personnel leadership committee and with all other
19 school personnel, which reflects the priorities and activities
20 as described in the school's local school improvement plan and
21 is consistent with applicable law and collective bargaining
22 agreements and with board policies and standards; however, the
23 local school council shall have the right to request waivers of
24 board policy from the board of education and waivers of
25 employee collective bargaining agreements pursuant to Section
26 34-8.1a.

1 The expenditure plan developed by the principal with
2 respect to amounts available from the fund for prioritized
3 special needs programs and the allocated lump sum amount must
4 be approved by the local school council.

5 The lump sum allocation shall take into account the
6 following principles:

7 a. Teachers: Each school shall be allocated funds equal
8 to the amount appropriated in the previous school year for
9 compensation for teachers (regular grades kindergarten
10 through 12th grade) plus whatever increases in
11 compensation have been negotiated contractually or through
12 longevity as provided in the negotiated agreement.
13 Adjustments shall be made due to layoff or reduction in
14 force, lack of funds or work, change in subject
15 requirements, enrollment changes, or contracts with third
16 parties for the performance of services or to rectify any
17 inconsistencies with system-wide allocation formulas or
18 for other legitimate reasons.

19 b. Other personnel: Funds for other teacher
20 certificated and uncertificated personnel paid through
21 non-categorical funds shall be provided according to
22 system-wide formulas based on student enrollment and the
23 special needs of the school as determined by the Board.

24 c. Non-compensation items: Appropriations for all
25 non-compensation items shall be based on system-wide
26 formulas based on student enrollment and on the special

1 needs of the school or factors related to the physical
2 plant, including but not limited to textbooks, electronic
3 textbooks and the technological equipment necessary to
4 gain access to and use electronic textbooks, supplies,
5 electricity, equipment, and routine maintenance.

6 d. Funds for categorical programs: Schools shall
7 receive personnel and funds based on, and shall use such
8 personnel and funds in accordance with State and Federal
9 requirements applicable to each categorical program
10 provided to meet the special needs of the student body
11 (including but not limited to, Federal Chapter I,
12 Bilingual, and Special Education).

13 d.1. Funds for State Title I: Each school shall receive
14 funds based on State and Board requirements applicable to
15 each State Title I pupil provided to meet the special needs
16 of the student body. Each school shall receive the
17 proportion of funds as provided in Section 18-8 or 18-8.15
18 to which they are entitled. These funds shall be spent only
19 with the budgetary approval of the Local School Council as
20 provided in Section 34-2.3.

21 e. The Local School Council shall have the right to
22 request the principal to close positions and open new ones
23 consistent with the provisions of the local school
24 improvement plan provided that these decisions are
25 consistent with applicable law and collective bargaining
26 agreements. If a position is closed, pursuant to this

1 paragraph, the local school shall have for its use the
2 system-wide average compensation for the closed position.

3 f. Operating within existing laws and collective
4 bargaining agreements, the local school council shall have
5 the right to direct the principal to shift expenditures
6 within funds.

7 g. (Blank).

8 Any funds unexpended at the end of the fiscal year shall be
9 available to the board of education for use as part of its
10 budget for the following fiscal year.

11 5. To make recommendations to the principal concerning
12 textbook selection and concerning curriculum developed
13 pursuant to the school improvement plan which is consistent
14 with systemwide curriculum objectives in accordance with
15 Sections 34-8 and 34-18 of the School Code and in conformity
16 with the collective bargaining agreement.

17 6. To advise the principal concerning the attendance and
18 disciplinary policies for the attendance center, subject to the
19 provisions of this Article and Article 26, and consistent with
20 the uniform system of discipline established by the board
21 pursuant to Section 34-19.

22 7. To approve a school improvement plan developed as
23 provided in Section 34-2.4. The process and schedule for plan
24 development shall be publicized to the entire school community,
25 and the community shall be afforded the opportunity to make
26 recommendations concerning the plan. At least twice a year the

1 principal and local school council shall report publicly on
2 progress and problems with respect to plan implementation.

3 8. To evaluate the allocation of teaching resources and
4 other certificated and uncertificated staff to the attendance
5 center to determine whether such allocation is consistent with
6 and in furtherance of instructional objectives and school
7 programs reflective of the school improvement plan adopted for
8 the attendance center; and to make recommendations to the
9 board, the general superintendent and the principal concerning
10 any reallocation of teaching resources or other staff whenever
11 the council determines that any such reallocation is
12 appropriate because the qualifications of any existing staff at
13 the attendance center do not adequately match or support
14 instructional objectives or school programs which reflect the
15 school improvement plan.

16 9. To make recommendations to the principal and the general
17 superintendent concerning their respective appointments, after
18 August 31, 1989, and in the manner provided by Section 34-8 and
19 Section 34-8.1, of persons to fill any vacant, additional or
20 newly created positions for teachers at the attendance center
21 or at attendance centers which include the attendance center
22 served by the local school council.

23 10. To request of the Board the manner in which training
24 and assistance shall be provided to the local school council.
25 Pursuant to Board guidelines a local school council is
26 authorized to direct the Board of Education to contract with

1 personnel or not-for-profit organizations not associated with
2 the school district to train or assist council members. If
3 training or assistance is provided by contract with personnel
4 or organizations not associated with the school district, the
5 period of training or assistance shall not exceed 30 hours
6 during a given school year; person shall not be employed on a
7 continuous basis longer than said period and shall not have
8 been employed by the Chicago Board of Education within the
9 preceding six months. Council members shall receive training in
10 at least the following areas:

11 1. school budgets;

12 2. educational theory pertinent to the attendance
13 center's particular needs, including the development of
14 the school improvement plan and the principal's
15 performance contract; and

16 3. personnel selection.

17 Council members shall, to the greatest extent possible,
18 complete such training within 90 days of election.

19 11. In accordance with systemwide guidelines contained in
20 the System-Wide Educational Reform Goals and Objectives Plan,
21 criteria for evaluation of performance shall be established for
22 local school councils and local school council members. If a
23 local school council persists in noncompliance with systemwide
24 requirements, the Board may impose sanctions and take necessary
25 corrective action, consistent with Section 34-8.3.

