



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB3521

Introduced 2/14/2020, by Sen. Christopher Belt

SYNOPSIS AS INTRODUCED:

105 ILCS 5/18-8.15

Amends the evidence-based funding provisions of the School Code. Allows district intervention money to be added to an organizational unit's base funding minimum if the organizational unit (i) is operating under an Independent Authority or is subject to State Board of Education control pursuant to a court order for at least 4 school years; (ii) was designated as a Tier 1 or Tier 2 organizational unit in the previous school year; (iii) is operating under financial planning approved by the Independent Authority or the governing board of the organizational unit if under State Board control pursuant to a court order, and (iv) has made sufficient progress and achieved sufficient stability in the areas of governance, academic growth, and finances. Sets forth the procedures for adding district intervention money to the base funding minimum, including requiring General Assembly approval. Effective immediately.

LRB101 17657 NHT 67084 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning education.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The School Code is amended by changing Section
5 18-8.15 as follows:

6 (105 ILCS 5/18-8.15)

7 Sec. 18-8.15. Evidence-Based Funding ~~Evidence-based~~
8 ~~funding~~ for student success for the 2017-2018 and subsequent
9 school years.

10 (a) General provisions.

11 (1) The purpose of this Section is to ensure that, by
12 June 30, 2027 and beyond, this State has a kindergarten
13 through grade 12 public education system with the capacity
14 to ensure the educational development of all persons to the
15 limits of their capacities in accordance with Section 1 of
16 Article X of the Constitution of the State of Illinois. To
17 accomplish that objective, this Section creates a method of
18 funding public education that is evidence-based; is
19 sufficient to ensure every student receives a meaningful
20 opportunity to learn irrespective of race, ethnicity,
21 sexual orientation, gender, or community-income level; and
22 is sustainable and predictable. When fully funded under
23 this Section, every school shall have the resources, based

1 on what the evidence indicates is needed, to:

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

9 (B) ensure all students receive the education they
10 need to graduate from high school with the skills
11 required to pursue post-secondary education and
12 training for a rewarding career;

13 (C) reduce, with a goal of eliminating, the
14 achievement gap between at-risk and non-at-risk
15 students by raising the performance of at-risk
16 students and not by reducing standards; and

17 (D) ensure this State satisfies its obligation to
18 assume the primary responsibility to fund public
19 education and simultaneously relieve the
20 disproportionate burden placed on local property taxes
21 to fund schools.

22 (2) The Evidence-Based Funding ~~evidence-based funding~~
23 formula under this Section shall be applied to all
24 Organizational Units in this State. The Evidence-Based
25 Funding ~~evidence-based funding~~ formula outlined in this
26 Act is based on the formula outlined in Senate Bill 1 of

1 the 100th General Assembly, as passed by both legislative
2 chambers. As further defined and described in this Section,
3 there are 4 major components of the Evidence-Based Funding
4 ~~evidence-based funding~~ model:

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

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

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

21 (D) Finally, the model's distribution method
22 allocates new State funding to those Organizational
23 Units that are least well-funded, considering both
24 Local Capacity ~~local capacity~~ and State funding, in
25 relation to their Adequacy Target ~~adequacy target~~.

26 (3) An Organizational Unit receiving any funding under

1 this Section may apply those funds to any fund so received
2 for which that Organizational Unit is authorized to make
3 expenditures by law.

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

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

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

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

12 "Adjusted Operating Tax Rate" means a tax rate for all
13 Organizational Units, for which the State Superintendent
14 shall calculate and subtract for the Operating Tax Rate a
15 transportation rate based on total expenses for
16 transportation services under this Code, as reported on the
17 most recent Annual Financial Report in Pupil
18 Transportation Services, function 2550 in both the
19 Education and Transportation funds and functions 4110 and
20 4120 in the Transportation fund, less any corresponding
21 fiscal year State of Illinois scheduled payments excluding
22 net adjustments for prior years for regular, vocational, or
23 special education transportation reimbursement pursuant to
24 Section 29-5 or subsection (b) of Section 14-13.01 of this
25 Code divided by the Adjusted EAV. If an Organizational
26 Unit's corresponding fiscal year State of Illinois

1 scheduled payments excluding net adjustments for prior
2 years for regular, vocational, or special education
3 transportation reimbursement pursuant to Section 29-5 or
4 subsection (b) of Section 14-13.01 of this Code exceed the
5 total transportation expenses, as defined in this
6 paragraph, no transportation rate shall be subtracted from
7 the Operating Tax Rate.

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

10 "Alternative School" means a public school that is
11 created and operated by a regional superintendent of
12 schools and approved by the State Board.

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

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

20 "Assistant principal" means a school administrator
21 duly endorsed to be employed as an assistant principal in
22 this State.

23 "At-risk student" means a student who is at risk of not
24 meeting the Illinois Learning Standards or not graduating
25 from elementary or high school and who demonstrates a need
26 for vocational support or social services beyond that

1 provided by the regular school program. All students
2 included in an Organizational Unit's Low-Income Count, as
3 well as all English learner and disabled students attending
4 the Organizational Unit, shall be considered at-risk
5 students under this Section.

6 "Average Student Enrollment" or "ASE" for fiscal year
7 2018 means, for an Organizational Unit, the greater of the
8 average number of students (grades K through 12) reported
9 to the State Board as enrolled in the Organizational Unit
10 on October 1 in the immediately preceding school year, plus
11 the pre-kindergarten students who receive special
12 education services of 2 or more hours a day as reported to
13 the State Board on December 1 in the immediately preceding
14 school year, or the average number of students (grades K
15 through 12) reported to the State Board as enrolled in the
16 Organizational Unit on October 1, plus the
17 pre-kindergarten students who receive special education
18 services of 2 or more hours a day as reported to the State
19 Board on December 1, for each of the immediately preceding
20 3 school years. For fiscal year 2019 and each subsequent
21 fiscal year, "Average Student Enrollment" or "ASE" means,
22 for an Organizational Unit, the greater of the average
23 number of students (grades K through 12) reported to the
24 State Board as enrolled in the Organizational Unit on
25 October 1 and March 1 in the immediately preceding school
26 year, plus the pre-kindergarten students who receive

