



Rep. Rita Mayfield

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10100HB5579ham001

LRB101 18221 CMG 71363 a

1 AMENDMENT TO HOUSE BILL 5579

2 AMENDMENT NO. _____. Amend House Bill 5579 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The School Code is amended by changing Sections
5 1H-115 and 18-8.15 as follows:

6 (105 ILCS 5/1H-115)

7 Sec. 1H-115. Abolition of Panel.

8 (a) Except as provided in subsections (b), (c), ~~and~~ (d),
9 and (e) of this Section, the Panel shall be abolished 10 years
10 after its creation.

11 (b) The State Board, upon recommendation of the Panel or
12 petition of the school board, may abolish the Panel at any time
13 after the Panel has been in existence for 3 years if no
14 obligations of the Panel are outstanding or remain undefeased
15 and upon investigation and finding that:

16 (1) none of the factors specified in Section 1A-8 of

1 this Code remain applicable to the district; and

2 (2) there has been substantial achievement of the goals
3 and objectives established pursuant to the financial plan
4 and required under Section 1H-15 of this Code.

5 (c) The Panel of a district that otherwise meets all of the
6 requirements for abolition of a Panel under subsection (b) of
7 this Section, except for the fact that there are outstanding
8 financial obligations of the Panel, may petition the State
9 Board for reinstatement of all of the school board's powers and
10 duties assumed by the Panel; and if approved by the State
11 Board, then:

12 (1) the Panel shall continue in operation, but its
13 powers and duties shall be limited to those necessary to
14 manage and administer its outstanding obligations;

15 (2) the school board shall once again begin exercising
16 all of the powers and duties otherwise allowed by statute;
17 and

18 (3) the Panel shall be abolished as provided in
19 subsection (a) of this Section.

20 (d) If the Panel of a district otherwise meets all of the
21 requirements for abolition of a Panel under subsection (b) of
22 this Section, except for outstanding obligations of the Panel,
23 then the district may petition the State Board for abolition of
24 the Panel if the district:

25 (1) establishes an irrevocable trust fund, the purpose
26 of which is to provide moneys to defease the outstanding

1 obligations of the Panel; and

2 (2) issues funding bonds pursuant to the provisions of
3 Sections 19-8 and 19-9 of this Code.

4 A district with a Panel that falls under this subsection
5 (d) shall be abolished as provided in subsection (a) of this
6 Section.

7 (e) The duration of a Panel may be continued for more than
8 10 years after the date of its creation if the State Board
9 extends the Panel's duration under paragraph (3) of subsection
10 (e) of Section 18-8.15 of this Code.

11 (Source: P.A. 97-429, eff. 8-16-11; 98-463, eff. 8-16-13.)

12 (105 ILCS 5/18-8.15)

13 Sec. 18-8.15. Evidence-Based Funding ~~Evidence-based~~
14 ~~funding~~ for student success for the 2017-2018 and subsequent
15 school years.

16 (a) General provisions.

17 (1) The purpose of this Section is to ensure that, by
18 June 30, 2027 and beyond, this State has a kindergarten
19 through grade 12 public education system with the capacity
20 to ensure the educational development of all persons to the
21 limits of their capacities in accordance with Section 1 of
22 Article X of the Constitution of the State of Illinois. To
23 accomplish that objective, this Section creates a method of
24 funding public education that is evidence-based; is
25 sufficient to ensure every student receives a meaningful

1 opportunity to learn irrespective of race, ethnicity,
2 sexual orientation, gender, or community-income level; and
3 is sustainable and predictable. When fully funded under
4 this Section, every school shall have the resources, based
5 on what the evidence indicates is needed, to:

6 (A) provide all students with a high quality
7 education that offers the academic, enrichment, social
8 and emotional support, technical, and career-focused
9 programs that will allow them to become competitive
10 workers, responsible parents, productive citizens of
11 this State, and active members of our national
12 democracy;

13 (B) ensure all students receive the education they
14 need to graduate from high school with the skills
15 required to pursue post-secondary education and
16 training for a rewarding career;

17 (C) reduce, with a goal of eliminating, the
18 achievement gap between at-risk and non-at-risk
19 students by raising the performance of at-risk
20 students and not by reducing standards; and

21 (D) ensure this State satisfies its obligation to
22 assume the primary responsibility to fund public
23 education and simultaneously relieve the
24 disproportionate burden placed on local property taxes
25 to fund schools.

26 (2) The Evidence-Based Funding ~~evidence based funding~~

1 formula under this Section shall be applied to all
2 Organizational Units in this State. The Evidence-Based
3 Funding ~~evidence-based funding~~ formula outlined in this
4 Act is based on the formula outlined in Senate Bill 1 of
5 the 100th General Assembly, as passed by both legislative
6 chambers. As further defined and described in this Section,
7 there are 4 major components of the Evidence-Based Funding
8 ~~evidence-based funding~~ model:

9 (A) First, the model calculates a unique Adequacy
10 Target ~~adequacy target~~ for each Organizational Unit in
11 this State that considers the costs to implement
12 research-based activities, the unit's student
13 demographics, and regional wage differences
14 ~~difference~~.

15 (B) Second, the model calculates each
16 Organizational Unit's Local Capacity ~~local capacity~~,
17 or the amount each Organizational Unit is assumed to
18 contribute toward ~~towards~~ its Adequacy Target ~~adequacy~~
19 ~~target~~ from local resources.

20 (C) Third, the model calculates how much funding
21 the State currently contributes to the Organizational
22 Unit, and adds that to the unit's Local Capacity ~~local~~
23 ~~capacity~~ to determine the unit's overall current
24 adequacy of funding.

25 (D) Finally, the model's distribution method
26 allocates new State funding to those Organizational

1 Units that are least well-funded, considering both
2 Local Capacity ~~local capacity~~ and State funding, in
3 relation to their Adequacy Target ~~adequacy target~~.

4 (3) An Organizational Unit receiving any funding under
5 this Section may apply those funds to any fund so received
6 for which that Organizational Unit is authorized to make
7 expenditures by law.

8 (4) As used in this Section, the following terms shall
9 have the meanings ascribed in this paragraph (4):

10 "Adequacy Target" is defined in paragraph (1) of
11 subsection (b) of this Section.

12 "Adjusted EAV" is defined in paragraph (4) of
13 subsection (d) of this Section.

14 "Adjusted Local Capacity Target" is defined in
15 paragraph (3) of subsection (c) of this Section.

16 "Adjusted Operating Tax Rate" means a tax rate for all
17 Organizational Units, for which the State Superintendent
18 shall calculate and subtract for the Operating Tax Rate a
19 transportation rate based on total expenses for
20 transportation services under this Code, as reported on the
21 most recent Annual Financial Report in Pupil
22 Transportation Services, function 2550 in both the
23 Education and Transportation funds and functions 4110 and
24 4120 in the Transportation fund, less any corresponding
25 fiscal year State of Illinois scheduled payments excluding
26 net adjustments for prior years for regular, vocational, or

1 special education transportation reimbursement pursuant to
2 Section 29-5 or subsection (b) of Section 14-13.01 of this
3 Code divided by the Adjusted EAV. If an Organizational
4 Unit's corresponding fiscal year State of Illinois
5 scheduled payments excluding net adjustments for prior
6 years for regular, vocational, or special education
7 transportation reimbursement pursuant to Section 29-5 or
8 subsection (b) of Section 14-13.01 of this Code exceed the
9 total transportation expenses, as defined in this
10 paragraph, no transportation rate shall be subtracted from
11 the Operating Tax Rate.

12 "Allocation Rate" is defined in paragraph (3) of
13 subsection (g) of this Section.

14 "Alternative School" means a public school that is
15 created and operated by a regional superintendent of
16 schools and approved by the State Board.

17 "Applicable Tax Rate" is defined in paragraph (1) of
18 subsection (d) of this Section.

19 "Assessment" means any of those benchmark, progress
20 monitoring, formative, diagnostic, and other assessments,
21 in addition to the State accountability assessment, that
22 assist teachers' needs in understanding the skills and
23 meeting the needs of the students they serve.

24 "Assistant principal" means a school administrator
25 duly endorsed to be employed as an assistant principal in
26 this State.

1 "At-risk student" means a student who is at risk of not
2 meeting the Illinois Learning Standards or not graduating
3 from elementary or high school and who demonstrates a need
4 for vocational support or social services beyond that
5 provided by the regular school program. All students
6 included in an Organizational Unit's Low-Income Count, as
7 well as all English learner and disabled students attending
8 the Organizational Unit, shall be considered at-risk
9 students under this Section.

10 "Average Student Enrollment" or "ASE" for fiscal year
11 2018 means, for an Organizational Unit, the greater of the
12 average number of students (grades K through 12) reported
13 to the State Board as enrolled in the Organizational Unit
14 on October 1 in the immediately preceding school year, plus
15 the pre-kindergarten students who receive special
16 education services of 2 or more hours a day as reported to
17 the State Board on December 1 in the immediately preceding
18 school year, or the average number of students (grades K
19 through 12) reported to the State Board as enrolled in the
20 Organizational Unit on October 1, plus the
21 pre-kindergarten students who receive special education
22 services of 2 or more hours a day as reported to the State
23 Board on December 1, for each of the immediately preceding
24 3 school years. For fiscal year 2019 and each subsequent
25 fiscal year, "Average Student Enrollment" or "ASE" means,
26 for an Organizational Unit, the greater of the average

1 number of students (grades K through 12) reported to the
2 State Board as enrolled in the Organizational Unit on
3 October 1 and March 1 in the immediately preceding school
4 year, plus the pre-kindergarten students who receive
5 special education services as reported to the State Board
6 on October 1 and March 1 in the immediately preceding
7 school year, or the average number of students (grades K
8 through 12) reported to the State Board as enrolled in the
9 Organizational Unit on October 1 and March 1, plus the
10 pre-kindergarten students who receive special education
11 services as reported to the State Board on October 1 and
12 March 1, for each of the immediately preceding 3 school
13 years. For the purposes of this definition, "enrolled in
14 the Organizational Unit" means the number of students
15 reported to the State Board who are enrolled in schools
16 within the Organizational Unit that the student attends or
17 would attend if not placed or transferred to another school
18 or program to receive needed services. For the purposes of
19 calculating "ASE", all students, grades K through 12,
20 excluding those attending kindergarten for a half day and
21 students attending an alternative education program
22 operated by a regional office of education or intermediate
23 service center, shall be counted as 1.0. All students
24 attending kindergarten for a half day shall be counted as
25 0.5, unless in 2017 by June 15 or by March 1 in subsequent
26 years, the school district reports to the State Board of

1 Education the intent to implement full-day kindergarten
2 district-wide for all students, then all students
3 attending kindergarten shall be counted as 1.0. Special
4 education pre-kindergarten students shall be counted as
5 0.5 each. If the State Board does not collect or has not
6 collected both an October 1 and March 1 enrollment count by
7 grade or a December 1 collection of special education
8 pre-kindergarten students as of August 31, 2017 (the
9 effective date of Public Act 100-465) ~~this amendatory Act~~
10 ~~of the 100th General Assembly~~, it shall establish such
11 collection for all future years. For any year in which
12 ~~where~~ a count by grade level was collected only once, that
13 count shall be used as the single count available for
14 computing a 3-year average ASE. Funding for programs
15 operated by a regional office of education or an
16 intermediate service center must be calculated using the
17 Evidence-Based Funding ~~evidence-based funding~~ formula
18 under this Section for the 2019-2020 school year and each
19 subsequent school year until separate adequacy formulas
20 are developed and adopted for each type of program. ASE for
21 a program operated by a regional office of education or an
22 intermediate service center must be determined by the March
23 1 enrollment for the program. For the 2019-2020 school
24 year, the ASE used in the calculation must be the
25 first-year ASE and, in that year only, the assignment of
26 students served by a regional office of education or

1 intermediate service center shall not result in a reduction
2 of the March enrollment for any school district. For the
3 2020-2021 school year, the ASE must be the greater of the
4 current-year ASE or the 2-year average ASE. Beginning with
5 the 2021-2022 school year, the ASE must be the greater of
6 the current-year ASE or the 3-year average ASE. School
7 districts shall submit the data for the ASE calculation to
8 the State Board within 45 days of the dates required in
9 this Section for submission of enrollment data in order for
10 it to be included in the ASE calculation. For fiscal year
11 2018 only, the ASE calculation shall include only
12 enrollment taken on October 1.