26 12. Each local school council shall comply with the Open

1 Meetings Act and the Freedom of Information Act. Each local
2 school council shall issue and transmit to its school community
3 a detailed annual report accounting for its activities
4 programmatically and financially. Each local school council
5 shall convene at least 2 well-publicized meetings annually with
6 its entire school community. These meetings shall include
7 presentation of the proposed local school improvement plan, of
8 the proposed school expenditure plan, and the annual report,
9 and shall provide an opportunity for public comment.

10 13. Each local school council is encouraged to involve
11 additional non-voting members of the school community in
12 facilitating the council's exercise of its responsibilities.

13 14. The local school council may adopt a school uniform or
14 dress code policy that governs the attendance center and that
15 is necessary to maintain the orderly process of a school
16 function or prevent endangerment of student health or safety,
17 consistent with the policies and rules of the Board of
18 Education. A school uniform or dress code policy adopted by a
19 local school council: (i) shall not be applied in such manner
20 as to discipline or deny attendance to a transfer student or
21 any other student for noncompliance with that policy during
22 such period of time as is reasonably necessary to enable the
23 student to acquire a school uniform or otherwise comply with
24 the dress code policy that is in effect at the attendance
25 center into which the student's enrollment is transferred; and
26 (ii) shall include criteria and procedures under which the

1 local school council will accommodate the needs of or otherwise
2 provide appropriate resources to assist a student from an
3 indigent family in complying with an applicable school uniform
4 or dress code policy. A student whose parents or legal
5 guardians object on religious grounds to the student's
6 compliance with an applicable school uniform or dress code
7 policy shall not be required to comply with that policy if the
8 student's parents or legal guardians present to the local
9 school council a signed statement of objection detailing the
10 grounds for the objection.

11 15. All decisions made and actions taken by the local
12 school council in the exercise of its powers and duties shall
13 comply with State and federal laws, all applicable collective
14 bargaining agreements, court orders and rules properly
15 promulgated by the Board.

16 15a. To grant, in accordance with board rules and policies,
17 the use of assembly halls and classrooms when not otherwise
18 needed, including lighting, heat, and attendants, for public
19 lectures, concerts, and other educational and social
20 activities.

21 15b. To approve, in accordance with board rules and
22 policies, receipts and expenditures for all internal accounts
23 of the attendance center, and to approve all fund-raising
24 activities by nonschool organizations that use the school
25 building.

26 16. (Blank).

1 17. Names and addresses of local school council members
2 shall be a matter of public record.

3 (Source: P.A. 96-1403, eff. 7-29-10.)

4 (105 ILCS 5/34-18) (from Ch. 122, par. 34-18)

5 Sec. 34-18. Powers of the board. The board shall exercise
6 general supervision and jurisdiction over the public education
7 and the public school system of the city, and, except as
8 otherwise provided by this Article, shall have power:

9 1. To make suitable provision for the establishment and
10 maintenance throughout the year or for such portion thereof
11 as it may direct, not less than 9 months, of schools of all
12 grades and kinds, including normal schools, high schools,
13 night schools, schools for defectives and delinquents,
14 parental and truant schools, schools for the blind, the
15 deaf and persons with physical disabilities, schools or
16 classes in manual training, constructural and vocational
17 teaching, domestic arts and physical culture, vocation and
18 extension schools and lecture courses, and all other
19 educational courses and facilities, including
20 establishing, equipping, maintaining and operating
21 playgrounds and recreational programs, when such programs
22 are conducted in, adjacent to, or connected with any public
23 school under the general supervision and jurisdiction of
24 the board; provided that the calendar for the school term
25 and any changes must be submitted to and approved by the

1 State Board of Education before the calendar or changes may
2 take effect, and provided that in allocating funds from
3 year to year for the operation of all attendance centers
4 within the district, the board shall ensure that
5 supplemental general State aid or supplemental grant funds
6 are allocated and applied in accordance with Section 18-8,
7 ~~or~~ 18-8.05, or 18-8.15. To admit to such schools without
8 charge foreign exchange students who are participants in an
9 organized exchange student program which is authorized by
10 the board. The board shall permit all students to enroll in
11 apprenticeship programs in trade schools operated by the
12 board, whether those programs are union-sponsored or not.
13 No student shall be refused admission into or be excluded
14 from any course of instruction offered in the common
15 schools by reason of that student's sex. No student shall
16 be denied equal access to physical education and
17 interscholastic athletic programs supported from school
18 district funds or denied participation in comparable
19 physical education and athletic programs solely by reason
20 of the student's sex. Equal access to programs supported
21 from school district funds and comparable programs will be
22 defined in rules promulgated by the State Board of
23 Education in consultation with the Illinois High School
24 Association. Notwithstanding any other provision of this
25 Article, neither the board of education nor any local
26 school council or other school official shall recommend

1 that children with disabilities be placed into regular
2 education classrooms unless those children with
3 disabilities are provided with supplementary services to
4 assist them so that they benefit from the regular classroom
5 instruction and are included on the teacher's regular
6 education class register;

7 2. To furnish lunches to pupils, to make a reasonable
8 charge therefor, and to use school funds for the payment of
9 such expenses as the board may determine are necessary in
10 conducting the school lunch program;

11 3. To co-operate with the circuit court;

12 4. To make arrangements with the public or quasi-public
13 libraries and museums for the use of their facilities by
14 teachers and pupils of the public schools;

15 5. To employ dentists and prescribe their duties for
16 the purpose of treating the pupils in the schools, but
17 accepting such treatment shall be optional with parents or
18 guardians;

19 6. To grant the use of assembly halls and classrooms
20 when not otherwise needed, including light, heat, and
21 attendants, for free public lectures, concerts, and other
22 educational and social interests, free of charge, under
23 such provisions and control as the principal of the
24 affected attendance center may prescribe;