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

1 0.5 each. If the State Board does not collect or has not
2 collected both an October 1 and March 1 enrollment count by
3 grade or a December 1 collection of special education
4 pre-kindergarten students as of August 31, 2017 (the
5 effective date of Public Act 100-465) ~~this amendatory Act~~
6 ~~of the 100th General Assembly~~, it shall establish such
7 collection for all future years. For any year in which
8 ~~where~~ a count by grade level was collected only once, that
9 count shall be used as the single count available for
10 computing a 3-year average ASE. Funding for programs
11 operated by a regional office of education or an
12 intermediate service center must be calculated using the
13 Evidence-Based Funding ~~evidence-based funding~~ formula
14 under this Section for the 2019-2020 school year and each
15 subsequent school year until separate adequacy formulas
16 are developed and adopted for each type of program. ASE for
17 a program operated by a regional office of education or an
18 intermediate service center must be determined by the March
19 1 enrollment for the program. For the 2019-2020 school
20 year, the ASE used in the calculation must be the
21 first-year ASE and, in that year only, the assignment of
22 students served by a regional office of education or
23 intermediate service center shall not result in a reduction
24 of the March enrollment for any school district. For the
25 2020-2021 school year, the ASE must be the greater of the
26 current-year ASE or the 2-year average ASE. Beginning with

1 the 2021-2022 school year, the ASE must be the greater of
2 the current-year ASE or the 3-year average ASE. School
3 districts shall submit the data for the ASE calculation to
4 the State Board within 45 days of the dates required in
5 this Section for submission of enrollment data in order for
6 it to be included in the ASE calculation. For fiscal year
7 2018 only, the ASE calculation shall include only
8 enrollment taken on October 1.

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

11 "Base Funding Minimum" is defined in subsection (e) of
12 this Section.

13 "Base Tax Year" means the property tax levy year used
14 to calculate the Budget Year allocation of primary State
15 aid.

16 "Base Tax Year's Extension" means the product of the
17 equalized assessed valuation utilized by the county clerk
18 in the Base Tax Year multiplied by the limiting rate as
19 calculated by the county clerk and defined in PTELL.

20 "Bilingual Education Allocation" means the amount of
21 an Organizational Unit's final Adequacy Target
22 attributable to bilingual education divided by the
23 Organizational Unit's final Adequacy Target, the product
24 of which shall be multiplied by the amount of new funding
25 received pursuant to this Section. An Organizational
26 Unit's final Adequacy Target attributable to bilingual

1 education shall include all additional investments in
2 English learner students' adequacy elements.

3 "Budget Year" means the school year for which primary
4 State aid is calculated and awarded under this Section.

5 "Central office" means individual administrators and
6 support service personnel charged with managing the
7 instructional programs, business and operations, and
8 security of the Organizational Unit.

9 "Comparable Wage Index" or "CWI" means a regional cost
10 differentiation metric that measures systemic, regional
11 variations in the salaries of college graduates who are not
12 educators. The CWI utilized for this Section shall, for the
13 first 3 years of Evidence-Based Funding implementation, be
14 the CWI initially developed by the National Center for
15 Education Statistics, as most recently updated by Texas A &
16 M University. In the fourth and subsequent years of
17 Evidence-Based Funding implementation, the State
18 Superintendent shall re-determine the CWI using a similar
19 methodology to that identified in the Texas A & M
20 University study, with adjustments made no less frequently
21 than once every 5 years.

22 "Computer technology and equipment" means computers
23 servers, notebooks, network equipment, copiers, printers,
24 instructional software, security software, curriculum
25 management courseware, and other similar materials and
26 equipment.

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

14 "Core subject" means mathematics; science; reading,
15 English, writing, and language arts; history and social
16 studies; world languages; and subjects taught as Advanced
17 Placement in high schools.

18 "Core teacher" means a regular classroom teacher in
19 elementary schools and teachers of a core subject in middle
20 and high schools.

21 "Core Intervention teacher (tutor)" means a licensed
22 teacher providing one-on-one or small group tutoring to
23 students struggling to meet proficiency in core subjects.

24 "CPPRT" means corporate personal property replacement
25 tax funds paid to an Organizational Unit during the
26 calendar year one year before the calendar year in which a

1 school year begins, pursuant to "An Act in relation to the
2 abolition of ad valorem personal property tax and the
3 replacement of revenues lost thereby, and amending and
4 repealing certain Acts and parts of Acts in connection
5 therewith", certified August 14, 1979, as amended (Public
6 Act 81-1st S.S.-1).

7 "EAV" means equalized assessed valuation as defined in
8 paragraph (2) of subsection (d) of this Section and
9 calculated in accordance with paragraph (3) of subsection
10 (d) of this Section.

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

16 "EIS Data" means the employment information system
17 data maintained by the State Board on educators within
18 Organizational Units.

19 "Employee benefits" means health, dental, and vision
20 insurance offered to employees of an Organizational Unit,
21 the costs associated with the statutorily required payment
22 of the normal cost of the Organizational Unit's teacher
23 pensions, Social Security employer contributions, and
24 Illinois Municipal Retirement Fund employer contributions.

25 "English learner" or "EL" means a child included in the
26 definition of "English learners" under Section 14C-2 of

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

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

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

21 "Extended day" means academic and enrichment programs
22 provided to students outside the regular school day before
23 and after school or during non-instructional times during
24 the school day.

25 "Extension Limitation Ratio" means a numerical ratio
26 in which the numerator is the Base Tax Year's Extension and

1 the denominator is the Preceding Tax Year's Extension.

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

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

6 "Full-time equivalent" or "FTE" means the full-time
7 equivalency compensation for staffing the relevant
8 position at an Organizational Unit.

9 "Funding Gap" is defined in paragraph (1) of subsection
10 (g).

11 "Guidance counselor" means a licensed guidance
12 counselor who provides guidance and counseling support for
13 students within an Organizational Unit.

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

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

19 "Instructional facilitator" means a qualified teacher
20 or licensed teacher leader who facilitates and coaches
21 continuous improvement in classroom instruction; provides
22 instructional support to teachers in the elements of
23 research-based instruction or demonstrates the alignment
24 of instruction with curriculum standards and assessment
25 tools; develops or coordinates instructional programs or
26 strategies; develops and implements training; chooses

1 standards-based instructional materials; provides teachers
2 with an understanding of current research; serves as a
3 mentor, site coach, curriculum specialist, or lead
4 teacher; or otherwise works with fellow teachers, in
5 collaboration, to use data to improve instructional
6 practice or develop model lessons.