13 "Base Funding Guarantee" is defined in paragraph (10)
14 of subsection (g) of this Section.

15 "Base Funding Minimum" is defined in subsection (e) of
16 this Section.

17 "Base Tax Year" means the property tax levy year used
18 to calculate the Budget Year allocation of primary State
19 aid.

20 "Base Tax Year's Extension" means the product of the
21 equalized assessed valuation utilized by the county clerk
22 in the Base Tax Year multiplied by the limiting rate as
23 calculated by the county clerk and defined in PTELL.

24 "Bilingual Education Allocation" means the amount of
25 an Organizational Unit's final Adequacy Target
26 attributable to bilingual education divided by the

1 Organizational Unit's final Adequacy Target, the product
2 of which shall be multiplied by the amount of new funding
3 received pursuant to this Section. An Organizational
4 Unit's final Adequacy Target attributable to bilingual
5 education shall include all additional investments in
6 English learner students' adequacy elements.

7 "Budget Year" means the school year for which primary
8 State 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
12 security 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
18 the CWI initially developed by the National Center for
19 Education Statistics, as most recently updated by Texas A &
20 M University. In the fourth and subsequent years of
21 Evidence-Based Funding implementation, the State
22 Superintendent shall re-determine the CWI using a similar
23 methodology to that identified in the Texas A & M
24 University study, with adjustments made no less frequently
25 than once every 5 years.

26 "Computer technology and equipment" means computers

1 servers, notebooks, network equipment, copiers, printers,
2 instructional software, security software, curriculum
3 management courseware, and other similar materials and
4 equipment.

5 "Computer technology and equipment investment
6 allocation" means the final Adequacy Target amount of an
7 Organizational Unit assigned to Tier 1 or Tier 2 in the
8 prior school year attributable to the additional \$285.50
9 per student computer technology and equipment investment
10 grant divided by the Organizational Unit's final Adequacy
11 Target, the result of which shall be multiplied by the
12 amount of new funding received pursuant to this Section. An
13 Organizational Unit assigned to a Tier 1 or Tier 2 final
14 Adequacy Target attributable to the received computer
15 technology and equipment investment grant shall include
16 all additional investments in computer technology and
17 equipment adequacy elements.

18 "Core subject" means mathematics; science; reading,
19 English, writing, and language arts; history and social
20 studies; world languages; and subjects taught as Advanced
21 Placement in high schools.

22 "Core teacher" means a regular classroom teacher in
23 elementary schools and teachers of a core subject in middle
24 and high schools.

25 "Core Intervention teacher (tutor)" means a licensed
26 teacher providing one-on-one or small group tutoring to

1 students struggling to meet proficiency in core subjects.

2 "CPPRT" means corporate personal property replacement
3 tax funds paid to an Organizational Unit during the
4 calendar year one year before the calendar year in which a
5 school year begins, pursuant to "An Act in relation to the
6 abolition of ad valorem personal property tax and the
7 replacement of revenues lost thereby, and amending and
8 repealing certain Acts and parts of Acts in connection
9 therewith", certified August 14, 1979, as amended (Public
10 Act 81-1st S.S.-1).

11 "EAV" means equalized assessed valuation as defined in
12 paragraph (2) of subsection (d) of this Section and
13 calculated in accordance with paragraph (3) of subsection
14 (d) of this Section.

15 "ECI" means the Bureau of Labor Statistics' national
16 employment cost index for civilian workers in educational
17 services in elementary and secondary schools on a
18 cumulative basis for the 12-month calendar year preceding
19 the fiscal year of the Evidence-Based Funding calculation.

20 "EIS Data" means the employment information system
21 data maintained by the State Board on educators within
22 Organizational Units.

23 "Employee benefits" means health, dental, and vision
24 insurance offered to employees of an Organizational Unit,
25 the costs associated with the statutorily required payment
26 of the normal cost of the Organizational Unit's teacher

1 pensions, Social Security employer contributions, and
2 Illinois Municipal Retirement Fund employer contributions.

3 "English learner" or "EL" means a child included in the
4 definition of "English learners" under Section 14C-2 of
5 this Code participating in a program of transitional
6 bilingual education or a transitional program of
7 instruction meeting the requirements and program
8 application procedures of Article 14C of this Code. For the
9 purposes of collecting the number of EL students enrolled,
10 the same collection and calculation methodology as defined
11 above for "ASE" shall apply to English learners, with the
12 exception that EL student enrollment shall include
13 students in grades pre-kindergarten through 12.

14 "Essential Elements" means those elements, resources,
15 and educational programs that have been identified through
16 academic research as necessary to improve student success,
17 improve academic performance, close achievement gaps, and
18 provide for other per student costs related to the delivery
19 and leadership of the Organizational Unit, as well as the
20 maintenance and operations of the unit, and which are
21 specified in paragraph (2) of subsection (b) of this
22 Section.

23 "Evidence-Based Funding" means State funding provided
24 to an Organizational Unit pursuant to this Section.

25 "Extended day" means academic and enrichment programs
26 provided to students outside the regular school day before

1 and after school or during non-instructional times during
2 the school day.

3 "Extension Limitation Ratio" means a numerical ratio
4 in which the numerator is the Base Tax Year's Extension and
5 the denominator is the Preceding Tax Year's Extension.

6 "Final Percent of Adequacy" is defined in paragraph (4)
7 of subsection (f) of this Section.

8 "Final Resources" is defined in paragraph (3) of
9 subsection (f) of this Section.

10 "Full-time equivalent" or "FTE" means the full-time
11 equivalency compensation for staffing the relevant
12 position at an Organizational Unit.

13 "Funding Gap" is defined in paragraph (1) of subsection
14 (g).

15 "Guidance counselor" means a licensed guidance
16 counselor who provides guidance and counseling support for
17 students within an Organizational Unit.

18 "Hybrid District" means a partial elementary unit
19 district created pursuant to Article 11E of this Code.

20 "Instructional assistant" means a core or special
21 education, non-licensed employee who assists a teacher in
22 the classroom and provides academic support to students.

23 "Instructional facilitator" means a qualified teacher
24 or licensed teacher leader who facilitates and coaches
25 continuous improvement in classroom instruction; provides
26 instructional support to teachers in the elements of

1 research-based instruction or demonstrates the alignment
2 of instruction with curriculum standards and assessment
3 tools; develops or coordinates instructional programs or
4 strategies; develops and implements training; chooses
5 standards-based instructional materials; provides teachers
6 with an understanding of current research; serves as a
7 mentor, site coach, curriculum specialist, or lead
8 teacher; or otherwise works with fellow teachers, in
9 collaboration, to use data to improve instructional
10 practice or develop model lessons.

11 "Instructional materials" means relevant instructional
12 materials for student instruction, including, but not
13 limited to, textbooks, consumable workbooks, laboratory
14 equipment, library books, and other similar materials.

15 "Laboratory School" means a public school that is
16 created and operated by a public university and approved by
17 the State Board.

18 "Librarian" means a teacher with an endorsement as a
19 library information specialist or another individual whose
20 primary responsibility is overseeing library resources
21 within an Organizational Unit.

22 "Limiting rate for Hybrid Districts" means the
23 combined elementary school and high school limiting
24 ~~limited~~ rates.

25 "Local Capacity" is defined in paragraph (1) of
26 subsection (c) of this Section.

1 "Local Capacity Percentage" is defined in subparagraph
2 (A) of paragraph (2) of subsection (c) of this Section.

3 "Local Capacity Ratio" is defined in subparagraph (B)
4 of paragraph (2) of subsection (c) of this Section.

5 "Local Capacity Target" is defined in paragraph (2) of
6 subsection (c) of this Section.

7 "Low-Income Count" means, for an Organizational Unit
8 in a fiscal year, the higher of the average number of
9 students for the prior school year or the immediately
10 preceding 3 school years who, as of July 1 of the
11 immediately preceding fiscal year (as determined by the
12 Department of Human Services), are eligible for at least
13 one of the following low-income ~~low-income~~ programs:
14 Medicaid, the Children's Health Insurance Program,
15 Temporary Assistance for Needy Families (TANF), or the
16 Supplemental Nutrition Assistance Program, excluding
17 pupils who are eligible for services provided by the
18 Department of Children and Family Services. Until such time
19 that grade level low-income populations become available,
20 grade level low-income populations shall be determined by
21 applying the low-income percentage to total student
22 enrollments by grade level. The low-income percentage is
23 determined by dividing the Low-Income Count by the Average
24 Student Enrollment. The low-income percentage for programs
25 operated by a regional office of education or an
26 intermediate service center must be set to the weighted

1 average of the low-income percentages of all of the school
2 districts in the service region. The weighted low-income
3 percentage is the result of multiplying the low-income
4 percentage of each school district served by the regional
5 office of education or intermediate service center by each
6 school district's Average Student Enrollment, summarizing
7 those products and dividing the total by the total Average
8 Student Enrollment for the service region.

9 "Maintenance and operations" means custodial services,
10 facility and ground maintenance, facility operations,
11 facility security, routine facility repairs, and other
12 similar services and functions.

13 "Minimum Funding Level" is defined in paragraph (9) of
14 subsection (g) of this Section.

15 "New Property Tax Relief Pool Funds" means, for any
16 given fiscal year, all State funds appropriated under
17 Section 2-3.170 of the School Code.

18 "New State Funds" means, for a given school year, all
19 State funds appropriated for Evidence-Based Funding in
20 excess of the amount needed to fund the Base Funding
21 Minimum for all Organizational Units in that school year.