25 7. To apportion the pupils to the several schools;
26 provided that no pupil shall be excluded from or segregated

1 in any such school on account of his color, race, sex, or
2 nationality. The board shall take into consideration the
3 prevention of segregation and the elimination of
4 separation of children in public schools because of color,
5 race, sex, or nationality. Except that children may be
6 committed to or attend parental and social adjustment
7 schools established and maintained either for boys or girls
8 only. All records pertaining to the creation, alteration or
9 revision of attendance areas shall be open to the public.
10 Nothing herein shall limit the board's authority to
11 establish multi-area attendance centers or other student
12 assignment systems for desegregation purposes or
13 otherwise, and to apportion the pupils to the several
14 schools. Furthermore, beginning in school year 1994-95,
15 pursuant to a board plan adopted by October 1, 1993, the
16 board shall offer, commencing on a phased-in basis, the
17 opportunity for families within the school district to
18 apply for enrollment of their children in any attendance
19 center within the school district which does not have
20 selective admission requirements approved by the board.
21 The appropriate geographical area in which such open
22 enrollment may be exercised shall be determined by the
23 board of education. Such children may be admitted to any
24 such attendance center on a space available basis after all
25 children residing within such attendance center's area
26 have been accommodated. If the number of applicants from

1 outside the attendance area exceed the space available,
2 then successful applicants shall be selected by lottery.
3 The board of education's open enrollment plan must include
4 provisions that allow low income students to have access to
5 transportation needed to exercise school choice. Open
6 enrollment shall be in compliance with the provisions of
7 the Consent Decree and Desegregation Plan cited in Section
8 34-1.01;

9 8. To approve programs and policies for providing
10 transportation services to students. Nothing herein shall
11 be construed to permit or empower the State Board of
12 Education to order, mandate, or require busing or other
13 transportation of pupils for the purpose of achieving
14 racial balance in any school;

15 9. Subject to the limitations in this Article, to
16 establish and approve system-wide curriculum objectives
17 and standards, including graduation standards, which
18 reflect the multi-cultural diversity in the city and are
19 consistent with State law, provided that for all purposes
20 of this Article courses or proficiency in American Sign
21 Language shall be deemed to constitute courses or
22 proficiency in a foreign language; and to employ principals
23 and teachers, appointed as provided in this Article, and
24 fix their compensation. The board shall prepare such
25 reports related to minimal competency testing as may be
26 requested by the State Board of Education, and in addition

1 shall monitor and approve special education and bilingual
2 education programs and policies within the district to
3 assure that appropriate services are provided in
4 accordance with applicable State and federal laws to
5 children requiring services and education in those areas;

6 10. To employ non-teaching personnel or utilize
7 volunteer personnel for: (i) non-teaching duties not
8 requiring instructional judgment or evaluation of pupils,
9 including library duties; and (ii) supervising study
10 halls, long distance teaching reception areas used
11 incident to instructional programs transmitted by
12 electronic media such as computers, video, and audio,
13 detention and discipline areas, and school-sponsored
14 extracurricular activities. The board may further utilize
15 volunteer non-certificated personnel or employ
16 non-certificated personnel to assist in the instruction of
17 pupils under the immediate supervision of a teacher holding
18 a valid certificate, directly engaged in teaching subject
19 matter or conducting activities; provided that the teacher
20 shall be continuously aware of the non-certificated
21 persons' activities and shall be able to control or modify
22 them. The general superintendent shall determine
23 qualifications of such personnel and shall prescribe rules
24 for determining the duties and activities to be assigned to
25 such personnel;

26 10.5. To utilize volunteer personnel from a regional

1 School Crisis Assistance Team (S.C.A.T.), created as part
2 of the Safe to Learn Program established pursuant to
3 Section 25 of the Illinois Violence Prevention Act of 1995,
4 to provide assistance to schools in times of violence or
5 other traumatic incidents within a school community by
6 providing crisis intervention services to lessen the
7 effects of emotional trauma on individuals and the
8 community; the School Crisis Assistance Team Steering
9 Committee shall determine the qualifications for
10 volunteers;

11 11. To provide television studio facilities in not to
12 exceed one school building and to provide programs for
13 educational purposes, provided, however, that the board
14 shall not construct, acquire, operate, or maintain a
15 television transmitter; to grant the use of its studio
16 facilities to a licensed television station located in the
17 school district; and to maintain and operate not to exceed
18 one school radio transmitting station and provide programs
19 for educational purposes;

20 12. To offer, if deemed appropriate, outdoor education
21 courses, including field trips within the State of
22 Illinois, or adjacent states, and to use school educational
23 funds for the expense of the said outdoor educational
24 programs, whether within the school district or not;

25 13. During that period of the calendar year not
26 embraced within the regular school term, to provide and

1 conduct courses in subject matters normally embraced in the
2 program of the schools during the regular school term and
3 to give regular school credit for satisfactory completion
4 by the student of such courses as may be approved for
5 credit by the State Board of Education;

6 14. To insure against any loss or liability of the
7 board, the former School Board Nominating Commission,
8 Local School Councils, the Chicago Schools Academic
9 Accountability Council, or the former Subdistrict Councils
10 or of any member, officer, agent or employee thereof,
11 resulting from alleged violations of civil rights arising
12 from incidents occurring on or after September 5, 1967 or
13 from the wrongful or negligent act or omission of any such
14 person whether occurring within or without the school
15 premises, provided the officer, agent or employee was, at
16 the time of the alleged violation of civil rights or
17 wrongful act or omission, acting within the scope of his
18 employment or under direction of the board, the former
19 School Board Nominating Commission, the Chicago Schools
20 Academic Accountability Council, Local School Councils, or
21 the former Subdistrict Councils; and to provide for or
22 participate in insurance plans for its officers and
23 employees, including but not limited to retirement
24 annuities, medical, surgical and hospitalization benefits
25 in such types and amounts as may be determined by the
26 board; provided, however, that the board shall contract for