7 "Instructional materials" means relevant instructional
8 materials for student instruction, including, but not
9 limited to, textbooks, consumable workbooks, laboratory
10 equipment, library books, and other similar materials.

11 "Laboratory School" means a public school that is
12 created and operated by a public university and approved by
13 the State Board.

14 "Librarian" means a teacher with an endorsement as a
15 library information specialist or another individual whose
16 primary responsibility is overseeing library resources
17 within an Organizational Unit.

18 "Limiting rate for Hybrid Districts" means the
19 combined elementary school and high school limiting
20 ~~limited~~ rates.

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

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

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

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

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

1 office of education or intermediate service center by each
2 school district's Average Student Enrollment, summarizing
3 those products and dividing the total by the total Average
4 Student Enrollment for the service region.

5 "Maintenance and operations" means custodial services,
6 facility and ground maintenance, facility operations,
7 facility security, routine facility repairs, and other
8 similar services and functions.

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

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

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

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

23 "Nurse" means an individual licensed as a certified
24 school nurse, in accordance with the rules established for
25 nursing services by the State Board, who is an employee of
26 and is available to provide health care-related services

1 for students of an Organizational Unit.

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

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

23 "Organizational Unit CWI" is determined by calculating
24 the CWI in the region and original county in which an
25 Organizational Unit's primary administrative office is
26 located as set forth in this paragraph, provided that if

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

21 "Preceding Tax Year" means the property tax levy year
22 immediately preceding the Base Tax Year.

23 "Preceding Tax Year's Extension" means the product of
24 the equalized assessed valuation utilized by the county
25 clerk in the Preceding Tax Year multiplied by the Operating
26 Tax Rate.

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

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

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

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

17 "Prototypical" means 450 special education
18 pre-kindergarten and kindergarten through grade 5 students
19 for an elementary school, 450 grade 6 through 8 students
20 for a middle school, and 600 grade 9 through 12 students
21 for a high school.

22 "PTELL" means the Property Tax Extension Limitation
23 Law.

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

26 "Pupil support staff" means a nurse, psychologist,

1 social worker, family liaison personnel, or other staff
2 member who provides support to at-risk or struggling
3 students.

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

6 "Regionalization Factor" means, for a particular
7 Organizational Unit, the figure derived by dividing the
8 Organizational Unit CWI by the Statewide Weighted CWI.

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

11 "Special education" means special educational
12 facilities and services, as defined in Section 14-1.08 of
13 this Code.

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

22 "Specialist teacher" means a teacher who provides
23 instruction in subject areas not included in core subjects,
24 including, but not limited to, art, music, physical
25 education, health, driver education, career-technical
26 education, and such other subject areas as may be mandated

1 by State law or provided by an Organizational Unit.

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

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

16 "State Adequacy Level" is the sum of the Adequacy
17 Targets of all Organizational Units.

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

19 "State Superintendent" means the State Superintendent
20 of Education.

21 "Statewide Weighted CWI" means a figure determined by
22 multiplying each Organizational Unit CWI times the ASE for
23 that Organizational Unit creating a weighted value,
24 summing all Organizational Units' ~~Unit's~~ weighted values,
25 and dividing by the total ASE of all Organizational Units,
26 thereby creating an average weighted index.

1 "Student activities" means non-credit producing
2 after-school programs, including, but not limited to,
3 clubs, bands, sports, and other activities authorized by
4 the school board of the Organizational Unit.

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

10 "Summer school" means academic and enrichment programs
11 provided to students during the summer months outside of
12 the regular school year.

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

20 "Target Ratio" is defined in paragraph (4) of
21 subsection (g).

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

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

1 (b) Adequacy Target calculation.

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

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

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

21 (i) For grades kindergarten through 3, the
22 Organizational Unit shall receive funding required
23 to support one FTE core teacher position for every
24 15 Low-Income Count students in those grades and
25 one FTE core teacher position for every 20
26 non-Low-Income Count students in those grades.

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

7 The number of non-Low-Income Count students in a
8 grade shall be determined by subtracting the
9 Low-Income students in that grade from the ASE of the
10 Organizational Unit for that grade.

11 (B) Specialist teacher investments. Each
12 Organizational Unit shall receive the funding needed
13 to cover that number of FTE specialist teacher
14 positions that correspond to the following
15 percentages:

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

21 (ii) if such Organizational Unit operates a
22 high school, then 33.33% of the number of the
23 Organizational Unit's core teachers.

24 (C) Instructional facilitator investments. Each
25 Organizational Unit shall receive the funding needed
26 to cover one FTE instructional facilitator position

1 for every 200 combined ASE of pre-kindergarten
2 children with disabilities and all kindergarten
3 through grade 12 students of the Organizational Unit.

4 (D) Core intervention teacher (tutor) investments.
5 Each Organizational Unit shall receive the funding
6 needed to cover one FTE teacher position for each
7 prototypical elementary, middle, and high school.

8 (E) Substitute teacher investments. Each
9 Organizational Unit shall receive the funding needed
10 to cover substitute teacher costs that is equal to
11 5.70% of the minimum pupil attendance days required
12 under Section 10-19 of this Code for all full-time
13 equivalent core, specialist, and intervention
14 teachers, school nurses, special education teachers
15 and instructional assistants, instructional
16 facilitators, and summer school and extended day
17 ~~extended day~~ teacher positions, as determined under
18 this paragraph (2), at a salary rate of 33.33% of the
19 average salary for grade K through 12 teachers and
20 33.33% of the average salary of each instructional
21 assistant position.

22 (F) Core guidance counselor investments. Each
23 Organizational Unit shall receive the funding needed
24 to cover one FTE guidance counselor for each 450
25 combined ASE of pre-kindergarten children with
26 disabilities and all kindergarten through grade 5

1 students, plus one FTE guidance counselor for each 250
2 grades 6 through 8 ASE middle school students, plus one
3 FTE guidance counselor for each 250 grades 9 through 12
4 ASE high school students.

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

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

17 (I) Librarian investments. Each Organizational
18 Unit shall receive the funding needed to cover one FTE
19 librarian for each prototypical elementary school,
20 middle school, and high school and one FTE aide or
21 media technician for every 300 combined ASE of
22 pre-kindergarten children with disabilities and all
23 kindergarten through grade 12 students.

24 (J) Principal investments. Each Organizational
25 Unit shall receive the funding needed to cover one FTE
26 principal position for each prototypical elementary

1 school, plus one FTE principal position for each
2 prototypical middle school, plus one FTE principal
3 position for each prototypical high school.