22 "Net State Contribution Target" means, for a given
23 school year, the amount of State funds that would be
24 necessary to fully meet the Adequacy Target of an
25 Operational Unit minus the Preliminary Resources available
26 to each unit.

1 "Nurse" means an individual licensed as a certified
2 school nurse, in accordance with the rules established for
3 nursing services by the State Board, who is an employee of
4 and is available to provide health care-related services
5 for students of an Organizational Unit.

6 "Operating Tax Rate" means the rate utilized in the
7 previous year to extend property taxes for all purposes,
8 except ~~7~~ Bond and Interest, Summer School, Rent, Capital
9 Improvement, and Vocational Education Building purposes.
10 For Hybrid Districts, the Operating Tax Rate shall be the
11 combined elementary and high school rates utilized in the
12 previous year to extend property taxes for all purposes,
13 except ~~7~~ Bond and Interest, Summer School, Rent, Capital
14 Improvement, and Vocational Education Building purposes.

15 "Organizational Unit" means a Laboratory School or any
16 public school district that is recognized as such by the
17 State Board and that contains elementary schools typically
18 serving kindergarten through 5th grades, middle schools
19 typically serving 6th through 8th grades, high schools
20 typically serving 9th through 12th grades, a program
21 established under Section 2-3.66 or 2-3.41, or a program
22 operated by a regional office of education or an
23 intermediate service center under Article 13A or 13B. The
24 General Assembly acknowledges that the actual grade levels
25 served by a particular Organizational Unit may vary
26 slightly from what is typical.

1 "Organizational Unit CWI" is determined by calculating
2 the CWI in the region and original county in which an
3 Organizational Unit's primary administrative office is
4 located as set forth in this paragraph, provided that if
5 the Organizational Unit CWI as calculated in accordance
6 with this paragraph is less than 0.9, the Organizational
7 Unit CWI shall be increased to 0.9. Each county's current
8 CWI value shall be adjusted based on the CWI value of that
9 county's neighboring Illinois counties, to create a
10 "weighted adjusted index value". This shall be calculated
11 by summing the CWI values of all of a county's adjacent
12 Illinois counties and dividing by the number of adjacent
13 Illinois counties, then taking the weighted value of the
14 original county's CWI value and the adjacent Illinois
15 county average. To calculate this weighted value, if the
16 number of adjacent Illinois counties is greater than 2, the
17 original county's CWI value will be weighted at 0.25 and
18 the adjacent Illinois county average will be weighted at
19 0.75. If the number of adjacent Illinois counties is 2, the
20 original county's CWI value will be weighted at 0.33 and
21 the adjacent Illinois county average will be weighted at
22 0.66. The greater of the county's current CWI value and its
23 weighted adjusted index value shall be used as the
24 Organizational Unit CWI.

25 "Preceding Tax Year" means the property tax levy year
26 immediately preceding the Base Tax Year.

1 "Preceding Tax Year's Extension" means the product of
2 the equalized assessed valuation utilized by the county
3 clerk in the Preceding Tax Year multiplied by the Operating
4 Tax Rate.

5 "Preliminary Percent of Adequacy" is defined in
6 paragraph (2) of subsection (f) of this Section.

7 "Preliminary Resources" is defined in paragraph (2) of
8 subsection (f) of this Section.

9 "Principal" means a school administrator duly endorsed
10 to be employed as a principal in this State.

11 "Professional development" means training programs for
12 licensed staff in schools, including, but not limited to,
13 programs that assist in implementing new curriculum
14 programs, provide data focused or academic assessment data
15 training to help staff identify a student's weaknesses and
16 strengths, target interventions, improve instruction,
17 encompass instructional strategies for English learner,
18 gifted, or at-risk students, address inclusivity, cultural
19 sensitivity, or implicit bias, or otherwise provide
20 professional support for licensed staff.

21 "Prototypical" means 450 special education
22 pre-kindergarten and kindergarten through grade 5 students
23 for an elementary school, 450 grade 6 through 8 students
24 for a middle school, and 600 grade 9 through 12 students
25 for a high school.

26 "PTELL" means the Property Tax Extension Limitation

1 Law.

2 "PTELL EAV" is defined in paragraph (4) of subsection
3 (d) of this Section.

4 "Pupil support staff" means a nurse, psychologist,
5 social worker, family liaison personnel, or other staff
6 member who provides support to at-risk or struggling
7 students.

8 "Real Receipts" is defined in paragraph (1) of
9 subsection (d) of this Section.

10 "Regionalization Factor" means, for a particular
11 Organizational Unit, the figure derived by dividing the
12 Organizational Unit CWI by the Statewide Weighted CWI.

13 "School site staff" means the primary school secretary
14 and any additional clerical personnel assigned to a school.

15 "Special education" means special educational
16 facilities and services, as defined in Section 14-1.08 of
17 this Code.

18 "Special Education Allocation" means the amount of an
19 Organizational Unit's final Adequacy Target attributable
20 to special education divided by the Organizational Unit's
21 final Adequacy Target, the product of which shall be
22 multiplied by the amount of new funding received pursuant
23 to this Section. An Organizational Unit's final Adequacy
24 Target attributable to special education shall include all
25 special education investment adequacy elements.

26 "Specialist teacher" means a teacher who provides

1 instruction in subject areas not included in core subjects,
2 including, but not limited to, art, music, physical
3 education, health, driver education, career-technical
4 education, and such other subject areas as may be mandated
5 by State law or provided by an Organizational Unit.

6 "Specially Funded Unit" means an Alternative School,
7 safe school, Department of Juvenile Justice school,
8 special education cooperative or entity recognized by the
9 State Board as a special education cooperative,
10 State-approved charter school, or alternative learning
11 opportunities program that received direct funding from
12 the State Board during the 2016-2017 school year through
13 any of the funding sources included within the calculation
14 of the Base Funding Minimum or Glenwood Academy.

15 "Supplemental Grant Funding" means supplemental
16 general State aid funding received by an Organizational
17 ~~Organization~~ Unit during the 2016-2017 school year
18 pursuant to subsection (H) of Section 18-8.05 of this Code
19 (now repealed).

20 "State Adequacy Level" is the sum of the Adequacy
21 Targets of all Organizational Units.

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

23 "State Superintendent" means the State Superintendent
24 of Education.

25 "Statewide Weighted CWI" means a figure determined by
26 multiplying each Organizational Unit CWI times the ASE for

1 that Organizational Unit creating a weighted value,
2 summing all Organizational Units' ~~Unit's~~ weighted values,
3 and dividing by the total ASE of all Organizational Units,
4 thereby creating an average weighted index.

5 "Student activities" means non-credit producing
6 after-school programs, including, but not limited to,
7 clubs, bands, sports, and other activities authorized by
8 the school board of the Organizational Unit.

9 "Substitute teacher" means an individual teacher or
10 teaching assistant who is employed by an Organizational
11 Unit and is temporarily serving the Organizational Unit on
12 a per diem or per period-assignment basis to replace
13 ~~replacing~~ another staff member.

14 "Summer school" means academic and enrichment programs
15 provided to students during the summer months outside of
16 the regular school year.

17 "Supervisory aide" means a non-licensed staff member
18 who helps in supervising students of an Organizational
19 Unit, but does so outside of the classroom, in situations
20 such as, but not limited to, monitoring hallways and
21 playgrounds, supervising lunchrooms, or supervising
22 students when being transported in buses serving the
23 Organizational Unit.

24 "Target Ratio" is defined in paragraph (4) of
25 subsection (g).

26 "Tier 1", "Tier 2", "Tier 3", and "Tier 4" are defined

1 in paragraph (3) of subsection (g).

2 "Tier 1 Aggregate Funding", "Tier 2 Aggregate
3 Funding", "Tier 3 Aggregate Funding", and "Tier 4 Aggregate
4 Funding" are defined in paragraph (1) of subsection (g).

5 (b) Adequacy Target calculation.

6 (1) Each Organizational Unit's Adequacy Target is the
7 sum of the Organizational Unit's cost of providing
8 Essential Elements, as calculated in accordance with this
9 subsection (b), with the salary amounts in the Essential
10 Elements multiplied by a Regionalization Factor calculated
11 pursuant to paragraph (3) of this subsection (b).

12 (2) The Essential Elements are attributable on a pro
13 rata basis related to defined subgroups of the ASE of each
14 Organizational Unit as specified in this paragraph (2),
15 with investments and FTE positions pro rata funded based on
16 ASE counts in excess or less than the thresholds set forth
17 in this paragraph (2). The method for calculating
18 attributable pro rata costs and the defined subgroups
19 thereto are as follows:

20 (A) Core class size investments. Each
21 Organizational Unit shall receive the funding required
22 to support that number of FTE core teacher positions as
23 is needed to keep the respective class sizes of the
24 Organizational Unit to the following maximum numbers:

25 (i) For grades kindergarten through 3, the
26 Organizational Unit shall receive funding required

1 to support one FTE core teacher position for every
2 15 Low-Income Count students in those grades and
3 one FTE core teacher position for every 20
4 non-Low-Income Count students in those grades.

5 (ii) For grades 4 through 12, the
6 Organizational Unit shall receive funding required
7 to support one FTE core teacher position for every
8 20 Low-Income Count students in those grades and
9 one FTE core teacher position for every 25
10 non-Low-Income Count students in those grades.

11 The number of non-Low-Income Count students in a
12 grade shall be determined by subtracting the
13 Low-Income students in that grade from the ASE of the
14 Organizational Unit for that grade.

15 (B) Specialist teacher investments. Each
16 Organizational Unit shall receive the funding needed
17 to cover that number of FTE specialist teacher
18 positions that correspond to the following
19 percentages:

20 (i) if the Organizational Unit operates an
21 elementary or middle school, then 20.00% of the
22 number of the Organizational Unit's core teachers,
23 as determined under subparagraph (A) of this
24 paragraph (2); and

25 (ii) if such Organizational Unit operates a
26 high school, then 33.33% of the number of the

1 Organizational Unit's core teachers.

2 (C) Instructional facilitator investments. Each
3 Organizational Unit shall receive the funding needed
4 to cover one FTE instructional facilitator position
5 for every 200 combined ASE of pre-kindergarten
6 children with disabilities and all kindergarten
7 through grade 12 students of the Organizational Unit.

8 (D) Core intervention teacher (tutor) investments.
9 Each Organizational Unit shall receive the funding
10 needed to cover one FTE teacher position for each
11 prototypical elementary, middle, and high school.

12 (E) Substitute teacher investments. Each
13 Organizational Unit shall receive the funding needed
14 to cover substitute teacher costs that is equal to
15 5.70% of the minimum pupil attendance days required
16 under Section 10-19 of this Code for all full-time
17 equivalent core, specialist, and intervention
18 teachers, school nurses, special education teachers
19 and instructional assistants, instructional
20 facilitators, and summer school and extended day
21 ~~extended-day~~ teacher positions, as determined under
22 this paragraph (2), at a salary rate of 33.33% of the
23 average salary for grade K through 12 teachers and
24 33.33% of the average salary of each instructional
25 assistant position.