1 such insurance only with an insurance company authorized to
2 do business in this State. Such insurance may include
3 provision for employees who rely on treatment by prayer or
4 spiritual means alone for healing, in accordance with the
5 tenets and practice of a recognized religious
6 denomination;

7 15. To contract with the corporate authorities of any
8 municipality or the county board of any county, as the case
9 may be, to provide for the regulation of traffic in parking
10 areas of property used for school purposes, in such manner
11 as is provided by Section 11-209 of The Illinois Vehicle
12 Code, approved September 29, 1969, as amended;

13 16. (a) To provide, on an equal basis, access to a high
14 school campus and student directory information to the
15 official recruiting representatives of the armed forces of
16 Illinois and the United States for the purposes of
17 informing students of the educational and career
18 opportunities available in the military if the board has
19 provided such access to persons or groups whose purpose is
20 to acquaint students with educational or occupational
21 opportunities available to them. The board is not required
22 to give greater notice regarding the right of access to
23 recruiting representatives than is given to other persons
24 and groups. In this paragraph 16, "directory information"
25 means a high school student's name, address, and telephone
26 number.

1 (b) If a student or his or her parent or guardian
2 submits a signed, written request to the high school before
3 the end of the student's sophomore year (or if the student
4 is a transfer student, by another time set by the high
5 school) that indicates that the student or his or her
6 parent or guardian does not want the student's directory
7 information to be provided to official recruiting
8 representatives under subsection (a) of this Section, the
9 high school may not provide access to the student's
10 directory information to these recruiting representatives.
11 The high school shall notify its students and their parents
12 or guardians of the provisions of this subsection (b).

13 (c) A high school may require official recruiting
14 representatives of the armed forces of Illinois and the
15 United States to pay a fee for copying and mailing a
16 student's directory information in an amount that is not
17 more than the actual costs incurred by the high school.

18 (d) Information received by an official recruiting
19 representative under this Section may be used only to
20 provide information to students concerning educational and
21 career opportunities available in the military and may not
22 be released to a person who is not involved in recruiting
23 students for the armed forces of Illinois or the United
24 States;

25 17. (a) To sell or market any computer program
26 developed by an employee of the school district, provided

1 that such employee developed the computer program as a
2 direct result of his or her duties with the school district
3 or through the utilization of the school district resources
4 or facilities. The employee who developed the computer
5 program shall be entitled to share in the proceeds of such
6 sale or marketing of the computer program. The distribution
7 of such proceeds between the employee and the school
8 district shall be as agreed upon by the employee and the
9 school district, except that neither the employee nor the
10 school district may receive more than 90% of such proceeds.
11 The negotiation for an employee who is represented by an
12 exclusive bargaining representative may be conducted by
13 such bargaining representative at the employee's request.

14 (b) For the purpose of this paragraph 17:

15 (1) "Computer" means an internally programmed,
16 general purpose digital device capable of
17 automatically accepting data, processing data and
18 supplying the results of the operation.

19 (2) "Computer program" means a series of coded
20 instructions or statements in a form acceptable to a
21 computer, which causes the computer to process data in
22 order to achieve a certain result.

23 (3) "Proceeds" means profits derived from
24 marketing or sale of a product after deducting the
25 expenses of developing and marketing such product;

26 18. To delegate to the general superintendent of

1 schools, by resolution, the authority to approve contracts
2 and expenditures in amounts of \$10,000 or less;

3 19. Upon the written request of an employee, to
4 withhold from the compensation of that employee any dues,
5 payments or contributions payable by such employee to any
6 labor organization as defined in the Illinois Educational
7 Labor Relations Act. Under such arrangement, an amount
8 shall be withheld from each regular payroll period which is
9 equal to the pro rata share of the annual dues plus any
10 payments or contributions, and the board shall transmit
11 such withholdings to the specified labor organization
12 within 10 working days from the time of the withholding;

13 19a. Upon receipt of notice from the comptroller of a
14 municipality with a population of 500,000 or more, a county
15 with a population of 3,000,000 or more, the Cook County
16 Forest Preserve District, the Chicago Park District, the
17 Metropolitan Water Reclamation District, the Chicago
18 Transit Authority, or a housing authority of a municipality
19 with a population of 500,000 or more that a debt is due and
20 owing the municipality, the county, the Cook County Forest
21 Preserve District, the Chicago Park District, the
22 Metropolitan Water Reclamation District, the Chicago
23 Transit Authority, or the housing authority by an employee
24 of the Chicago Board of Education, to withhold, from the
25 compensation of that employee, the amount of the debt that
26 is due and owing and pay the amount withheld to the

1 municipality, the county, the Cook County Forest Preserve
2 District, the Chicago Park District, the Metropolitan
3 Water Reclamation District, the Chicago Transit Authority,
4 or the housing authority; provided, however, that the
5 amount deducted from any one salary or wage payment shall
6 not exceed 25% of the net amount of the payment. Before the
7 Board deducts any amount from any salary or wage of an
8 employee under this paragraph, the municipality, the
9 county, the Cook County Forest Preserve District, the
10 Chicago Park District, the Metropolitan Water Reclamation
11 District, the Chicago Transit Authority, or the housing
12 authority shall certify that (i) the employee has been
13 afforded an opportunity for a hearing to dispute the debt
14 that is due and owing the municipality, the county, the
15 Cook County Forest Preserve District, the Chicago Park
16 District, the Metropolitan Water Reclamation District, the
17 Chicago Transit Authority, or the housing authority and
18 (ii) the employee has received notice of a wage deduction
19 order and has been afforded an opportunity for a hearing to
20 object to the order. For purposes of this paragraph, "net
21 amount" means that part of the salary or wage payment
22 remaining after the deduction of any amounts required by
23 law to be deducted and "debt due and owing" means (i) a
24 specified sum of money owed to the municipality, the
25 county, the Cook County Forest Preserve District, the
26 Chicago Park District, the Metropolitan Water Reclamation