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

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

18 (M) Gifted investments. Each Organizational Unit
19 shall receive \$40 per kindergarten through grade 12
20 ASE.

21 (N) Professional development investments. Each
22 Organizational Unit shall receive \$125 per student of
23 the combined ASE of pre-kindergarten children with
24 disabilities and all kindergarten through grade 12
25 students for trainers and other professional
26 development-related expenses for supplies and

1 materials.

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

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

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

1 expenditures of funds received pursuant to this
2 subparagraph (Q), including a requirement that funds
3 received pursuant to this subparagraph (Q) may be used
4 only for serving the technology needs of the district.
5 It is the intent of Public Act 100-465 ~~this amendatory~~
6 ~~Act of the 100th General Assembly~~ that all Tier 1 and
7 Tier 2 districts receive the addition to their Adequacy
8 Target in the following year, subject to compliance
9 with the requirements of the State Board.

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

16 (S) Maintenance and operations investments. Each
17 Organizational Unit shall receive \$1,038 per student
18 of the combined ASE of pre-kindergarten children with
19 disabilities and all kindergarten through grade 12
20 students for day-to-day maintenance and operations
21 expenditures, including salary, supplies, and
22 materials, as well as purchased services, but
23 excluding employee benefits. The proportion of salary
24 for the application of a Regionalization Factor and the
25 calculation of benefits is equal to \$352.92.

26 (T) Central office investments. Each

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

11 (U) Employee benefit investments. Each
12 Organizational Unit shall receive 30% of the total of
13 all salary-calculated elements of the Adequacy Target,
14 excluding substitute teachers and student activities
15 investments, to cover benefit costs. For central
16 office and maintenance and operations investments, the
17 benefit calculation shall be based upon the salary
18 proportion of each investment. If at any time the
19 responsibility for funding the employer normal cost of
20 teacher pensions is assigned to school districts, then
21 that amount certified by the Teachers' Retirement
22 System of the State of Illinois to be paid by the
23 Organizational Unit for the preceding school year
24 shall be added to the benefit investment. For any
25 fiscal year in which a school district organized under
26 Article 34 of this Code is responsible for paying the

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

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

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

22 (ii) one FTE pupil support staff position for
23 every 125 Low-Income Count students;

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

26 (iv) one FTE summer school teacher position

1 for every 120 Low-Income Count students.

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

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

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

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

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

15 (v) one FTE core teacher position for every 100
16 English learner students.

17 (X) Special education investments. Each
18 Organizational Unit shall receive funding based on the
19 average teacher salary for grades K through 12 to cover
20 special education as follows:

21 (i) one FTE teacher position for every 141
22 combined ASE of pre-kindergarten children with
23 disabilities and all kindergarten through grade 12
24 students;

25 (ii) one FTE instructional assistant for every
26 141 combined ASE of pre-kindergarten children with

1 disabilities and all kindergarten through grade 12
2 students; and

3 (iii) one FTE psychologist position for every
4 1,000 combined ASE of pre-kindergarten children
5 with disabilities and all kindergarten through
6 grade 12 students.

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

- 15 (A) Teacher for grades K through 8.
16 (B) Teacher for grades 9 through 12.
17 (C) Teacher for grades K through 12.
18 (D) Guidance counselor for grades K through 8.
19 (E) Guidance counselor for grades 9 through 12.
20 (F) Guidance counselor for grades K through 12.
21 (G) Social worker.
22 (H) Psychologist.
23 (I) Librarian.
24 (J) Nurse.
25 (K) Principal.
26 (L) Assistant principal.

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

11 For calculating the salaries included within the
12 Essential Elements for positions not included within EIS
13 Data, the following salaries shall be used in the first
14 year of implementation of Evidence-Based Funding:

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

16 (ii) non-instructional assistant, instructional
17 assistant, library aide, library media tech, or
18 supervisory aide: \$25,000.

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

22 The salary amounts for the Essential Elements
23 determined pursuant to subparagraphs (A) through (L), (S)
24 and (T), and (V) through (X) of paragraph (2) of subsection
25 (b) of this Section shall be multiplied by a
26 Regionalization Factor.

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

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

14 (2) "Local Capacity Target" means, for an
15 Organizational Unit, that dollar amount that is obtained by
16 multiplying its Adequacy Target by its Local Capacity
17 Ratio.

18 (A) An Organizational Unit's Local Capacity
19 Percentage is the conversion of the Organizational
20 Unit's Local Capacity Ratio, as such ratio is
21 determined in accordance with subparagraph (B) of this
22 paragraph (2), into a cumulative distribution
23 resulting in a percentile ranking to determine each
24 Organizational Unit's relative position to all other
25 Organizational Units in this State. The calculation of
26 Local Capacity Percentage is described in subparagraph

1 (C) of this paragraph (2).

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

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

10 (ii) for Organizational Units serving grades
11 kindergarten through 8, the ratio shall be
12 multiplied by 9/13;

13 (iii) for Organizational Units serving grades
14 9 through 12, the Local Capacity Ratio shall be
15 multiplied by 4/13; and

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

21 (C) The Local Capacity Percentage is equal to the
22 percentile ranking of the district. Local Capacity
23 Percentage converts each Organizational Unit's Local
24 Capacity Ratio to a cumulative distribution resulting
25 in a percentile ranking to determine each
26 Organizational Unit's relative position to all other

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

1 Local Capacity Ratio, where the variance is calculated
2 by squaring the difference between each unit's Local
3 Capacity Ratio and the weighted mean, then multiplying
4 the variance for each unit times the ASE for the unit
5 to create a weighted variance for each unit, then
6 summing all units' weighted variance and dividing by
7 the total ASE of all units.

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

26 (3) If an Organizational Unit's Real Receipts are more

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

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

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

17 (1) An Organizational Unit's Real Receipts are the
18 product of its Applicable Tax Rate and its Adjusted EAV. An
19 Organizational Unit's Applicable Tax Rate is its Adjusted
20 Operating Tax Rate for property within the Organizational
21 Unit.

22 (2) The State Superintendent shall calculate the
23 equalized assessed valuation ~~Equalized Assessed Valuation~~,
24 or EAV, of all taxable property of each Organizational Unit
25 as of September 30 of the previous year in accordance with
26 paragraph (3) of this subsection (d). The State

1 Superintendent shall then determine the Adjusted EAV of
2 each Organizational Unit in accordance with paragraph (4)
3 of this subsection (d), which Adjusted EAV figure shall be
4 used for the purposes of calculating Local Capacity.