26 (F) Core guidance counselor investments. Each

1 Organizational Unit shall receive the funding needed
2 to cover one FTE guidance counselor for each 450
3 combined ASE of pre-kindergarten children with
4 disabilities and all kindergarten through grade 5
5 students, plus one FTE guidance counselor for each 250
6 grades 6 through 8 ASE middle school students, plus one
7 FTE guidance counselor for each 250 grades 9 through 12
8 ASE high school students.

9 (G) Nurse investments. Each Organizational Unit
10 shall receive the funding needed to cover one FTE nurse
11 for each 750 combined ASE of pre-kindergarten children
12 with disabilities and all kindergarten through grade
13 12 students across all grade levels it serves.

14 (H) Supervisory aide investments. Each
15 Organizational Unit shall receive the funding needed
16 to cover one FTE for each 225 combined ASE of
17 pre-kindergarten children with disabilities and all
18 kindergarten through grade 5 students, plus one FTE for
19 each 225 ASE middle school students, plus one FTE for
20 each 200 ASE high school students.

21 (I) Librarian investments. Each Organizational
22 Unit shall receive the funding needed to cover one FTE
23 librarian for each prototypical elementary school,
24 middle school, and high school and one FTE aide or
25 media technician for every 300 combined ASE of
26 pre-kindergarten children with disabilities and all

1 kindergarten through grade 12 students.

2 (J) Principal investments. Each Organizational
3 Unit shall receive the funding needed to cover one FTE
4 principal position for each prototypical elementary
5 school, plus one FTE principal position for each
6 prototypical middle school, plus one FTE principal
7 position for each prototypical high school.

8 (K) Assistant principal investments. Each
9 Organizational Unit shall receive the funding needed
10 to cover one FTE assistant principal position for each
11 prototypical elementary school, plus one FTE assistant
12 principal position for each prototypical middle
13 school, plus one FTE assistant principal position for
14 each prototypical high school.

15 (L) School site staff investments. Each
16 Organizational Unit shall receive the funding needed
17 for one FTE position for each 225 ASE of
18 pre-kindergarten children with disabilities and all
19 kindergarten through grade 5 students, plus one FTE
20 position for each 225 ASE middle school students, plus
21 one FTE position for each 200 ASE high school students.

22 (M) Gifted investments. Each Organizational Unit
23 shall receive \$40 per kindergarten through grade 12
24 ASE.

25 (N) Professional development investments. Each
26 Organizational Unit shall receive \$125 per student of

1 the combined ASE of pre-kindergarten children with
2 disabilities and all kindergarten through grade 12
3 students for trainers and other professional
4 development-related expenses for supplies and
5 materials.

6 (O) Instructional material investments. Each
7 Organizational Unit shall receive \$190 per student of
8 the combined ASE of pre-kindergarten children with
9 disabilities and all kindergarten through grade 12
10 students to cover instructional material costs.

11 (P) Assessment investments. Each Organizational
12 Unit shall receive \$25 per student of the combined ASE
13 of pre-kindergarten children with disabilities and all
14 kindergarten through grade 12 students ~~student~~ to
15 cover assessment costs.

16 (Q) Computer technology and equipment investments.
17 Each Organizational Unit shall receive \$285.50 per
18 student of the combined ASE of pre-kindergarten
19 children with disabilities and all kindergarten
20 through grade 12 students to cover computer technology
21 and equipment costs. For the 2018-2019 school year and
22 subsequent school years, Organizational Units assigned
23 to Tier 1 and Tier 2 in the prior school year shall
24 receive an additional \$285.50 per student of the
25 combined ASE of pre-kindergarten children with
26 disabilities and all kindergarten through grade 12

1 students to cover computer technology and equipment
2 costs in the Organizational ~~Organization~~ Unit's
3 Adequacy Target. The State Board may establish
4 additional requirements for Organizational Unit
5 expenditures of funds received pursuant to this
6 subparagraph (Q), including a requirement that funds
7 received pursuant to this subparagraph (Q) may be used
8 only for serving the technology needs of the district.
9 It is the intent of Public Act 100-465 ~~this amendatory~~
10 ~~Act of the 100th General Assembly~~ that all Tier 1 and
11 Tier 2 districts receive the addition to their Adequacy
12 Target in the following year, subject to compliance
13 with the requirements of the State Board.

14 (R) Student activities investments. Each
15 Organizational Unit shall receive the following
16 funding amounts to cover student activities: \$100 per
17 kindergarten through grade 5 ASE student in elementary
18 school, plus \$200 per ASE student in middle school,
19 plus \$675 per ASE student in high school.

20 (S) Maintenance and operations investments. Each
21 Organizational Unit shall receive \$1,038 per student
22 of the combined ASE of pre-kindergarten children with
23 disabilities and all kindergarten through grade 12
24 students for day-to-day maintenance and operations
25 expenditures, including salary, supplies, and
26 materials, as well as purchased services, but

1 excluding employee benefits. The proportion of salary
2 for the application of a Regionalization Factor and the
3 calculation of benefits is equal to \$352.92.

4 (T) Central office investments. Each
5 Organizational Unit shall receive \$742 per student of
6 the combined ASE of pre-kindergarten children with
7 disabilities and all kindergarten through grade 12
8 students to cover central office operations, including
9 administrators and classified personnel charged with
10 managing the instructional programs, business and
11 operations of the school district, and security
12 personnel. The proportion of salary for the
13 application of a Regionalization Factor and the
14 calculation of benefits is equal to \$368.48.

15 (U) Employee benefit investments. Each
16 Organizational Unit shall receive 30% of the total of
17 all salary-calculated elements of the Adequacy Target,
18 excluding substitute teachers and student activities
19 investments, to cover benefit costs. For central
20 office and maintenance and operations investments, the
21 benefit calculation shall be based upon the salary
22 proportion of each investment. If at any time the
23 responsibility for funding the employer normal cost of
24 teacher pensions is assigned to school districts, then
25 that amount certified by the Teachers' Retirement
26 System of the State of Illinois to be paid by the

1 Organizational Unit for the preceding school year
2 shall be added to the benefit investment. For any
3 fiscal year in which a school district organized under
4 Article 34 of this Code is responsible for paying the
5 employer normal cost of teacher pensions, then that
6 amount of its employer normal cost plus the amount for
7 retiree health insurance as certified by the Public
8 School Teachers' Pension and Retirement Fund of
9 Chicago to be paid by the school district for the
10 preceding school year that is statutorily required to
11 cover employer normal costs and the amount for retiree
12 health insurance shall be added to the 30% specified in
13 this subparagraph (U). The Teachers' Retirement System
14 of the State of Illinois and the Public School
15 Teachers' Pension and Retirement Fund of Chicago shall
16 submit such information as the State Superintendent
17 may require for the calculations set forth in this
18 subparagraph (U).

19 (V) Additional investments in low-income students.
20 In addition to and not in lieu of all other funding
21 under this paragraph (2), each Organizational Unit
22 shall receive funding based on the average teacher
23 salary for grades K through 12 to cover the costs of:

24 (i) one FTE intervention teacher (tutor)
25 position for every 125 Low-Income Count students;

26 (ii) one FTE pupil support staff position for

1 every 125 Low-Income Count students;

2 (iii) one FTE extended day teacher position
3 for every 120 Low-Income Count students; and

4 (iv) one FTE summer school teacher position
5 for every 120 Low-Income Count students.

6 (W) Additional investments in English learner
7 students. In addition to and not in lieu of all other
8 funding under this paragraph (2), each Organizational
9 Unit shall receive funding based on the average teacher
10 salary for grades K through 12 to cover the costs of:

11 (i) one FTE intervention teacher (tutor)
12 position for every 125 English learner students;

13 (ii) one FTE pupil support staff position for
14 every 125 English learner students;

15 (iii) one FTE extended day teacher position
16 for every 120 English learner students;

17 (iv) one FTE summer school teacher position
18 for every 120 English learner students; and

19 (v) one FTE core teacher position for every 100
20 English learner students.

21 (X) Special education investments. Each
22 Organizational Unit shall receive funding based on the
23 average teacher salary for grades K through 12 to cover
24 special education as follows:

25 (i) one FTE teacher position for every 141
26 combined ASE of pre-kindergarten children with

1 disabilities and all kindergarten through grade 12
2 students;

3 (ii) one FTE instructional assistant for every
4 141 combined ASE of pre-kindergarten children with
5 disabilities and all kindergarten through grade 12
6 students; and

7 (iii) one FTE psychologist position for every
8 1,000 combined ASE of pre-kindergarten children
9 with disabilities and all kindergarten through
10 grade 12 students.

11 (3) For calculating the salaries included within the
12 Essential Elements, the State Superintendent shall
13 annually calculate average salaries to the nearest dollar
14 using the employment information system data maintained by
15 the State Board, limited to public schools only and
16 excluding special education and vocational cooperatives,
17 schools operated by the Department of Juvenile Justice, and
18 charter schools, for the following positions:

19 (A) Teacher for grades K through 8.

20 (B) Teacher for grades 9 through 12.

21 (C) Teacher for grades K through 12.

22 (D) Guidance counselor for grades K through 8.

23 (E) Guidance counselor for grades 9 through 12.

24 (F) Guidance counselor for grades K through 12.

25 (G) Social worker.

26 (H) Psychologist.

1 (I) Librarian.

2 (J) Nurse.

3 (K) Principal.

4 (L) Assistant principal.

5 For the purposes of this paragraph (3), "teacher"
6 includes core teachers, specialist and elective teachers,
7 instructional facilitators, tutors, special education
8 teachers, pupil support staff teachers, English learner
9 teachers, extended day ~~extended day~~ teachers, and summer
10 school teachers. Where specific grade data is not required
11 for the Essential Elements, the average salary for
12 corresponding positions shall apply. For substitute
13 teachers, the average teacher salary for grades K through
14 12 shall apply.

15 For calculating the salaries included within the
16 Essential Elements for positions not included within EIS
17 Data, the following salaries shall be used in the first
18 year of implementation of Evidence-Based Funding:

19 (i) school site staff, \$30,000; and

20 (ii) non-instructional assistant, instructional
21 assistant, library aide, library media tech, or
22 supervisory aide: \$25,000.

23 In the second and subsequent years of implementation of
24 Evidence-Based Funding, the amounts in items (i) and (ii)
25 of this paragraph (3) shall annually increase by the ECI.

26 The salary amounts for the Essential Elements

1 determined pursuant to subparagraphs (A) through (L), (S)
2 and (T), and (V) through (X) of paragraph (2) of subsection
3 (b) of this Section shall be multiplied by a
4 Regionalization Factor.

5 (c) Local Capacity ~~capacity~~ calculation.