1 District, the Chicago Transit Authority, or the housing
2 authority for services, work, or goods, after the period
3 granted for payment has expired, or (ii) a specified sum of
4 money owed to the municipality, the county, the Cook County
5 Forest Preserve District, the Chicago Park District, the
6 Metropolitan Water Reclamation District, the Chicago
7 Transit Authority, or the housing authority pursuant to a
8 court order or order of an administrative hearing officer
9 after the exhaustion of, or the failure to exhaust,
10 judicial review;

11 20. The board is encouraged to employ a sufficient
12 number of certified school counselors to maintain a
13 student/counselor ratio of 250 to 1 by July 1, 1990. Each
14 counselor shall spend at least 75% of his work time in
15 direct contact with students and shall maintain a record of
16 such time;

17 21. To make available to students vocational and career
18 counseling and to establish 5 special career counseling
19 days for students and parents. On these days
20 representatives of local businesses and industries shall
21 be invited to the school campus and shall inform students
22 of career opportunities available to them in the various
23 businesses and industries. Special consideration shall be
24 given to counseling minority students as to career
25 opportunities available to them in various fields. For the
26 purposes of this paragraph, minority student means a person

1 who is any of the following:

2 (a) American Indian or Alaska Native (a person having
3 origins in any of the original peoples of North and South
4 America, including Central America, and who maintains
5 tribal affiliation or community attachment).

6 (b) Asian (a person having origins in any of the
7 original peoples of the Far East, Southeast Asia, or the
8 Indian subcontinent, including, but not limited to,
9 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,
10 the Philippine Islands, Thailand, and Vietnam).

11 (c) Black or African American (a person having origins
12 in any of the black racial groups of Africa). Terms such as
13 "Haitian" or "Negro" can be used in addition to "Black or
14 African American".

15 (d) Hispanic or Latino (a person of Cuban, Mexican,
16 Puerto Rican, South or Central American, or other Spanish
17 culture or origin, regardless of race).

18 (e) Native Hawaiian or Other Pacific Islander (a person
19 having origins in any of the original peoples of Hawaii,
20 Guam, Samoa, or other Pacific Islands).

21 Counseling days shall not be in lieu of regular school
22 days;

23 22. To report to the State Board of Education the
24 annual student dropout rate and number of students who
25 graduate from, transfer from or otherwise leave bilingual
26 programs;

1 23. Except as otherwise provided in the Abused and
2 Neglected Child Reporting Act or other applicable State or
3 federal law, to permit school officials to withhold, from
4 any person, information on the whereabouts of any child
5 removed from school premises when the child has been taken
6 into protective custody as a victim of suspected child
7 abuse. School officials shall direct such person to the
8 Department of Children and Family Services, or to the local
9 law enforcement agency if appropriate;

10 24. To develop a policy, based on the current state of
11 existing school facilities, projected enrollment and
12 efficient utilization of available resources, for capital
13 improvement of schools and school buildings within the
14 district, addressing in that policy both the relative
15 priority for major repairs, renovations and additions to
16 school facilities, and the advisability or necessity of
17 building new school facilities or closing existing schools
18 to meet current or projected demographic patterns within
19 the district;

20 25. To make available to the students in every high
21 school attendance center the ability to take all courses
22 necessary to comply with the Board of Higher Education's
23 college entrance criteria effective in 1993;

24 26. To encourage mid-career changes into the teaching
25 profession, whereby qualified professionals become
26 certified teachers, by allowing credit for professional

1 employment in related fields when determining point of
2 entry on teacher pay scale;

3 27. To provide or contract out training programs for
4 administrative personnel and principals with revised or
5 expanded duties pursuant to this Act in order to assure
6 they have the knowledge and skills to perform their duties;

7 28. To establish a fund for the prioritized special
8 needs programs, and to allocate such funds and other lump
9 sum amounts to each attendance center in a manner
10 consistent with the provisions of part 4 of Section 34-2.3.
11 Nothing in this paragraph shall be construed to require any
12 additional appropriations of State funds for this purpose;

13 29. (Blank);

14 30. Notwithstanding any other provision of this Act or
15 any other law to the contrary, to contract with third
16 parties for services otherwise performed by employees,
17 including those in a bargaining unit, and to layoff those
18 employees upon 14 days written notice to the affected
19 employees. Those contracts may be for a period not to
20 exceed 5 years and may be awarded on a system-wide basis.
21 The board may not operate more than 30 contract schools,
22 provided that the board may operate an additional 5
23 contract turnaround schools pursuant to item (5.5) of
24 subsection (d) of Section 34-8.3 of this Code;

25 31. To promulgate rules establishing procedures
26 governing the layoff or reduction in force of employees and

1 the recall of such employees, including, but not limited
2 to, criteria for such layoffs, reductions in force or
3 recall rights of such employees and the weight to be given
4 to any particular criterion. Such criteria shall take into
5 account factors including, but not be limited to,
6 qualifications, certifications, experience, performance
7 ratings or evaluations, and any other factors relating to
8 an employee's job performance;

9 32. To develop a policy to prevent nepotism in the
10 hiring of personnel or the selection of contractors;

11 33. To enter into a partnership agreement, as required
12 by Section 34-3.5 of this Code, and, notwithstanding any
13 other provision of law to the contrary, to promulgate
14 policies, enter into contracts, and take any other action
15 necessary to accomplish the objectives and implement the
16 requirements of that agreement; and

17 34. To establish a Labor Management Council to the
18 board comprised of representatives of the board, the chief
19 executive officer, and those labor organizations that are
20 the exclusive representatives of employees of the board and
21 to promulgate policies and procedures for the operation of
22 the Council.

23 The specifications of the powers herein granted are not to
24 be construed as exclusive but the board shall also exercise all
25 other powers that they may be requisite or proper for the
26 maintenance and the development of a public school system, not

1 inconsistent with the other provisions of this Article or
2 provisions of this Code which apply to all school districts.

3 In addition to the powers herein granted and authorized to
4 be exercised by the board, it shall be the duty of the board to
5 review or to direct independent reviews of special education
6 expenditures and services. The board shall file a report of
7 such review with the General Assembly on or before May 1, 1990.
8 (Source: P.A. 99-143, eff. 7-27-15.)

