



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB3793

Introduced 2/14/2020, by Sen. Andy Manar

SYNOPSIS AS INTRODUCED:

40 ILCS 5/16-158	from Ch. 108 1/2, par. 16-158
40 ILCS 5/17-127	from Ch. 108 1/2, par. 17-127
40 ILCS 5/17-129	from Ch. 108 1/2, par. 17-129
40 ILCS 15/1.1	
40 ILCS 15/1.10 new	
105 ILCS 5/18-8.15	

Amends the Downstate and Chicago Teacher Articles of the Illinois Pension Code to require school districts to pay the employer normal cost of benefits beginning in fiscal year 2021. Amends the State Pension Funds Continuing Appropriation Act to appropriate from the Common School Fund to the State Board of Education, on a continuing annual basis beginning with fiscal year 2021, the amount certified as the employer normal cost, to be distributed by the State Board of Education under the evidence-based funding formula provisions of the School Code. Amends the evidence-based funding formula provisions of the School Code to make changes concerning the employee benefit investments calculation and the Base Funding Minimum calculation. Effective immediately.

LRB101 20236 NHT 69776 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

1 AN ACT concerning education.

2 WHEREAS, This Act may be referred to as the Accelerating of
3 School Funding Equity Act of 2020; and

4 WHEREAS, The General Assembly overhauled this State's
5 outdated and inequitable funding system in 2017 with the
6 enactment of an evidence-based funding formula via Public Act
7 100-465, which consolidated several funding streams into a
8 single formula; and

9 WHEREAS, This new, modernized formula considers how much
10 each school district needs to adequately educate its students,
11 how much local capacity each district has to fund its schools,
12 and how close each district is to reaching adequate funding,
13 all while holding harmless all districts; and

14 WHEREAS, The State pays most employer costs of teacher
15 pensions, which is among the most inequitable ways this State
16 supports school districts because those districts with higher
17 teacher salaries and more teachers receive a greater State
18 subsidy for the cost of teacher pensions than those districts
19 with lower teacher salaries and fewer teachers; and

20 WHEREAS, The current structure for State support of teacher
21 pension costs provides school districts funded above 100%
22 adequacy a benefit of \$328 more per pupil than it provides to

1 school districts funded below 80% of adequacy; and

2 WHEREAS, By applying the same principles found in the
3 evidence-based funding formula, the inequitable teacher
4 pension funding structure can be improved to accelerate equity,
5 accelerate the timeline for bringing the school funding system
6 closer to adequacy, and protect teacher pension funding;
7 therefore"; and

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

10 Section 5. The Illinois Pension Code is amended by changing
11 Sections 16-158, 17-127, and 17-129 as follows:

12 (40 ILCS 5/16-158) (from Ch. 108 1/2, par. 16-158)

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

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

22 The Board shall determine the amount of State contributions

1 required for each fiscal year on the basis of the actuarial
2 tables and other assumptions adopted by the Board and the
3 recommendations of the actuary, using the formula in subsection
4 (b-3).

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

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

18 On or before July 1, 2005, the Board shall recalculate and
19 recertify to the Governor the amount of the required State
20 contribution to the System for State fiscal year 2006, taking
21 into account the changes in required State contributions made
22 by Public Act 94-4.

23 On or before April 1, 2011, the Board shall recalculate and
24 recertify to the Governor the amount of the required State
25 contribution to the System for State fiscal year 2011, applying
26 the changes made by Public Act 96-889 to the System's assets

1 and liabilities as of June 30, 2009 as though Public Act 96-889
2 was approved on that date.

3 On or before July 1, 2020, the Board shall recalculate and
4 recertify to the Governor the amount of the required State
5 contribution to the System for State fiscal year 2021, applying
6 the changes made by this amendatory Act of the 101st General
7 Assembly.

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

1 recommended changes on the required State contribution.

2 (a-10) By November 1, 2017, the Board shall recalculate and
3 recertify to the State Actuary, the Governor, and the General
4 Assembly the amount of the State contribution to the System for
5 State fiscal year 2018, taking into account the changes in
6 required State contributions made by Public Act 100-23. The
7 State Actuary shall review the assumptions and valuations
8 underlying the Board's revised certification and issue a
9 preliminary report concerning the proposed recertification and
10 identifying, if necessary, recommended changes in actuarial
11 assumptions that the Board must consider before finalizing its
12 certification of the required State contributions. The Board's
13 final certification must note any deviations from the State
14 Actuary's recommended changes, the reason or reasons for not
15 following the State Actuary's recommended changes, and the
16 fiscal impact of not following the State Actuary's recommended
17 changes on the required State contribution.