6 (1) Each Organizational Unit's Local Capacity
7 represents an amount of funding it is assumed to contribute
8 toward its Adequacy Target for purposes of the
9 Evidence-Based Funding formula calculation. "Local
10 Capacity" means either (i) the Organizational Unit's Local
11 Capacity Target as calculated in accordance with paragraph
12 (2) of this subsection (c) if its Real Receipts are equal
13 to or less than its Local Capacity Target or (ii) the
14 Organizational Unit's Adjusted Local Capacity, as
15 calculated in accordance with paragraph (3) of this
16 subsection (c) if Real Receipts are more than its Local
17 Capacity Target.

18 (2) "Local Capacity Target" means, for an
19 Organizational Unit, that dollar amount that is obtained by
20 multiplying its Adequacy Target by its Local Capacity
21 Ratio.

22 (A) An Organizational Unit's Local Capacity
23 Percentage is the conversion of the Organizational
24 Unit's Local Capacity Ratio, as such ratio is
25 determined in accordance with subparagraph (B) of this
26 paragraph (2), into a cumulative distribution

1 resulting in a percentile ranking to determine each
2 Organizational Unit's relative position to all other
3 Organizational Units in this State. The calculation of
4 Local Capacity Percentage is described in subparagraph
5 (C) of this paragraph (2).

6 (B) An Organizational Unit's Local Capacity Ratio
7 in a given year is the percentage obtained by dividing
8 its Adjusted EAV or PTELL EAV, whichever is less, by
9 its Adequacy Target, with the resulting ratio further
10 adjusted as follows:

11 (i) for Organizational Units serving grades
12 kindergarten through 12 and Hybrid Districts, no
13 further adjustments shall be made;

14 (ii) for Organizational Units serving grades
15 kindergarten through 8, the ratio shall be
16 multiplied by 9/13;

17 (iii) for Organizational Units serving grades
18 9 through 12, the Local Capacity Ratio shall be
19 multiplied by 4/13; and

20 (iv) for an Organizational Unit with a
21 different grade configuration than those specified
22 in items (i) through (iii) of this subparagraph
23 (B), the State Superintendent shall determine a
24 comparable adjustment based on the grades served.

25 (C) The Local Capacity Percentage is equal to the
26 percentile ranking of the district. Local Capacity

1 Percentage converts each Organizational Unit's Local
2 Capacity Ratio to a cumulative distribution resulting
3 in a percentile ranking to determine each
4 Organizational Unit's relative position to all other
5 Organizational Units in this State. The Local Capacity
6 Percentage cumulative distribution resulting in a
7 percentile ranking for each Organizational Unit shall
8 be calculated using the standard normal distribution
9 of the score in relation to the weighted mean and
10 weighted standard deviation and Local Capacity Ratios
11 of all Organizational Units. If the value assigned to
12 any Organizational Unit is in excess of 90%, the value
13 shall be adjusted to 90%. For Laboratory Schools, the
14 Local Capacity Percentage shall be set at 10% in
15 recognition of the absence of EAV and resources from
16 the public university that are allocated to the
17 Laboratory School. For programs operated by a regional
18 office of education or an intermediate service center,
19 the Local Capacity Percentage must be set at 10% in
20 recognition of the absence of EAV and resources from
21 school districts that are allocated to the regional
22 office of education or intermediate service center.
23 The weighted mean for the Local Capacity Percentage
24 shall be determined by multiplying each Organizational
25 Unit's Local Capacity Ratio times the ASE for the unit
26 creating a weighted value, summing the weighted values

1 of all Organizational Units, and dividing by the total
2 ASE of all Organizational Units. The weighted standard
3 deviation shall be determined by taking the square root
4 of the weighted variance of all Organizational Units'
5 Local Capacity Ratio, where the variance is calculated
6 by squaring the difference between each unit's Local
7 Capacity Ratio and the weighted mean, then multiplying
8 the variance for each unit times the ASE for the unit
9 to create a weighted variance for each unit, then
10 summing all units' weighted variance and dividing by
11 the total ASE of all units.

12 (D) For any Organizational Unit, the
13 Organizational Unit's Adjusted Local Capacity Target
14 shall be reduced by either (i) the school board's
15 remaining contribution pursuant to paragraph (ii) of
16 subsection (b-4) of Section 16-158 of the Illinois
17 Pension Code in a given year⁷ or (ii) the board of
18 education's remaining contribution pursuant to
19 paragraph (iv) of subsection (b) of Section 17-129 of
20 the Illinois Pension Code absent the employer normal
21 cost portion of the required contribution and amount
22 allowed pursuant to subdivision (3) of Section
23 17-142.1 of the Illinois Pension Code in a given year.
24 In the preceding sentence, item (i) shall be certified
25 to the State Board of Education by the Teachers'
26 Retirement System of the State of Illinois and item

1 (ii) shall be certified to the State Board of Education
2 by the Public School Teachers' Pension and Retirement
3 Fund of the City of Chicago.

4 (3) If an Organizational Unit's Real Receipts are more
5 than its Local Capacity Target, then its Local Capacity
6 shall equal an Adjusted Local Capacity Target as calculated
7 in accordance with this paragraph (3). The Adjusted Local
8 Capacity Target is calculated as the sum of the
9 Organizational Unit's Local Capacity Target and its Real
10 Receipts Adjustment. The Real Receipts Adjustment equals
11 the Organizational Unit's Real Receipts less its Local
12 Capacity Target, with the resulting figure multiplied by
13 the Local Capacity Percentage.

14 As used in this paragraph (3), "Real Percent of
15 Adequacy" means the sum of an Organizational Unit's Real
16 Receipts, CPPRT, and Base Funding Minimum, with the
17 resulting figure divided by the Organizational Unit's
18 Adequacy Target.

19 (d) Calculation of Real Receipts, EAV, and Adjusted EAV for
20 purposes of the Local Capacity calculation.

21 (1) An Organizational Unit's Real Receipts are the
22 product of its Applicable Tax Rate and its Adjusted EAV. An
23 Organizational Unit's Applicable Tax Rate is its Adjusted
24 Operating Tax Rate for property within the Organizational
25 Unit.

26 (2) The State Superintendent shall calculate the

1 equalized assessed valuation ~~Equalized Assessed Valuation~~,
2 or EAV, of all taxable property of each Organizational Unit
3 as of September 30 of the previous year in accordance with
4 paragraph (3) of this subsection (d). The State
5 Superintendent shall then determine the Adjusted EAV of
6 each Organizational Unit in accordance with paragraph (4)
7 of this subsection (d), which Adjusted EAV figure shall be
8 used for the purposes of calculating Local Capacity.

9 (3) To calculate Real Receipts and EAV, the Department
10 of Revenue shall supply to the State Superintendent the
11 value as equalized or assessed by the Department of Revenue
12 of all taxable property of every Organizational Unit,
13 together with (i) the applicable tax rate used in extending
14 taxes for the funds of the Organizational Unit as of
15 September 30 of the previous year and (ii) the limiting
16 rate for all Organizational Units subject to property tax
17 extension limitations as imposed under PTELL.

18 (A) The Department of Revenue shall add to the
19 equalized assessed value of all taxable property of
20 each Organizational Unit situated entirely or
21 partially within a county that is or was subject to the
22 provisions of Section 15-176 or 15-177 of the Property
23 Tax Code (i) an amount equal to the total amount by
24 which the homestead exemption allowed under Section
25 15-176 or 15-177 of the Property Tax Code for real
26 property situated in that Organizational Unit exceeds

1 the total amount that would have been allowed in that
2 Organizational Unit if the maximum reduction under
3 Section 15-176 was (I) \$4,500 in Cook County or \$3,500
4 in all other counties in tax year 2003 or (II) \$5,000
5 in all counties in tax year 2004 and thereafter and
6 (ii) an amount equal to the aggregate amount for the
7 taxable year of all additional exemptions under
8 Section 15-175 of the Property Tax Code for owners with
9 a household income of \$30,000 or less. The county clerk
10 of any county that is or was subject to the provisions
11 of Section 15-176 or 15-177 of the Property Tax Code
12 shall annually calculate and certify to the Department
13 of Revenue for each Organizational Unit all homestead
14 exemption amounts under Section 15-176 or 15-177 of the
15 Property Tax Code and all amounts of additional
16 exemptions under Section 15-175 of the Property Tax
17 Code for owners with a household income of \$30,000 or
18 less. It is the intent of this subparagraph (A) that if
19 the general homestead exemption for a parcel of
20 property is determined under Section 15-176 or 15-177
21 of the Property Tax Code rather than Section 15-175,
22 then the calculation of EAV shall not be affected by
23 the difference, if any, between the amount of the
24 general homestead exemption allowed for that parcel of
25 property under Section 15-176 or 15-177 of the Property
26 Tax Code and the amount that would have been allowed

1 had the general homestead exemption for that parcel of
2 property been determined under Section 15-175 of the
3 Property Tax Code. It is further the intent of this
4 subparagraph (A) that if additional exemptions are
5 allowed under Section 15-175 of the Property Tax Code
6 for owners with a household income of less than
7 \$30,000, then the calculation of EAV shall not be
8 affected by the difference, if any, because of those
9 additional exemptions.

10 (B) With respect to any part of an Organizational
11 Unit within a redevelopment project area in respect to
12 which a municipality has adopted tax increment
13 allocation financing pursuant to the Tax Increment
14 Allocation Redevelopment Act, Division 74.4 of Article
15 11 of the Illinois Municipal Code, or the Industrial
16 Jobs Recovery Law, Division 74.6 of Article 11 of the
17 Illinois Municipal Code, no part of the current EAV of
18 real property located in any such project area that
19 ~~which~~ is attributable to an increase above the total
20 initial EAV of such property shall be used as part of
21 the EAV of the Organizational Unit, until such time as
22 all redevelopment project costs have been paid, as
23 provided in Section 11-74.4-8 of the Tax Increment
24 Allocation Redevelopment Act or in Section 11-74.6-35
25 of the Industrial Jobs Recovery Law. For the purpose of
26 the EAV of the Organizational Unit, the total initial

1 EAV or the current EAV, whichever is lower, shall be
2 used until such time as all redevelopment project costs
3 have been paid.

4 (B-5) The real property equalized assessed
5 valuation for a school district shall be adjusted by
6 subtracting from the real property value, as equalized
7 or assessed by the Department of Revenue, for the
8 district an amount computed by dividing the amount of
9 any abatement of taxes under Section 18-170 of the
10 Property Tax Code by 3.00% for a district maintaining
11 grades kindergarten through 12, by 2.30% for a district
12 maintaining grades kindergarten through 8, or by 1.05%
13 for a district maintaining grades 9 through 12 and
14 adjusted by an amount computed by dividing the amount
15 of any abatement of taxes under subsection (a) of
16 Section 18-165 of the Property Tax Code by the same
17 percentage rates for district type as specified in this
18 subparagraph (B-5).