9 (105 ILCS 5/34-18.30)

10 Sec. 34-18.30. Dependents of military personnel; no
11 tuition charge. If, at the time of enrollment, a dependent of
12 United States military personnel is housed in temporary housing
13 located outside of the school district, but will be living
14 within the district within 60 days after the time of initial
15 enrollment, the dependent must be allowed to enroll, subject to
16 the requirements of this Section, and must not be charged
17 tuition. Any United States military personnel attempting to
18 enroll a dependent under this Section shall provide proof that
19 the dependent will be living within the district within 60 days
20 after the time of initial enrollment. Proof of residency may
21 include, but is not limited to, postmarked mail addressed to
22 the military personnel and sent to an address located within
23 the district, a lease agreement for occupancy of a residence
24 located within the district, or proof of ownership of a
25 residence located within the district. Non-resident dependents

1 of United States military personnel attending school on a
2 tuition-free basis may be counted for the purposes of
3 determining the apportionment of State aid provided under
4 Section 18-8.05 or 18-8.15 of this Code.

5 (Source: P.A. 95-331, eff. 8-21-07.)

6 (105 ILCS 5/34-43.1) (from Ch. 122, par. 34-43.1)

7 Sec. 34-43.1. (A) Limitation of noninstructional costs. It
8 is the purpose of this Section to establish for the Board of
9 Education and the general superintendent of schools
10 requirements and standards which maximize the proportion of
11 school district resources in direct support of educational,
12 program, and building maintenance and safety services for the
13 pupils of the district, and which correspondingly minimize the
14 amount and proportion of such resources associated with
15 centralized administration, administrative support services,
16 and other noninstructional services.

17 For the 1989-90 school year and for all subsequent school
18 years, the Board of Education shall undertake budgetary and
19 expenditure control actions which limit the administrative
20 expenditures of the Board of Education to levels, as provided
21 for in this Section, which represent an average of the
22 administrative expenses of all school districts in this State
23 not subject to Article 34.

24 (B) Certification of expenses by the State Superintendent
25 of Education. The State Superintendent of Education shall

1 annually certify, on or before May 1, to the Board of Education
2 and the School Finance Authority, for the applicable school
3 year, the following information:

4 (1) the annual expenditures of all school districts of
5 the State not subject to Article 34 properly attributable
6 to expenditure functions defined by the rules and
7 regulations of the State Board of Education as: 2210
8 (Improvement of Instructional Services); 2300 (Support
9 Services - General Administration) excluding, however,
10 2320 (Executive Administrative Services); 2490 (Other
11 Support Services - School Administration); 2500 (Support
12 Services - Business); 2600 (Support Services - Central);

13 (2) the total annual expenditures of all school
14 districts not subject to Article 34 attributable to the
15 Education Fund, the Operations, Building and Maintenance
16 Fund, the Transportation Fund and the Illinois Municipal
17 Retirement Fund of the several districts, as defined by the
18 rules and regulations of the State Board of Education; and

19 (3) a ratio, to be called the statewide average of
20 administrative expenditures, derived by dividing the
21 expenditures certified pursuant to paragraph (B)(1) by the
22 expenditures certified pursuant to paragraph (B)(2).

23 For purposes of the annual certification of expenditures
24 and ratios required by this Section, the "applicable year" of
25 certification shall initially be the 1986-87 school year and,
26 in sequent years, each succeeding school year.

1 The State Superintendent of Education shall consult with
2 the Board of Education to ascertain whether particular
3 expenditure items allocable to the administrative functions
4 enumerated in paragraph (B)(1) are appropriately or
5 necessarily higher in the applicable school district than in
6 the rest of the State due to noncomparable factors. The State
7 Superintendent shall also review the relevant cost proportions
8 in other large urban school districts. The State Superintendent
9 shall also review the expenditure categories in paragraph
10 (B)(1) to ascertain whether they contain school-level
11 expenses. If he or she finds that adjustments to the formula
12 are appropriate or necessary to establish a more fair and
13 comparable standard for administrative cost for the Board of
14 Education or to exclude school-level expenses, the State
15 Superintendent shall recommend to the School Finance Authority
16 rules and regulations adjusting particular subcategories in
17 this subsection (B) or adjusting certain costs in determining
18 the budget and expenditure items properly attributable to the
19 functions or otherwise adjust the formula.

20 (C) Administrative expenditure limitations. The annual
21 budget of the Board of Education, as adopted and implemented,
22 and the related annual expenditures for the school year, shall
23 reflect a limitation on administrative outlays as required by
24 the following provisions, taking into account any adjustments
25 established by the State Superintendent of Education: (1) the
26 budget and expenditures of the Board of Education for the

1 1989-90 school year shall reflect a ratio of administrative
2 expenditures to total expenditures equal to or less than the
3 statewide average of administrative expenditures for the
4 1986-87 school year as certified by the State Superintendent of
5 Education pursuant to paragraph (B)(3); (2) for the 1990-91
6 school year and for all subsequent school years, the budget and
7 expenditures of the Board of Education shall reflect a ratio of
8 administrative expenditures to total expenditures equal to or
9 less than the statewide average of administrative expenditures
10 certified by the State Superintendent of Education for the
11 applicable year pursuant to paragraph (B)(3); (3) if for any
12 school year the budget of the Board of Education reflects a
13 ratio of administrative expenditures to total expenditures
14 which exceeds the applicable statewide average, the Board of
15 Education shall reduce expenditure items allocable to the
16 administrative functions enumerated in paragraph (B)(1) such
17 that the Board of Education's ratio of administrative
18 expenditures to total expenditures is equal to or less than the
19 applicable statewide average ratio.