18 (a-15) On or after June 15, 2019, but no later than June
19 30, 2019, the Board shall recalculate and recertify to the
20 Governor and the General Assembly the amount of the State
21 contribution to the System for State fiscal year 2019, taking
22 into account the changes in required State contributions made
23 by Public Act 100-587. The recalculation shall be made using
24 assumptions adopted by the Board for the original fiscal year
25 2019 certification. The monthly voucher for the 12th month of
26 fiscal year 2019 shall be paid by the Comptroller after the

1 recertification required pursuant to this subsection is
2 submitted to the Governor, Comptroller, and General Assembly.
3 The recertification submitted to the General Assembly shall be
4 filed with the Clerk of the House of Representatives and the
5 Secretary of the Senate in electronic form only, in the manner
6 that the Clerk and the Secretary shall direct.

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

10 (b-1) Beginning in State fiscal year 1996, on the 15th day
11 of each month, or as soon thereafter as may be practicable, the
12 Board shall submit vouchers for payment of State contributions
13 to the System, in a total monthly amount of one-twelfth of the
14 required annual State contribution certified under subsection
15 (a-1). From March 5, 2004 (the effective date of Public Act
16 93-665) through June 30, 2004, the Board shall not submit
17 vouchers for the remainder of fiscal year 2004 in excess of the
18 fiscal year 2004 certified contribution amount determined
19 under this Section after taking into consideration the transfer
20 to the System under subsection (a) of Section 6z-61 of the
21 State Finance Act. These vouchers shall be paid by the State
22 Comptroller and Treasurer by warrants drawn on the funds
23 appropriated to the System for that fiscal year.

24 If in any month the amount remaining unexpended from all
25 other appropriations to the System for the applicable fiscal
26 year (including the appropriations to the System under Section

1 8.12 of the State Finance Act and Section 1 of the State
2 Pension Funds Continuing Appropriation Act) is less than the
3 amount lawfully vouchered under this subsection, the
4 difference shall be paid from the Common School Fund under the
5 continuing appropriation authority provided in Section 1.1 of
6 the State Pension Funds Continuing Appropriation Act.

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

10 (b-3) For State fiscal years 2012 through 2045, the minimum
11 contribution to the System to be made by the State for each
12 fiscal year shall be an amount determined by the System to be
13 sufficient to bring the total assets of the System up to 90% of
14 the total actuarial liabilities of the System by the end of
15 State fiscal year 2045. In making these determinations, the
16 required State contribution shall be calculated each year as a
17 level percentage of payroll over the years remaining to and
18 including fiscal year 2045 and shall be determined under the
19 projected unit credit actuarial cost method.

20 For each of State fiscal years 2018, 2019, and 2020, the
21 State shall make an additional contribution to the System equal
22 to 2% of the total payroll of each employee who is deemed to
23 have elected the benefits under Section 1-161 or who has made
24 the election under subsection (c) of Section 1-161.

25 A change in an actuarial or investment assumption that
26 increases or decreases the required State contribution and

1 first applies in State fiscal year 2018 or thereafter shall be
2 implemented in equal annual amounts over a 5-year period
3 beginning in the State fiscal year in which the actuarial
4 change first applies to the required State contribution.

5 A change in an actuarial or investment assumption that
6 increases or decreases the required State contribution and
7 first applied to the State contribution in fiscal year 2014,
8 2015, 2016, or 2017 shall be implemented:

9 (i) as already applied in State fiscal years before
10 2018; and

11 (ii) in the portion of the 5-year period beginning in
12 the State fiscal year in which the actuarial change first
13 applied that occurs in State fiscal year 2018 or
14 thereafter, by calculating the change in equal annual
15 amounts over that 5-year period and then implementing it at
16 the resulting annual rate in each of the remaining fiscal
17 years in that 5-year period.

18 For State fiscal years 1996 through 2005, the State
19 contribution to the System, as a percentage of the applicable
20 employee payroll, shall be increased in equal annual increments
21 so that by State fiscal year 2011, the State is contributing at
22 the rate required under this Section; except that in the
23 following specified State fiscal years, the State contribution
24 to the System shall not be less than the following indicated
25 percentages of the applicable employee payroll, even if the
26 indicated percentage will produce a State contribution in

1 excess of the amount otherwise required under this subsection
2 and subsection (a), and notwithstanding any contrary
3 certification made under subsection (a-1) before May 27, 1998
4 (the effective date of Public Act 90-582): 10.02% in FY 1999;
5 10.77% in FY 2000; 11.47% in FY 2001; 12.16% in FY 2002; 12.86%
6 in FY 2003; and 13.56% in FY 2004.