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

14 (A) The Department of Revenue shall add to the
15 equalized assessed value of all taxable property of
16 each Organizational Unit situated entirely or
17 partially within a county that is or was subject to the
18 provisions of Section 15-176 or 15-177 of the Property
19 Tax Code (i) an amount equal to the total amount by
20 which the homestead exemption allowed under Section
21 15-176 or 15-177 of the Property Tax Code for real
22 property situated in that Organizational Unit exceeds
23 the total amount that would have been allowed in that
24 Organizational Unit if the maximum reduction under
25 Section 15-176 was (I) \$4,500 in Cook County or \$3,500
26 in all other counties in tax year 2003 or (II) \$5,000

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

1 allowed under Section 15-175 of the Property Tax Code
2 for owners with a household income of less than
3 \$30,000, then the calculation of EAV shall not be
4 affected by the difference, if any, because of those
5 additional exemptions.

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

26 (B-5) The real property equalized assessed

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

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

24 (4) An Organizational Unit's Adjusted EAV shall be the
25 average of its EAV over the immediately preceding 3 years
26 or its EAV in the immediately preceding year if the EAV in

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

19 "PTELL EAV" means a figure calculated by the State
20 Board for Organizational Units subject to PTELL as
21 described in this paragraph (4) for the purposes of
22 calculating an Organizational Unit's Local Capacity Ratio.
23 Except as otherwise provided in this paragraph (4), the
24 PTELL EAV of an Organizational Unit shall be equal to the
25 product of the equalized assessed valuation last used in
26 the calculation of general State aid under Section 18-8.05

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

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

21 (e) Base Funding Minimum calculation.

22 (1) For the 2017-2018 school year, the Base Funding
23 Minimum of an Organizational Unit or a Specially Funded
24 Unit shall be the amount of State funds distributed to the
25 Organizational Unit or Specially Funded Unit during the
26 2016-2017 school year prior to any adjustments and

1 specified appropriation amounts described in this
2 paragraph (1) from the following Sections, as calculated by
3 the State Superintendent: Section 18-8.05 of this Code (now
4 repealed); Section 5 of Article 224 of Public Act 99-524
5 (equity grants); Section 14-7.02b of this Code (funding for
6 children requiring special education services); Section
7 14-13.01 of this Code (special education facilities and
8 staffing), except for reimbursement of the cost of
9 transportation pursuant to Section 14-13.01; Section
10 14C-12 of this Code (English learners); and Section 18-4.3
11 of this Code (summer school), based on an appropriation
12 level of \$13,121,600. For a school district organized under
13 Article 34 of this Code, the Base Funding Minimum also
14 includes (i) the funds allocated to the school district
15 pursuant to Section 1D-1 of this Code attributable to
16 funding programs authorized by the Sections of this Code
17 listed in the preceding sentence, and (ii) the difference
18 between (I) the funds allocated to the school district
19 pursuant to Section 1D-1 of this Code attributable to the
20 funding programs authorized by Section 14-7.02 (non-public
21 special education reimbursement), subsection (b) of
22 Section 14-13.01 (special education transportation),
23 Section 29-5 (transportation), Section 2-3.80
24 (agricultural education), Section 2-3.66 (truants'
25 alternative education), Section 2-3.62 (educational
26 service centers), and Section 14-7.03 (special education -

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

1 intermediate service center is zero, then it may not
2 receive Base Funding Minimum funds for that program in the
3 next fiscal year, and those funds must be distributed to
4 Organizational Units under subsection (g).

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

12 (3) Beginning with the 2020-2021 school year and
13 subject to approval by the General Assembly as provided in
14 this paragraph (3), any Organizational Unit that meets the
15 following criteria, as determined by the State Board, shall
16 have District Intervention Money added to its Base Funding
17 Minimum:

18 (A) is operating under an Independent Authority
19 pursuant to Section 2-3.25f-5 of this Code or is
20 subject to State Board control pursuant to a court
21 order for at least 4 school years;

22 (B) was designated as a Tier 1 or Tier 2
23 Organizational Unit in the previous school year
24 pursuant to paragraph (3) of subsection (g) of this
25 Section;

26 (C) is operating under financial planning approved

1 by the Independent Authority or the school board of the
2 Organizational Unit if under State Board control
3 pursuant to a court order; and

4 (D) has made sufficient progress and achieved
5 sufficient stability in the areas of governance,
6 academic growth, and finances.

7 As part of its determination, the State Board may
8 consider the Organizational Unit's summative designation,
9 any accreditation of the Organizational Unit, or the
10 Organizational Unit's financial profile.

11 If the State Board determines that an Organizational
12 Unit has met the criteria set forth in this paragraph (3),
13 it shall make a recommendation to the General Assembly
14 regarding an amount of District Intervention Money to add
15 to the Organizational Unit's Base Funding Minimum. In
16 determining the amount, the State Board shall take into
17 consideration, among other factors, any previous
18 allocation of District Intervention Money to the
19 Organizational Unit and the Organizational Unit's need.
20 The General Assembly shall review the State Board's
21 recommendation and may approve or disapprove the addition
22 of District Intervention Money as provided in this
23 paragraph (3). Once the General Assembly has approved the
24 addition of District Intervention Money to the
25 Organizational Unit's Base Funding Minimum, the District
26 Intervention Money shall be added each school year

1 thereafter to the Organizational Unit's Base Funding
2 Minimum.

3 Each year, all recommendations by the State Board to
4 add District Intervention Money must be submitted to the
5 General Assembly by February 1. The General Assembly may
6 approve or disapprove a recommendation submitted to the
7 General Assembly pursuant to this paragraph (3) within 30
8 calendar days after submission by adoption of a resolution
9 by a record vote of the majority of members elected in each
10 house. If the General Assembly fails to act upon a
11 recommendation within this 30-day period, the
12 recommendation shall be deemed granted. Any resolution
13 adopted by the General Assembly approving or disapproving a
14 recommendation of the State Board under this paragraph (3)
15 is binding on the State Board.