20 For purposes of this Section, the ratio of administrative
21 expenditures to the total expenditures of the Board of
22 Education, as applied to the budget of the Board of Education,
23 shall mean: the budgeted expenditure items of the Board of
24 Education properly attributable to the expenditure functions
25 identified in paragraph (B)(1) divided by the total budgeted
26 expenditures of the Board of Education properly attributable to

1 the Board of Education funds corresponding to those funds
2 identified in paragraph (B)(2), exclusive of any monies
3 budgeted for payment to the Public School Teachers' Pension and
4 Retirement System, attributable to payments due from the
5 General Funds of the State of Illinois.

6 The annual expenditure of the Board of Education for 2320
7 (Executive Administrative Services) for the 1989-90 school
8 year shall be no greater than the 2320 expenditure for the
9 1988-89 school year. The annual expenditure of the Board of
10 Education for 2320 for the 1990-91 school year and each
11 subsequent school year shall be no greater than the 2320
12 expenditure for the immediately preceding school year or the
13 1988-89 school year, whichever is less. This annual expenditure
14 limitation may be adjusted in each year in an amount not to
15 exceed any change effective during the applicable school year
16 in salary to be paid under the collective bargaining agreement
17 with instructional personnel to which the Board is a party and
18 in benefit costs either required by law or such collective
19 bargaining agreement.

20 (D) Cost control measures. In undertaking actions to
21 control or reduce expenditure items necessitated by the
22 administrative expenditure limitations of this Section, the
23 Board of Education shall give priority consideration to
24 reductions or cost controls with the least effect upon direct
25 services to students or instructional services for pupils, and
26 upon the safety and well-being of pupils, and, as applicable,

1 with the particular costs or functions to which the Board of
2 Education is higher than the statewide average.

3 For purposes of assuring that the cost control priorities
4 of this subsection (D) are met, the State Superintendent of
5 Education shall, with the assistance of the Board of Education,
6 review the cost allocation practices of the Board of Education,
7 and the State Superintendent of Education shall thereafter
8 recommend to the School Finance Authority rules and regulations
9 which define administrative areas which most impact upon the
10 direct and instructional needs of students and upon the safety
11 and well-being of the pupils of the district. No position
12 closed shall be reopened using State or federal categorical
13 funds.

14 (E) Report of Audited Information. For the 1988-89 school
15 year and for all subsequent school years, the Board of
16 Education shall file with the State Board of Education the
17 Annual Financial Report and its audit, as required by the rules
18 of the State Board of Education. Such reports shall be filed no
19 later than February 15 following the end of the school year of
20 the Board of Education, beginning with the report to be filed
21 no later than February 15, 1990 for the 1988-89 school year.

22 As part of the required Annual Financial Report, the Board
23 of Education shall provide a detailed accounting of the central
24 level, district, bureau and department costs and personnel
25 included within expenditure functions included in paragraph
26 (B) (1). The nature and detail of the reporting required for

1 these functions shall be prescribed by the State Board of
2 Education in rules and regulations. A copy of this detailed
3 accounting shall also be provided annually to the School
4 Finance Authority and the public. This report shall contain a
5 reconciliation to the board of education's adopted budget for
6 that fiscal year, specifically delineating administrative
7 functions.

8 If the information required under this Section is not
9 provided by the Board of Education in a timely manner, or is
10 initially or subsequently determined by the State
11 Superintendent of Education to be incomplete or inaccurate, the
12 State Superintendent shall, in writing, notify the Board of
13 Education of reporting deficiencies. The Board of Education
14 shall, within 60 days of such notice, address the reporting
15 deficiencies identified. If the State Superintendent of
16 Education does not receive satisfactory response to these
17 reporting deficiencies within 60 days, the next payment of
18 general State aid or evidence-based funding due the Board of
19 Education under Section 18-8 or Section 18-8.15, as applicable,
20 and all subsequent payments, shall be withheld by the State
21 Superintendent of Education until the enumerated deficiencies
22 have been addressed.

23 Utilizing the Annual Financial Report, the State
24 Superintendent of Education shall certify on or before May 1 to
25 the School Finance Authority the Board of Education's ratio of
26 administrative expenditures to total expenditures for the

1 1988-89 school year and for each succeeding school year. Such
2 certification shall indicate the extent to which the
3 administrative expenditure ratio of the Board of Education
4 conformed to the limitations required in subsection (C) of this
5 Section, taking into account any adjustments of the limitations
6 which may have been recommended by the State Superintendent of
7 Education to the School Finance Authority. In deriving the
8 administrative expenditure ratio of the Chicago Board of
9 Education, the State Superintendent of Education shall utilize
10 the definition of this ratio prescribed in subsection (C) of
11 this Section, except that the actual expenditures of the Board
12 of Education shall be substituted for budgeted expenditure
13 items.

14 (F) Approval and adjustments to administrative expenditure
15 limitations. The School Finance Authority organized under
16 Article 34A shall monitor the Board of Education's adherence to
17 the requirements of this Section. As part of its responsibility
18 the School Finance Authority shall determine whether the Board
19 of Education's budget for the next school year, and the
20 expenditures for a prior school year, comply with the
21 limitation of administrative expenditures required by this
22 Section. The Board of Education and the State Board of
23 Education shall provide such information as is required by the
24 School Finance Authority in order for the Authority to
25 determine compliance with the provisions of this Section. If
26 the Authority determines that the budget proposed by the Board

1 of Education does not meet the cost control requirements of
2 this Section, the Board of Education shall undertake budgetary
3 reductions, consistent with the requirements of this Section,
4 to bring the proposed budget into compliance with such cost
5 control limitations.

6 If, in formulating cost control and cost reduction
7 alternatives, the Board of Education believes that meeting the
8 cost control requirements of this Section related to the budget
9 for the ensuing year would impair the education, safety, or
10 well-being of the pupils of the school district, the Board of
11 Education may request that the School Finance Authority make
12 adjustments to the limitations required by this Section. The
13 Board of Education shall specify the amount, nature, and
14 reasons for the relief required and shall also identify cost
15 reductions which can be made in expenditure functions not
16 enumerated in paragraph (B) (1), which would serve the purposes
17 of this Section.