19 (C) For Organizational Units that are Hybrid
20 Districts, the State Superintendent shall use the
21 lesser of the adjusted equalized assessed valuation
22 for property within the partial elementary unit
23 district for elementary purposes, as defined in
24 Article 11E of this Code, or the adjusted equalized
25 assessed valuation for property within the partial
26 elementary unit district for high school purposes, as

1 defined in Article 11E of this Code.

2 (4) An Organizational Unit's Adjusted EAV shall be the
3 average of its EAV over the immediately preceding 3 years
4 or its EAV in the immediately preceding year if the EAV in
5 the immediately preceding year has declined by 10% or more
6 compared to the 3-year average. In the event of
7 Organizational Unit reorganization, consolidation, or
8 annexation, the Organizational Unit's Adjusted EAV for the
9 first 3 years after such change shall be as follows: the
10 most current EAV shall be used in the first year, the
11 average of a 2-year EAV or its EAV in the immediately
12 preceding year if the EAV declines by 10% or more compared
13 to the 2-year average for the second year, and a 3-year
14 average EAV or its EAV in the immediately preceding year if
15 the Adjusted ~~adjusted~~ EAV declines by 10% or more compared
16 to the 3-year average for the third year. For any school
17 district whose EAV in the immediately preceding year is
18 used in calculations, in the following year, the Adjusted
19 EAV shall be the average of its EAV over the immediately
20 preceding 2 years or the immediately preceding year if that
21 year represents a decline of 10% or more compared to the
22 2-year average.

23 "PTELL EAV" means a figure calculated by the State
24 Board for Organizational Units subject to PTELL as
25 described in this paragraph (4) for the purposes of
26 calculating an Organizational Unit's Local Capacity Ratio.

1 Except as otherwise provided in this paragraph (4), the
2 PTELL EAV of an Organizational Unit shall be equal to the
3 product of the equalized assessed valuation last used in
4 the calculation of general State aid under Section 18-8.05
5 of this Code (now repealed) or Evidence-Based Funding under
6 this Section and the Organizational Unit's Extension
7 Limitation Ratio. If an Organizational Unit has approved or
8 does approve an increase in its limiting rate, pursuant to
9 Section 18-190 of the Property Tax Code, affecting the Base
10 Tax Year, the PTELL EAV shall be equal to the product of
11 the equalized assessed valuation last used in the
12 calculation of general State aid under Section 18-8.05 of
13 this Code (now repealed) or Evidence-Based Funding under
14 this Section multiplied by an amount equal to one plus the
15 percentage increase, if any, in the Consumer Price Index
16 for All Urban Consumers for all items published by the
17 United States Department of Labor for the 12-month calendar
18 year preceding the Base Tax Year, plus the equalized
19 assessed valuation of new property, annexed property, and
20 recovered tax increment value and minus the equalized
21 assessed valuation of disconnected property.

22 As used in this paragraph (4), "new property" and
23 "recovered tax increment value" shall have the meanings set
24 forth in the Property Tax Extension Limitation Law.

25 (e) Base Funding Minimum calculation.

26 (1) For the 2017-2018 school year, the Base Funding

1 Minimum of an Organizational Unit or a Specially Funded
2 Unit shall be the amount of State funds distributed to the
3 Organizational Unit or Specially Funded Unit during the
4 2016-2017 school year prior to any adjustments and
5 specified appropriation amounts described in this
6 paragraph (1) from the following Sections, as calculated by
7 the State Superintendent: Section 18-8.05 of this Code (now
8 repealed); Section 5 of Article 224 of Public Act 99-524
9 (equity grants); Section 14-7.02b of this Code (funding for
10 children requiring special education services); Section
11 14-13.01 of this Code (special education facilities and
12 staffing), except for reimbursement of the cost of
13 transportation pursuant to Section 14-13.01; Section
14 14C-12 of this Code (English learners); and Section 18-4.3
15 of this Code (summer school), based on an appropriation
16 level of \$13,121,600. For a school district organized under
17 Article 34 of this Code, the Base Funding Minimum also
18 includes (i) the funds allocated to the school district
19 pursuant to Section 1D-1 of this Code attributable to
20 funding programs authorized by the Sections of this Code
21 listed in the preceding sentence, and (ii) the difference
22 between (I) the funds allocated to the school district
23 pursuant to Section 1D-1 of this Code attributable to the
24 funding programs authorized by Section 14-7.02 (non-public
25 special education reimbursement), subsection (b) of
26 Section 14-13.01 (special education transportation),

1 Section 29-5 (transportation), Section 2-3.80
2 (agricultural education), Section 2-3.66 (truants'
3 alternative education), Section 2-3.62 (educational
4 service centers), and Section 14-7.03 (special education -
5 orphanage) of this Code and Section 15 of the Childhood
6 Hunger Relief Act (free breakfast program) and (II) the
7 school district's actual expenditures for its non-public
8 special education, special education transportation,
9 transportation programs, agricultural education, truants'
10 alternative education, services that would otherwise be
11 performed by a regional office of education, special
12 education orphanage expenditures, and free breakfast, as
13 most recently calculated and reported pursuant to
14 subsection (f) of Section 1D-1 of this Code. The Base
15 Funding Minimum for Glenwood Academy shall be \$625,500. For
16 programs operated by a regional office of education or an
17 intermediate service center, the Base Funding Minimum must
18 be the total amount of State funds allocated to those
19 programs in the 2018-2019 school year and amounts provided
20 pursuant to Article 34 of Public Act 100-586 and Section
21 3-16 of this Code. All programs established after June 5,
22 2019 (the effective date of Public Act 101-10) ~~this~~
23 ~~amendatory Act of the 101st General Assembly~~ and
24 administered by a regional office of education or an
25 intermediate service center must have an initial Base
26 Funding Minimum set to an amount equal to the first-year

1 ASE multiplied by the amount of per pupil funding received
2 in the previous school year by the lowest funded similar
3 existing program type. If the enrollment for a program
4 operated by a regional office of education or an
5 intermediate service center is zero, then it may not
6 receive Base Funding Minimum funds for that program in the
7 next fiscal year, and those funds must be distributed to
8 Organizational Units under subsection (g).

9 (2) For the 2018-2019 and subsequent school years, the
10 Base Funding Minimum of Organizational Units and Specially
11 Funded Units shall be the sum of (i) the amount of
12 Evidence-Based Funding for the prior school year, (ii) the
13 Base Funding Minimum for the prior school year, and (iii)
14 any amount received by a school district pursuant to
15 Section 7 of Article 97 of Public Act 100-21.

16 (3) Subject to approval by the General Assembly as
17 provided in this paragraph (3), an Organizational Unit that
18 meets all of the following criteria, as determined by the
19 State Board, shall have District Intervention Money added
20 to its Base Funding Minimum at the time the Base Funding
21 Minimum is calculated by the State Board:

22 (A) The Organizational Unit is operating under an
23 Independent Authority under Section 2-3.25f-5 of this
24 Code for a minimum of 4 school years or is subject to
25 the control of the State Board pursuant to a court
26 order for a minimum of 4 school years.

1 (B) The Organizational Unit was designated as a
2 Tier 1 or Tier 2 Organizational Unit in the previous
3 school year under paragraph (3) of subsection (g) of
4 this Section.

5 (C) The Organizational Unit demonstrates
6 sustainability through a 5-year financial and
7 strategic plan.

8 (D) The Organizational Unit has made sufficient
9 progress and achieved sufficient stability in the
10 areas of governance, academic growth, and finances.

11 As part of its determination under this paragraph (3),
12 the State Board may consider the Organizational Unit's
13 summative designation, any accreditations of the
14 Organizational Unit, or the Organizational Unit's
15 financial profile, as calculated by the State Board.

16 If the State Board determines that an Organizational
17 Unit has met the criteria set forth in this paragraph (3),
18 it must submit a report to the General Assembly, no later
19 than January 2 of the fiscal year in which the State Board
20 makes its determination, on the amount of District
21 Intervention Money to add to the Organizational Unit's Base
22 Funding Minimum. The General Assembly must review the State
23 Board's report and may approve or disapprove, by joint
24 resolution, the addition of District Intervention Money.
25 If the General Assembly fails to act on the report within
26 40 calendar days from the receipt of the report, the

1 addition of District Intervention Money is deemed
2 approved. If the General Assembly approves the amount of
3 District Intervention Money to be added to the
4 Organizational Unit's Base Funding Minimum, the District
5 Intervention Money must be added to the Base Funding
6 Minimum annually thereafter.

7 For the first 4 years following the initial year that
8 the State Board determines that an Organizational Unit has
9 met the criteria set forth in this paragraph (3) and has
10 received funding under this Section, the Organizational
11 Unit must annually submit to the State Board, on or before
12 November 30, a progress report regarding its financial and
13 strategic plan under subparagraph (C) of this paragraph
14 (3). The plan shall include the financial data from the
15 past 4 annual financial reports or financial audits that
16 must be presented to the State Board by November 15 of each
17 year and the approved budget financial data for the current
18 year. The plan shall be developed according to the
19 guidelines presented to the Organizational Unit by the
20 State Board. The plan shall further include financial
21 projections for the next 3 fiscal years and include a
22 discussion and financial summary of the Organizational
23 Unit's facility needs. If the Organizational Unit does not
24 demonstrate sufficient progress toward its 5-year plan or
25 if it has failed to file an annual financial report, an
26 annual budget, a financial plan, a deficit reduction plan,

1 or other financial information as required by law, the
2 State Board may establish a Financial Oversight Panel under
3 Article 1H of this Code. However, if the Organizational
4 Unit already has a Financial Oversight Panel, the State
5 Board may extend the duration of the Panel.

6 (f) Percent of Adequacy and Final Resources calculation.

7 (1) The Evidence-Based Funding formula establishes a
8 Percent of Adequacy for each Organizational Unit in order
9 to place such units into tiers for the purposes of the
10 funding distribution system described in subsection (g) of
11 this Section. Initially, an Organizational Unit's
12 Preliminary Resources and Preliminary Percent of Adequacy
13 are calculated pursuant to paragraph (2) of this subsection
14 (f). Then, an Organizational Unit's Final Resources and
15 Final Percent of Adequacy are calculated to account for the
16 Organizational Unit's poverty concentration levels
17 pursuant to paragraphs (3) and (4) of this subsection (f).

18 (2) An Organizational Unit's Preliminary Resources are
19 equal to the sum of its Local Capacity Target, CPPRT, and
20 Base Funding Minimum. An Organizational Unit's Preliminary
21 Percent of Adequacy is the lesser of (i) its Preliminary
22 Resources divided by its Adequacy Target or (ii) 100%.

23 (3) Except for Specially Funded Units, an
24 Organizational Unit's Final Resources are equal the sum of
25 its Local Capacity, CPPRT, and Adjusted Base Funding
26 Minimum. The Base Funding Minimum of each Specially Funded

1 Unit shall serve as its Final Resources, except that the
2 Base Funding Minimum for State-approved charter schools
3 shall not include any portion of general State aid
4 allocated in the prior year based on the per capita tuition
5 charge times the charter school enrollment.