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

17 (1) The Evidence-Based Funding formula establishes a
18 Percent of Adequacy for each Organizational Unit in order
19 to place such units into tiers for the purposes of the
20 funding distribution system described in subsection (g) of
21 this Section. Initially, an Organizational Unit's
22 Preliminary Resources and Preliminary Percent of Adequacy
23 are calculated pursuant to paragraph (2) of this subsection
24 (f). Then, an Organizational Unit's Final Resources and
25 Final Percent of Adequacy are calculated to account for the
26 Organizational Unit's poverty concentration levels

1 pursuant to paragraphs (3) and (4) of this subsection (f).

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

7 (3) Except for Specially Funded Units, an
8 Organizational Unit's Final Resources are equal the sum of
9 its Local Capacity, CPPRT, and Adjusted Base Funding
10 Minimum. The Base Funding Minimum of each Specially Funded
11 Unit shall serve as its Final Resources, except that the
12 Base Funding Minimum for State-approved charter schools
13 shall not include any portion of general State aid
14 allocated in the prior year based on the per capita tuition
15 charge times the charter school enrollment.

16 (4) An Organizational Unit's Final Percent of Adequacy
17 is its Final Resources divided by its Adequacy Target. An
18 Organizational Unit's Adjusted Base Funding Minimum is
19 equal to its Base Funding Minimum less its Supplemental
20 Grant Funding, with the resulting figure added to the
21 product of its Supplemental Grant Funding and Preliminary
22 Percent of Adequacy.

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

24 (1) In each school year under the Evidence-Based
25 Funding formula, each Organizational Unit receives funding
26 equal to the sum of its Base Funding Minimum and the unit's

1 allocation of New State Funds determined pursuant to this
2 subsection (g). To allocate New State Funds, the
3 Evidence-Based Funding formula distribution system first
4 places all Organizational Units into one of 4 tiers in
5 accordance with paragraph (3) of this subsection (g), based
6 on the Organizational Unit's Final Percent of Adequacy. New
7 State Funds are allocated to each of the 4 tiers as
8 follows: Tier 1 Aggregate Funding equals 50% of all New
9 State Funds, Tier 2 Aggregate Funding equals 49% of all New
10 State Funds, Tier 3 Aggregate Funding equals 0.9% of all
11 New State Funds, and Tier 4 Aggregate Funding equals 0.1%
12 of all New State Funds. Each Organizational Unit within
13 Tier 1 or Tier 2 receives an allocation of New State Funds
14 equal to its tier Funding Gap, as defined in the following
15 sentence, multiplied by the tier's Allocation Rate
16 determined pursuant to paragraph (4) of this subsection
17 (g). For Tier 1, an Organizational Unit's Funding Gap
18 equals the tier's Target Ratio, as specified in paragraph
19 (5) of this subsection (g), multiplied by the
20 Organizational Unit's Adequacy Target, with the resulting
21 amount reduced by the Organizational Unit's Final
22 Resources. For Tier 2, an Organizational Unit's Funding Gap
23 equals the tier's Target Ratio, as described in paragraph
24 (5) of this subsection (g), multiplied by the
25 Organizational Unit's Adequacy Target, with the resulting
26 amount reduced by the Organizational Unit's Final

1 Resources and its Tier 1 funding allocation. To determine
2 the Organizational Unit's Funding Gap, the resulting
3 amount is then multiplied by a factor equal to one minus
4 the Organizational Unit's Local Capacity Target
5 percentage. Each Organizational Unit within Tier 3 or Tier
6 4 receives an allocation of New State Funds equal to the
7 product of its Adequacy Target and the tier's Allocation
8 Rate, as specified in paragraph (4) of this subsection (g).

9 (2) To ensure equitable distribution of dollars for all
10 Tier 2 Organizational Units, no Tier 2 Organizational Unit
11 shall receive fewer dollars per ASE than any Tier 3
12 Organizational Unit. Each Tier 2 and Tier 3 Organizational
13 Unit shall have its funding allocation divided by its ASE.
14 Any Tier 2 Organizational Unit with a funding allocation
15 per ASE below the greatest Tier 3 allocation per ASE shall
16 get a funding allocation equal to the greatest Tier 3
17 funding allocation per ASE multiplied by the
18 Organizational Unit's ASE. Each Tier 2 Organizational
19 Unit's Tier 2 funding allocation shall be multiplied by the
20 percentage calculated by dividing the original Tier 2
21 Aggregate Funding by the sum of all Tier 2 Organizational
22 Units' ~~Unit's~~ Tier 2 funding allocation after adjusting
23 districts' funding below Tier 3 levels.

24 (3) Organizational Units are placed into one of 4 tiers
25 as follows:

26 (A) Tier 1 consists of all Organizational Units,

1 except for Specially Funded Units, with a Percent of
2 Adequacy less than the Tier 1 Target Ratio. The Tier 1
3 Target Ratio is the ratio level that allows for Tier 1
4 Aggregate Funding to be distributed, with the Tier 1
5 Allocation Rate determined pursuant to paragraph (4)
6 of this subsection (g).

7 (B) Tier 2 consists of all Tier 1 Units and all
8 other Organizational Units, except for Specially
9 Funded Units, with a Percent of Adequacy of less than
10 0.90.

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

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

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

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

19 (B) The Tier 2 Allocation Rate is the result of the
20 following equation: Tier 2 Aggregate Funding, divided
21 by the sum of the Funding Gaps for all Tier 2
22 Organizational Units, unless the result of such
23 equation is higher than 1.0. If the result of such
24 equation is higher than 1.0, then the Tier 2 Allocation
25 Rate is 1.0.

26 (C) The Tier 3 Allocation Rate is the result of the

1 following equation: Tier 3 Aggregate Funding, divided
2 by the sum of the Adequacy Targets of all Tier 3
3 Organizational Units.

4 (D) The Tier 4 Allocation Rate is the result of the
5 following equation: Tier 4 Aggregate Funding, divided
6 by the sum of the Adequacy Targets of all Tier 4
7 Organizational Units.

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

9 (A) The Tier 1 Target Ratio is the ratio level that
10 allows for Tier 1 Aggregate Funding to be distributed
11 with the Tier 1 Allocation Rate.

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

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

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

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

22 (8) If any Specially Funded Units, excluding Glenwood
23 Academy, recognized by the State Board do not qualify for
24 direct funding following the implementation of Public Act
25 100-465 ~~this amendatory Act of the 100th General Assembly~~
26 from any of the funding sources included within the

1 definition of Base Funding Minimum, the unqualified
2 portion of the Base Funding Minimum shall be transferred to
3 one or more appropriate Organizational Units as determined
4 by the State Superintendent based on the prior year ASE of
5 the Organizational Units.