18 The School Finance Authority shall consult with the State
19 Superintendent of Education concerning the reasonableness from
20 an educational administration perspective of the adjustments
21 sought by the Board of Education. The School Finance Authority
22 shall provide an opportunity for the public to comment upon the
23 reasonableness of the Board's request. If, after such
24 consultation, the School Finance Authority determines that all
25 or a portion of the adjustments sought by the Board of
26 Education are reasonably appropriate or necessary, the

1 Authority may grant such relief from the provisions of this
2 Section which the Authority deems appropriate. Adjustments so
3 granted apply only to the specific school year for which the
4 request was made.

5 In the event that the School Finance Authority determines
6 that the Board of Education has failed to achieve the required
7 administrative expenditure limitations for a prior school
8 year, or if the Authority determines that the Board of
9 Education has not met the requirements of subsection (F), the
10 Authority shall make recommendations to the Board of Education
11 concerning appropriate corrective actions. If the Board of
12 Education fails to provide adequate assurance to the Authority
13 that appropriate corrective actions have been or will be taken,
14 the Authority may, within 60 days thereafter, require the board
15 to adjust its current budget to correct for the prior year's
16 shortage or may recommend to the members of the General
17 Assembly and the Governor such sanctions or remedial actions as
18 will serve to deter any further such failures on the part of
19 the Board of Education.

20 To assist the Authority in its monitoring
21 responsibilities, the Board of Education shall provide such
22 reports and information as are from time to time required by
23 the Authority.

24 (G) Independent reviews of administrative expenditures.
25 The School Finance Authority may direct independent reviews of
26 the administrative and administrative support expenditures and

1 services and other non-instructional expenditure functions of
2 the Board of Education. The Board of Education shall afford
3 full cooperation to the School Finance Authority in such review
4 activity. The purpose of such reviews shall be to verify
5 specific targets for improved operating efficiencies of the
6 Board of Education, to identify other areas of potential
7 efficiencies, and to assure full and proper compliance by the
8 Board of Education with all requirements of this Section.

9 In the conduct of reviews under this subsection, the
10 Authority may request the assistance and consultation of the
11 State Superintendent of Education with regard to questions of
12 efficiency and effectiveness in educational administration.

13 (H) Reports to Governor and General Assembly. On or before
14 May 1, 1991 and no less frequently than yearly thereafter, the
15 School Finance Authority shall provide to the Governor, the
16 State Board of Education, and the members of the General
17 Assembly an annual report, as outlined in Section 34A-606,
18 which includes the following information: (1) documenting the
19 compliance or non-compliance of the Board of Education with the
20 requirements of this Section; (2) summarizing the costs,
21 findings, and recommendations of any reviews directed by the
22 School Finance Authority, and the response to such
23 recommendations made by the Board of Education; and (3)
24 recommending sanctions or legislation necessary to fulfill the
25 intent of this Section.

26 (Source: P.A. 86-124; 86-1477.)

1 (105 ILCS 5/34-54.5 new)

2 Sec. 34-54.5. Decrease in tax rate for educational
3 purposes. If the school district's adequacy target, as defined
4 in Section 18-8.15 of this Code, meets or exceeds 110%, the
5 question of establishing a lower tax rate for educational
6 purposes than that in effect by the school district shall be
7 submitted to the voters of the school district at the
8 consolidated election in accordance with the general election
9 law, but only if the voters have submitted a petition signed by
10 not fewer than 5% of the legal voters in the school district.
11 That percentage shall be based on the number of votes cast at
12 the last general election preceding the filing of the petition.
13 The petition shall specify the tax rate of the school district
14 levy to be submitted. In no case shall the tax rate lower the
15 current tax levy by more than 20%.

16 The petition shall be filed with the secretary of the board
17 not more than 10 months nor less than 6 months prior to the
18 election at which the question is to be submitted to the
19 voters, and its validity shall be determined as provided by the
20 general election law. The secretary shall certify the question
21 to the proper election officials, who shall submit the question
22 to the voters. Notwithstanding any other provisions of this
23 Section, this referendum shall be subject to all other general
24 election law requirements.

1 (105 ILCS 5/22-60 rep.)

2 Section 47. The School Code is amended by repealing Section
3 22-60.

4 Section 50. The Educational Opportunity for Military
5 Children Act is amended by changing Section 25 as follows:

6 (105 ILCS 70/25)

7 Sec. 25. Tuition for children of active duty military
8 personnel who are transfer students. If a student who is a
9 child of active duty military personnel is (i) placed with a
10 non-custodial parent and (ii) as a result of placement, must
11 attend a non-resident school district, then the student must
12 not be charged the tuition of the school that the student
13 attends as a result of placement with the non-custodial parent
14 and the student must be counted in the calculation of average
15 daily attendance under Section 18-8.05 or 18-8.15 of the School
16 Code.

17 (Source: P.A. 98-673, eff. 6-30-14.)

18 Section 95. No acceleration or delay. Where this Act makes
19 changes in a statute that is represented in this Act by text
20 that is not yet or no longer in effect (for example, a Section
21 represented by multiple versions), the use of that text does
22 not accelerate or delay the taking effect of (i) the changes
23 made by this Act or (ii) provisions derived from any other

1 Public Act.

2 Section 97. Savings clause. Any repeal or amendment made by
3 this Act shall not affect or impair any of the following: suits
4 pending or rights existing at the time this Act takes effect;
5 any grant or conveyance made or right acquired or cause of
6 action now existing under any Section, Article, or Act repealed
7 or amended by this Act; the validity of any bonds or other
8 obligations issued or sold and constituting valid obligations
9 of the issuing authority at the time this Act takes effect; the
10 validity of any contract; the validity of any tax levied under
11 any law in effect prior to the effective date of this Act; or
12 any offense committed, act done, penalty, punishment, or
13 forfeiture incurred or any claim, right, power, or remedy
14 accrued under any law in effect prior to the effective date of
15 this Act.

16 Section 99. Effective date. This Act takes effect upon
17 becoming law."