6 (4) An Organizational Unit's Final Percent of Adequacy
7 is its Final Resources divided by its Adequacy Target. An
8 Organizational Unit's Adjusted Base Funding Minimum is
9 equal to its Base Funding Minimum less its Supplemental
10 Grant Funding, with the resulting figure added to the
11 product of its Supplemental Grant Funding and Preliminary
12 Percent of Adequacy.

13 (g) Evidence-Based Funding formula distribution system.

14 (1) In each school year under the Evidence-Based
15 Funding formula, each Organizational Unit receives funding
16 equal to the sum of its Base Funding Minimum and the unit's
17 allocation of New State Funds determined pursuant to this
18 subsection (g). To allocate New State Funds, the
19 Evidence-Based Funding formula distribution system first
20 places all Organizational Units into one of 4 tiers in
21 accordance with paragraph (3) of this subsection (g), based
22 on the Organizational Unit's Final Percent of Adequacy. New
23 State Funds are allocated to each of the 4 tiers as
24 follows: Tier 1 Aggregate Funding equals 50% of all New
25 State Funds, Tier 2 Aggregate Funding equals 49% of all New
26 State Funds, Tier 3 Aggregate Funding equals 0.9% of all

1 New State Funds, and Tier 4 Aggregate Funding equals 0.1%
2 of all New State Funds. Each Organizational Unit within
3 Tier 1 or Tier 2 receives an allocation of New State Funds
4 equal to its tier Funding Gap, as defined in the following
5 sentence, multiplied by the tier's Allocation Rate
6 determined pursuant to paragraph (4) of this subsection
7 (g). For Tier 1, an Organizational Unit's Funding Gap
8 equals the tier's Target Ratio, as specified in paragraph
9 (5) of this subsection (g), multiplied by the
10 Organizational Unit's Adequacy Target, with the resulting
11 amount reduced by the Organizational Unit's Final
12 Resources. For Tier 2, an Organizational Unit's Funding Gap
13 equals the tier's Target Ratio, as described in paragraph
14 (5) of this subsection (g), multiplied by the
15 Organizational Unit's Adequacy Target, with the resulting
16 amount reduced by the Organizational Unit's Final
17 Resources and its Tier 1 funding allocation. To determine
18 the Organizational Unit's Funding Gap, the resulting
19 amount is then multiplied by a factor equal to one minus
20 the Organizational Unit's Local Capacity Target
21 percentage. Each Organizational Unit within Tier 3 or Tier
22 4 receives an allocation of New State Funds equal to the
23 product of its Adequacy Target and the tier's Allocation
24 Rate, as specified in paragraph (4) of this subsection (g).

25 (2) To ensure equitable distribution of dollars for all
26 Tier 2 Organizational Units, no Tier 2 Organizational Unit

1 shall receive fewer dollars per ASE than any Tier 3
2 Organizational Unit. Each Tier 2 and Tier 3 Organizational
3 Unit shall have its funding allocation divided by its ASE.
4 Any Tier 2 Organizational Unit with a funding allocation
5 per ASE below the greatest Tier 3 allocation per ASE shall
6 get a funding allocation equal to the greatest Tier 3
7 funding allocation per ASE multiplied by the
8 Organizational Unit's ASE. Each Tier 2 Organizational
9 Unit's Tier 2 funding allocation shall be multiplied by the
10 percentage calculated by dividing the original Tier 2
11 Aggregate Funding by the sum of all Tier 2 Organizational
12 Units' ~~Unit's~~ Tier 2 funding allocation after adjusting
13 districts' funding below Tier 3 levels.

14 (3) Organizational Units are placed into one of 4 tiers
15 as follows:

16 (A) Tier 1 consists of all Organizational Units,
17 except for Specially Funded Units, with a Percent of
18 Adequacy less than the Tier 1 Target Ratio. The Tier 1
19 Target Ratio is the ratio level that allows for Tier 1
20 Aggregate Funding to be distributed, with the Tier 1
21 Allocation Rate determined pursuant to paragraph (4)
22 of this subsection (g).

23 (B) Tier 2 consists of all Tier 1 Units and all
24 other Organizational Units, except for Specially
25 Funded Units, with a Percent of Adequacy of less than
26 0.90.

1 (C) Tier 3 consists of all Organizational Units,
2 except for Specially Funded Units, with a Percent of
3 Adequacy of at least 0.90 and less than 1.0.

4 (D) Tier 4 consists of all Organizational Units
5 with a Percent of Adequacy of at least 1.0.

6 (4) The Allocation Rates for Tiers 1 through 4 are ~~is~~
7 determined as follows:

8 (A) The Tier 1 Allocation Rate is 30%.

9 (B) The Tier 2 Allocation Rate is the result of the
10 following equation: Tier 2 Aggregate Funding, divided
11 by the sum of the Funding Gaps for all Tier 2
12 Organizational Units, unless the result of such
13 equation is higher than 1.0. If the result of such
14 equation is higher than 1.0, then the Tier 2 Allocation
15 Rate is 1.0.

16 (C) The Tier 3 Allocation Rate is the result of the
17 following equation: Tier 3 Aggregate Funding, divided
18 by the sum of the Adequacy Targets of all Tier 3
19 Organizational Units.

20 (D) The Tier 4 Allocation Rate is the result of the
21 following equation: Tier 4 Aggregate Funding, divided
22 by the sum of the Adequacy Targets of all Tier 4
23 Organizational Units.

24 (5) A tier's Target Ratio is determined as follows:

25 (A) The Tier 1 Target Ratio is the ratio level that
26 allows for Tier 1 Aggregate Funding to be distributed

1 with the Tier 1 Allocation Rate.

2 (B) The Tier 2 Target Ratio is 0.90.

3 (C) The Tier 3 Target Ratio is 1.0.

4 (6) If, at any point, the Tier 1 Target Ratio is
5 greater than 90%, than all Tier 1 funding shall be
6 allocated to Tier 2 and no Tier 1 Organizational Unit's
7 funding may be identified.

8 (7) In the event that all Tier 2 Organizational Units
9 receive funding at the Tier 2 Target Ratio level, any
10 remaining New State Funds shall be allocated to Tier 3 and
11 Tier 4 Organizational Units.

12 (8) If any Specially Funded Units, excluding Glenwood
13 Academy, recognized by the State Board do not qualify for
14 direct funding following the implementation of Public Act
15 100-465 ~~this amendatory Act of the 100th General Assembly~~
16 from any of the funding sources included within the
17 definition of Base Funding Minimum, the unqualified
18 portion of the Base Funding Minimum shall be transferred to
19 one or more appropriate Organizational Units as determined
20 by the State Superintendent based on the prior year ASE of
21 the Organizational Units.

22 (8.5) If a school district withdraws from a special
23 education cooperative, the portion of the Base Funding
24 Minimum that is attributable to the school district may be
25 redistributed to the school district upon withdrawal. The
26 school district and the cooperative must include the amount

1 of the Base Funding Minimum that is to be reapportioned
2 ~~re-apportioned~~ in their withdrawal agreement and notify
3 the State Board of the change with a copy of the agreement
4 upon withdrawal.

5 (9) The Minimum Funding Level is intended to establish
6 a target for State funding that will keep pace with
7 inflation and continue to advance equity through the
8 Evidence-Based Funding formula. The target for State
9 funding of New Property Tax Relief Pool Funds is
10 \$50,000,000 for State fiscal year 2019 and subsequent State
11 fiscal years. The Minimum Funding Level is equal to
12 \$350,000,000. In addition to any New State Funds, no more
13 than \$50,000,000 New Property Tax Relief Pool Funds may be
14 counted toward ~~towards~~ the Minimum Funding Level. If the
15 sum of New State Funds and applicable New Property Tax
16 Relief Pool Funds are less than the Minimum Funding Level,
17 than funding for tiers shall be reduced in the following
18 manner:

19 (A) First, Tier 4 funding shall be reduced by an
20 amount equal to the difference between the Minimum
21 Funding Level and New State Funds until such time as
22 Tier 4 funding is exhausted.

23 (B) Next, Tier 3 funding shall be reduced by an
24 amount equal to the difference between the Minimum
25 Funding Level and New State Funds and the reduction in
26 Tier 4 funding until such time as Tier 3 funding is

1 exhausted.

2 (C) Next, Tier 2 funding shall be reduced by an
3 amount equal to the difference between the Minimum
4 Funding Level ~~level~~ and New ~~new~~ State Funds and the
5 reduction in Tier 4 and Tier 3.

6 (D) Finally, Tier 1 funding shall be reduced by an
7 amount equal to the difference between the Minimum
8 Funding level and New State Funds and the reduction in
9 Tier 2, 3, and 4 funding. In addition, the Allocation
10 Rate for Tier 1 shall be reduced to a percentage equal
11 to the Tier 1 Allocation Rate ~~allocation rate~~ set by
12 paragraph (4) of this subsection (g), multiplied by the
13 result of New State Funds divided by the Minimum
14 Funding Level.

15 (9.5) For State fiscal year 2019 and subsequent State
16 fiscal years, if New State Funds exceed \$300,000,000, then
17 any amount in excess of \$300,000,000 shall be dedicated for
18 purposes of Section 2-3.170 of this Code up to a maximum of
19 \$50,000,000.

20 (10) In the event of a decrease in the amount of the
21 appropriation for this Section in any fiscal year after
22 implementation of this Section, the Organizational Units
23 receiving Tier 1 and Tier 2 funding, as determined under
24 paragraph (3) of this subsection (g), shall be held
25 harmless by establishing a Base Funding Guarantee equal to
26 the per pupil kindergarten through grade 12 funding

1 received in accordance with this Section in the prior
2 fiscal year. Reductions shall be made to the Base Funding
3 Minimum of Organizational Units in Tier 3 and Tier 4 on a
4 per pupil basis equivalent to the total number of the ASE
5 in Tier 3-funded and Tier 4-funded Organizational Units
6 divided by the total reduction in State funding. The Base
7 Funding Minimum as reduced shall continue to be applied to
8 Tier 3 and Tier 4 Organizational Units and adjusted by the
9 relative formula when increases in appropriations for this
10 Section resume. In no event may State funding reductions to
11 Organizational Units in Tier 3 or Tier 4 exceed an amount
12 that would be less than the Base Funding Minimum
13 established in the first year of implementation of this
14 Section. If additional reductions are required, all school
15 districts shall receive a reduction by a per pupil amount
16 equal to the aggregate additional appropriation reduction
17 divided by the total ASE of all Organizational Units.

18 (11) The State Superintendent shall make minor
19 adjustments to the distribution formula set forth in this
20 subsection (g) to account for the rounding of percentages
21 to the nearest tenth of a percentage and dollar amounts to
22 the nearest whole dollar.

23 (h) State Superintendent administration of funding and
24 district submission requirements.