6 (8.5) If a school district withdraws from a special
7 education cooperative, the portion of the Base Funding
8 Minimum that is attributable to the school district may be
9 redistributed to the school district upon withdrawal. The
10 school district and the cooperative must include the amount
11 of the Base Funding Minimum that is to be reapportioned
12 ~~re-apportioned~~ in their withdrawal agreement and notify
13 the State Board of the change with a copy of the agreement
14 upon withdrawal.

15 (9) The Minimum Funding Level is intended to establish
16 a target for State funding that will keep pace with
17 inflation and continue to advance equity through the
18 Evidence-Based Funding formula. The target for State
19 funding of New Property Tax Relief Pool Funds is
20 \$50,000,000 for State fiscal year 2019 and subsequent State
21 fiscal years. The Minimum Funding Level is equal to
22 \$350,000,000. In addition to any New State Funds, no more
23 than \$50,000,000 New Property Tax Relief Pool Funds may be
24 counted toward ~~towards~~ the Minimum Funding Level. If the
25 sum of New State Funds and applicable New Property Tax
26 Relief Pool Funds are less than the Minimum Funding Level,

1 than funding for tiers shall be reduced in the following
2 manner:

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

7 (B) Next, Tier 3 funding shall be reduced by an
8 amount equal to the difference between the Minimum
9 Funding Level and New State Funds and the reduction in
10 Tier 4 funding until such time as Tier 3 funding is
11 exhausted.

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

16 (D) Finally, Tier 1 funding shall be reduced by an
17 amount equal to the difference between the Minimum
18 Funding level and New State Funds and the reduction in
19 Tier 2, 3, and 4 funding. In addition, the Allocation
20 Rate for Tier 1 shall be reduced to a percentage equal
21 to the Tier 1 Allocation Rate ~~allocation rate~~ set by
22 paragraph (4) of this subsection (g), multiplied by the
23 result of New State Funds divided by the Minimum
24 Funding Level.

25 (9.5) For State fiscal year 2019 and subsequent State
26 fiscal years, if New State Funds exceed \$300,000,000, then

1 any amount in excess of \$300,000,000 shall be dedicated for
2 purposes of Section 2-3.170 of this Code up to a maximum of
3 \$50,000,000.

4 (10) In the event of a decrease in the amount of the
5 appropriation for this Section in any fiscal year after
6 implementation of this Section, the Organizational Units
7 receiving Tier 1 and Tier 2 funding, as determined under
8 paragraph (3) of this subsection (g), shall be held
9 harmless by establishing a Base Funding Guarantee equal to
10 the per pupil kindergarten through grade 12 funding
11 received in accordance with this Section in the prior
12 fiscal year. Reductions shall be made to the Base Funding
13 Minimum of Organizational Units in Tier 3 and Tier 4 on a
14 per pupil basis equivalent to the total number of the ASE
15 in Tier 3-funded and Tier 4-funded Organizational Units
16 divided by the total reduction in State funding. The Base
17 Funding Minimum as reduced shall continue to be applied to
18 Tier 3 and Tier 4 Organizational Units and adjusted by the
19 relative formula when increases in appropriations for this
20 Section resume. In no event may State funding reductions to
21 Organizational Units in Tier 3 or Tier 4 exceed an amount
22 that would be less than the Base Funding Minimum
23 established in the first year of implementation of this
24 Section. If additional reductions are required, all school
25 districts shall receive a reduction by a per pupil amount
26 equal to the aggregate additional appropriation reduction

1 divided by the total ASE of all Organizational Units.

2 (11) The State Superintendent shall make minor
3 adjustments to the distribution formula set forth in this
4 subsection (g) to account for the rounding of percentages
5 to the nearest tenth of a percentage and dollar amounts to
6 the nearest whole dollar.

7 (h) State Superintendent administration of funding and
8 district submission requirements.

9 (1) The State Superintendent shall, in accordance with
10 appropriations made by the General Assembly, meet the
11 funding obligations created under this Section.

12 (2) The State Superintendent shall calculate the
13 Adequacy Target for each Organizational Unit and Net State
14 Contribution Target for each Organizational Unit under
15 this Section. No Evidence-Based Funding shall be
16 distributed within an Organizational Unit without the
17 approval of the unit's school board.

18 (3) Annually, the State Superintendent shall calculate
19 and report to each Organizational Unit the unit's aggregate
20 financial adequacy amount, which shall be the sum of the
21 Adequacy Target for each Organizational Unit. The State
22 Superintendent shall calculate and report separately for
23 each Organizational Unit the unit's total State funds
24 allocated for its students with disabilities. The State
25 Superintendent shall calculate and report separately for
26 each Organizational Unit the amount of funding and

1 applicable FTE calculated for each Essential Element of the
2 unit's Adequacy Target.

3 (4) Annually, the State Superintendent shall calculate
4 and report to each Organizational Unit the amount the unit
5 must expend on special education and bilingual education
6 and computer technology and equipment for Organizational
7 Units assigned to Tier 1 or Tier 2 that received an
8 additional \$285.50 per student computer technology and
9 equipment investment grant to their Adequacy Target
10 pursuant to the unit's Base Funding Minimum, Special
11 Education Allocation, Bilingual Education Allocation, and
12 computer technology and equipment investment allocation.

13 (5) Moneys distributed under this Section shall be
14 calculated on a school year basis, but paid on a fiscal
15 year basis, with payments beginning in August and extending
16 through June. Unless otherwise provided, the moneys
17 appropriated for each fiscal year shall be distributed in
18 22 equal payments at least 2 times monthly to each
19 Organizational Unit. If moneys appropriated for any fiscal
20 year are distributed other than monthly, the distribution
21 shall be on the same basis for each Organizational Unit.

22 (6) Any school district that fails, for any given
23 school year, to maintain school as required by law or to
24 maintain a recognized school is not eligible to receive
25 Evidence-Based Funding. In case of non-recognition of one
26 or more attendance centers in a school district otherwise

1 operating recognized schools, the claim of the district
2 shall be reduced in the proportion that the enrollment in
3 the attendance center or centers bears to the enrollment of
4 the school district. "Recognized school" means any public
5 school that meets the standards for recognition by the
6 State Board. A school district or attendance center not
7 having recognition status at the end of a school term is
8 entitled to receive State aid payments due upon a legal
9 claim that was filed while it was recognized.

10 (7) School district claims filed under this Section are
11 subject to Sections 18-9 and 18-12 of this Code, except as
12 otherwise provided in this Section.

13 (8) Each fiscal year, the State Superintendent shall
14 calculate for each Organizational Unit an amount of its
15 Base Funding Minimum and Evidence-Based Funding that shall
16 be deemed attributable to the provision of special
17 educational facilities and services, as defined in Section
18 14-1.08 of this Code, in a manner that ensures compliance
19 with maintenance of State financial support requirements
20 under the federal Individuals with Disabilities Education
21 Act. An Organizational Unit must use such funds only for
22 the provision of special educational facilities and
23 services, as defined in Section 14-1.08 of this Code, and
24 must comply with any expenditure verification procedures
25 adopted by the State Board.

26 (9) All Organizational Units in this State must submit

1 annual spending plans by the end of September of each year
2 to the State Board as part of the annual budget process,
3 which shall describe how each Organizational Unit will
4 utilize the Base Funding Minimum ~~Funding~~ and
5 Evidence-Based Funding ~~funding~~ it receives from this State
6 under this Section with specific identification of the
7 intended utilization of Low-Income, English learner, and
8 special education resources. Additionally, the annual
9 spending plans of each Organizational Unit shall describe
10 how the Organizational Unit expects to achieve student
11 growth and how the Organizational Unit will achieve State
12 education goals, as defined by the State Board. The State
13 Superintendent may, from time to time, identify additional
14 requisites for Organizational Units to satisfy when
15 compiling the annual spending plans required under this
16 subsection (h). The format and scope of annual spending
17 plans shall be developed by the State Superintendent and
18 the State Board of Education. School districts that serve
19 students under Article 14C of this Code shall continue to
20 submit information as required under Section 14C-12 of this
21 Code.

22 (10) No later than January 1, 2018, the State
23 Superintendent shall develop a 5-year strategic plan for
24 all Organizational Units to help in planning for adequacy
25 funding under this Section. The State Superintendent shall
26 submit the plan to the Governor and the General Assembly,

1 as provided in Section 3.1 of the General Assembly
2 Organization Act. The plan shall include recommendations
3 for:

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

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

9 (C) application and enhancement of the current
10 financial accountability measures, the approved State
11 plan to comply with the federal Every Student Succeeds
12 Act, and the Illinois Balanced Accountability Measures
13 in relation to student growth and elements of the
14 Evidence-Based Funding model; and

15 (D) implementation of an effective school adequacy
16 funding system based on projected and recommended
17 funding levels from the General Assembly.

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

23 (A) Gifted under subparagraph (M) of paragraph (2)
24 of subsection (b).

25 (B) Instructional materials under subparagraph (O)
26 of paragraph (2) of subsection (b).

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

3 (D) Student activities under subparagraph (R) of
4 paragraph (2) of subsection (b).

5 (E) Maintenance and operations under subparagraph
6 (S) of paragraph (2) of subsection (b).

7 (F) Central office under subparagraph (T) of
8 paragraph (2) of subsection (b).

9 (i) Professional Review Panel.

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

1 (A) Two appointees that represent district
2 superintendents, recommended by a statewide
3 organization that represents district superintendents.

4 (B) Two appointees that represent school boards,
5 recommended by a statewide organization that
6 represents school boards.

7 (C) Two appointees from districts that represent
8 school business officials, recommended by a statewide
9 organization that represents school business
10 officials.

11 (D) Two appointees that represent school
12 principals, recommended by a statewide organization
13 that represents school principals.

14 (E) Two appointees that represent teachers,
15 recommended by a statewide organization that
16 represents teachers.

17 (F) Two appointees that represent teachers,
18 recommended by another statewide organization that
19 represents teachers.

20 (G) Two appointees that represent regional
21 superintendents of schools, recommended by
22 organizations that represent regional superintendents.

23 (H) Two independent experts selected solely by the
24 State Superintendent.

25 (I) Two independent experts recommended by public
26 universities in this State.

1 (J) One member recommended by a statewide
2 organization that represents parents.

3 (K) Two representatives recommended by collective
4 impact organizations that represent major metropolitan
5 areas or geographic areas in Illinois.

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

10 (M) One representative from a school district
11 organized under Article 34 of this Code.

12 The State Superintendent shall ensure that the
13 membership of the Panel includes representatives from
14 school districts and communities reflecting the
15 geographic, socio-economic, racial, and ethnic diversity
16 of this State. The State Superintendent shall additionally
17 ensure that the membership of the Panel includes
18 representatives with expertise in bilingual education and
19 special education. Staff from the State Board shall staff
20 the Panel.

21 (2) In addition to those Panel members appointed by the
22 State Superintendent, 4 members of the General Assembly
23 shall be appointed as follows: one member of the House of
24 Representatives appointed by the Speaker of the House of
25 Representatives, one member of the Senate appointed by the
26 President of the Senate, one member of the House of

1 Representatives appointed by the Minority Leader of the
2 House of Representatives, and one member of the Senate
3 appointed by the Minority Leader of the Senate. There shall
4 be one additional member appointed by the Governor. All
5 members appointed by legislative leaders or the Governor
6 shall be non-voting, ex officio members.

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

11 (A) The format and scope of annual spending plans
12 referenced in paragraph (9) of subsection (h) of this
13 Section.

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

15 (C) Maintenance and operations, including capital
16 maintenance and construction costs.

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

18 (E) Benefits.

19 (F) Technology.

20 (G) Local Capacity Target.

21 (H) Funding for Alternative Schools, Laboratory
22 Schools, safe schools, and alternative learning
23 opportunities programs.

24 (I) Funding for college and career acceleration
25 strategies.

26 (J) Special education investments.

1 (K) Early childhood investments, in collaboration
2 with the Illinois Early Learning Council.

3 (4) (Blank).

4 (5) Within 5 years after the implementation of this
5 Section, and every 5 years thereafter, the Panel shall
6 complete an evaluative study of the entire Evidence-Based
7 Funding model, including an assessment of whether or not
8 the formula is achieving State goals. The Panel shall
9 report to the State Board, the General Assembly, and the
10 Governor on the findings of the study.

11 (6) (Blank).

12 (j) References. Beginning July 1, 2017, references in other
13 laws to general State aid funds or calculations under Section
14 18-8.05 of this Code (now repealed) shall be deemed to be
15 references to evidence-based model formula funds or
16 calculations under this Section.

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

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.