25 (1) The State Superintendent shall, in accordance with
26 appropriations made by the General Assembly, meet the

1 funding obligations created under this Section.

2 (2) The State Superintendent shall calculate the
3 Adequacy Target for each Organizational Unit and Net State
4 Contribution Target for each Organizational Unit under
5 this Section. No Evidence-Based Funding shall be
6 distributed within an Organizational Unit without the
7 approval of the unit's school board.

8 (3) Annually, the State Superintendent shall calculate
9 and report to each Organizational Unit the unit's aggregate
10 financial adequacy amount, which shall be the sum of the
11 Adequacy Target for each Organizational Unit. The State
12 Superintendent shall calculate and report separately for
13 each Organizational Unit the unit's total State funds
14 allocated for its students with disabilities. The State
15 Superintendent shall calculate and report separately for
16 each Organizational Unit the amount of funding and
17 applicable FTE calculated for each Essential Element of the
18 unit's Adequacy Target.

19 (4) Annually, the State Superintendent shall calculate
20 and report to each Organizational Unit the amount the unit
21 must expend on special education and bilingual education
22 and computer technology and equipment for Organizational
23 Units assigned to Tier 1 or Tier 2 that received an
24 additional \$285.50 per student computer technology and
25 equipment investment grant to their Adequacy Target
26 pursuant to the unit's Base Funding Minimum, Special

1 Education Allocation, Bilingual Education Allocation, and
2 computer technology and equipment investment allocation.

3 (5) Moneys distributed under this Section shall be
4 calculated on a school year basis, but paid on a fiscal
5 year basis, with payments beginning in August and extending
6 through June. Unless otherwise provided, the moneys
7 appropriated for each fiscal year shall be distributed in
8 22 equal payments at least 2 times monthly to each
9 Organizational Unit. If moneys appropriated for any fiscal
10 year are distributed other than monthly, the distribution
11 shall be on the same basis for each Organizational Unit.

12 (6) Any school district that fails, for any given
13 school year, to maintain school as required by law or to
14 maintain a recognized school is not eligible to receive
15 Evidence-Based Funding. In case of non-recognition of one
16 or more attendance centers in a school district otherwise
17 operating recognized schools, the claim of the district
18 shall be reduced in the proportion that the enrollment in
19 the attendance center or centers bears to the enrollment of
20 the school district. "Recognized school" means any public
21 school that meets the standards for recognition by the
22 State Board. A school district or attendance center not
23 having recognition status at the end of a school term is
24 entitled to receive State aid payments due upon a legal
25 claim that was filed while it was recognized.

26 (7) School district claims filed under this Section are

1 subject to Sections 18-9 and 18-12 of this Code, except as
2 otherwise provided in this Section.

3 (8) Each fiscal year, the State Superintendent shall
4 calculate for each Organizational Unit an amount of its
5 Base Funding Minimum and Evidence-Based Funding that shall
6 be deemed attributable to the provision of special
7 educational facilities and services, as defined in Section
8 14-1.08 of this Code, in a manner that ensures compliance
9 with maintenance of State financial support requirements
10 under the federal Individuals with Disabilities Education
11 Act. An Organizational Unit must use such funds only for
12 the provision of special educational facilities and
13 services, as defined in Section 14-1.08 of this Code, and
14 must comply with any expenditure verification procedures
15 adopted by the State Board.

16 (9) All Organizational Units in this State must submit
17 annual spending plans by the end of September of each year
18 to the State Board as part of the annual budget process,
19 which shall describe how each Organizational Unit will
20 utilize the Base Funding Minimum ~~Funding~~ and
21 Evidence-Based Funding ~~funding~~ it receives from this State
22 under this Section with specific identification of the
23 intended utilization of Low-Income, English learner, and
24 special education resources. Additionally, the annual
25 spending plans of each Organizational Unit shall describe
26 how the Organizational Unit expects to achieve student

1 growth and how the Organizational Unit will achieve State
2 education goals, as defined by the State Board. The State
3 Superintendent may, from time to time, identify additional
4 requisites for Organizational Units to satisfy when
5 compiling the annual spending plans required under this
6 subsection (h). The format and scope of annual spending
7 plans shall be developed by the State Superintendent and
8 the State Board of Education. School districts that serve
9 students under Article 14C of this Code shall continue to
10 submit information as required under Section 14C-12 of this
11 Code.

12 (10) No later than January 1, 2018, the State
13 Superintendent shall develop a 5-year strategic plan for
14 all Organizational Units to help in planning for adequacy
15 funding under this Section. The State Superintendent shall
16 submit the plan to the Governor and the General Assembly,
17 as provided in Section 3.1 of the General Assembly
18 Organization Act. The plan shall include recommendations
19 for:

20 (A) a framework for collaborative, professional,
21 innovative, and 21st century learning environments
22 using the Evidence-Based Funding model;

23 (B) ways to prepare and support this State's
24 educators for successful instructional careers;

25 (C) application and enhancement of the current
26 financial accountability measures, the approved State

1 plan to comply with the federal Every Student Succeeds
2 Act, and the Illinois Balanced Accountability Measures
3 in relation to student growth and elements of the
4 Evidence-Based Funding model; and

5 (D) implementation of an effective school adequacy
6 funding system based on projected and recommended
7 funding levels from the General Assembly.

8 (11) On an annual basis, the State Superintendent must
9 recalibrate all of the following per pupil elements of the
10 Adequacy Target and applied to the formulas, based on the
11 study of average expenses and as reported in the most
12 recent annual financial report:

13 (A) Gifted under subparagraph (M) of paragraph (2)
14 of subsection (b).

15 (B) Instructional materials under subparagraph (O)
16 of paragraph (2) of subsection (b).

17 (C) Assessment under subparagraph (P) of paragraph
18 (2) of subsection (b).

19 (D) Student activities under subparagraph (R) of
20 paragraph (2) of subsection (b).

21 (E) Maintenance and operations under subparagraph
22 (S) of paragraph (2) of subsection (b).

23 (F) Central office under subparagraph (T) of
24 paragraph (2) of subsection (b).

25 (i) Professional Review Panel.

26 (1) A Professional Review Panel is created to study and

1 review topics related to the implementation and effect of
2 Evidence-Based Funding, as assigned by a joint resolution
3 or Public Act of the General Assembly or a motion passed by
4 the State Board of Education. The Panel must provide
5 recommendations to and serve the Governor, the General
6 Assembly, and the State Board. The State Superintendent or
7 his or her designee must serve as a voting member and
8 chairperson of the Panel. The State Superintendent must
9 appoint a vice chairperson from the membership of the
10 Panel. The Panel must advance recommendations based on a
11 three-fifths majority vote of Panel ~~panel~~ members present
12 and voting. A minority opinion may also accompany any
13 recommendation of the Panel. The Panel shall be appointed
14 by the State Superintendent, except as otherwise provided
15 in paragraph (2) of this subsection (i) and include the
16 following members:

17 (A) Two appointees that represent district
18 superintendents, recommended by a statewide
19 organization that represents district superintendents.

20 (B) Two appointees that represent school boards,
21 recommended by a statewide organization that
22 represents school boards.

23 (C) Two appointees from districts that represent
24 school business officials, recommended by a statewide
25 organization that represents school business
26 officials.

1 (D) Two appointees that represent school
2 principals, recommended by a statewide organization
3 that represents school principals.

4 (E) Two appointees that represent teachers,
5 recommended by a statewide organization that
6 represents teachers.

7 (F) Two appointees that represent teachers,
8 recommended by another statewide organization that
9 represents teachers.

10 (G) Two appointees that represent regional
11 superintendents of schools, recommended by
12 organizations that represent regional superintendents.

13 (H) Two independent experts selected solely by the
14 State Superintendent.

15 (I) Two independent experts recommended by public
16 universities in this State.

17 (J) One member recommended by a statewide
18 organization that represents parents.

19 (K) Two representatives recommended by collective
20 impact organizations that represent major metropolitan
21 areas or geographic areas in Illinois.

22 (L) One member from a statewide organization
23 focused on research-based education policy to support
24 a school system that prepares all students for college,
25 a career, and democratic citizenship.

26 (M) One representative from a school district

1 organized under Article 34 of this Code.

2 The State Superintendent shall ensure that the
3 membership of the Panel includes representatives from
4 school districts and communities reflecting the
5 geographic, socio-economic, racial, and ethnic diversity
6 of this State. The State Superintendent shall additionally
7 ensure that the membership of the Panel includes
8 representatives with expertise in bilingual education and
9 special education. Staff from the State Board shall staff
10 the Panel.

11 (2) In addition to those Panel members appointed by the
12 State Superintendent, 4 members of the General Assembly
13 shall be appointed as follows: one member of the House of
14 Representatives appointed by the Speaker of the House of
15 Representatives, one member of the Senate appointed by the
16 President of the Senate, one member of the House of
17 Representatives appointed by the Minority Leader of the
18 House of Representatives, and one member of the Senate
19 appointed by the Minority Leader of the Senate. There shall
20 be one additional member appointed by the Governor. All
21 members appointed by legislative leaders or the Governor
22 shall be non-voting, ex officio members.

23 (3) The Panel must study topics at the direction of the
24 General Assembly or State Board of Education, as provided
25 under paragraph (1). The Panel may also study the following
26 topics at the direction of the chairperson: ~~(4)~~

1 (A) The format and scope of annual spending plans
2 referenced in paragraph (9) of subsection (h) of this
3 Section.

4 (B) The Comparable Wage Index under this Section.

5 (C) Maintenance and operations, including capital
6 maintenance and construction costs.

7 (D) "At-risk student" definition.

8 (E) Benefits.

9 (F) Technology.

10 (G) Local Capacity Target.

11 (H) Funding for Alternative Schools, Laboratory
12 Schools, safe schools, and alternative learning
13 opportunities programs.

14 (I) Funding for college and career acceleration
15 strategies.

16 (J) Special education investments.

17 (K) Early childhood investments, in collaboration
18 with the Illinois Early Learning Council.

19 (4) (Blank).

20 (5) Within 5 years after the implementation of this
21 Section, and every 5 years thereafter, the Panel shall
22 complete an evaluative study of the entire Evidence-Based
23 Funding model, including an assessment of whether or not
24 the formula is achieving State goals. The Panel shall
25 report to the State Board, the General Assembly, and the
26 Governor on the findings of the study.

1 (6) (Blank).

2 (j) References. Beginning July 1, 2017, references in other
3 laws to general State aid funds or calculations under Section
4 18-8.05 of this Code (now repealed) shall be deemed to be
5 references to evidence-based model formula funds or
6 calculations under this Section.

7 (Source: P.A. 100-465, eff. 8-31-17; 100-578, eff. 1-31-18;
8 100-582, eff. 3-23-18; 101-10, eff. 6-5-19; 101-17, eff.
9 6-14-19; revised 7-1-19.)

10 Section 99. Effective date. This Act takes effect upon
11 becoming law."