7 Notwithstanding any other provision of this Article, the
8 total required State contribution for State fiscal year 2006 is
9 \$534,627,700.

10 Notwithstanding any other provision of this Article, the
11 total required State contribution for State fiscal year 2007 is
12 \$738,014,500.

13 For each of State fiscal years 2008 through 2009, the State
14 contribution to the System, as a percentage of the applicable
15 employee payroll, shall be increased in equal annual increments
16 from the required State contribution for State fiscal year
17 2007, so that by State fiscal year 2011, the State is
18 contributing at the rate otherwise required under this Section.

19 Notwithstanding any other provision of this Article, the
20 total required State contribution for State fiscal year 2010 is
21 \$2,089,268,000 and shall be made from the proceeds of bonds
22 sold in fiscal year 2010 pursuant to Section 7.2 of the General
23 Obligation Bond Act, less (i) the pro rata share of bond sale
24 expenses determined by the System's share of total bond
25 proceeds, (ii) any amounts received from the Common School Fund
26 in fiscal year 2010, and (iii) any reduction in bond proceeds

1 due to the issuance of discounted bonds, if applicable.

2 Notwithstanding any other provision of this Article, the
3 total required State contribution for State fiscal year 2011 is
4 the amount recertified by the System on or before April 1, 2011
5 pursuant to subsection (a-1) of this Section and shall be made
6 from the proceeds of bonds sold in fiscal year 2011 pursuant to
7 Section 7.2 of the General Obligation Bond Act, less (i) the
8 pro rata share of bond sale expenses determined by the System's
9 share of total bond proceeds, (ii) any amounts received from
10 the Common School Fund in fiscal year 2011, and (iii) any
11 reduction in bond proceeds due to the issuance of discounted
12 bonds, if applicable. This amount shall include, in addition to
13 the amount certified by the System, an amount necessary to meet
14 employer contributions required by the State as an employer
15 under paragraph (e) of this Section, which may also be used by
16 the System for contributions required by paragraph (a) of
17 Section 16-127.

18 Beginning in State fiscal year 2046, the minimum State
19 contribution for each fiscal year shall be the amount needed to
20 maintain the total assets of the System at 90% of the total
21 actuarial liabilities of the System.

22 Amounts received by the System pursuant to Section 25 of
23 the Budget Stabilization Act or Section 8.12 of the State
24 Finance Act in any fiscal year do not reduce and do not
25 constitute payment of any portion of the minimum State
26 contribution required under this Article in that fiscal year.

1 Such amounts shall not reduce, and shall not be included in the
2 calculation of, the required State contributions under this
3 Article in any future year until the System has reached a
4 funding ratio of at least 90%. A reference in this Article to
5 the "required State contribution" or any substantially similar
6 term does not include or apply to any amounts payable to the
7 System under Section 25 of the Budget Stabilization Act.

8 Notwithstanding any other provision of this Section, the
9 required State contribution for State fiscal year 2005 and for
10 fiscal year 2008 and each fiscal year thereafter, as calculated
11 under this Section and certified under subsection (a-1), shall
12 not exceed an amount equal to (i) the amount of the required
13 State contribution that would have been calculated under this
14 Section for that fiscal year if the System had not received any
15 payments under subsection (d) of Section 7.2 of the General
16 Obligation Bond Act, minus (ii) the portion of the State's
17 total debt service payments for that fiscal year on the bonds
18 issued in fiscal year 2003 for the purposes of that Section
19 7.2, as determined and certified by the Comptroller, that is
20 the same as the System's portion of the total moneys
21 distributed under subsection (d) of Section 7.2 of the General
22 Obligation Bond Act. In determining this maximum for State
23 fiscal years 2008 through 2010, however, the amount referred to
24 in item (i) shall be increased, as a percentage of the
25 applicable employee payroll, in equal increments calculated
26 from the sum of the required State contribution for State

1 fiscal year 2007 plus the applicable portion of the State's
2 total debt service payments for fiscal year 2007 on the bonds
3 issued in fiscal year 2003 for the purposes of Section 7.2 of
4 the General Obligation Bond Act, so that, by State fiscal year
5 2011, the State is contributing at the rate otherwise required
6 under this Section.

7 (b-4) Beginning in fiscal year 2018, each employer under
8 this Article shall pay to the System a required contribution
9 determined as a percentage of projected payroll and sufficient
10 to produce an annual amount equal to:

11 (i) for each of fiscal years 2018, 2019, and 2020, the
12 defined benefit normal cost of the defined benefit plan,
13 less the employee contribution, for each employee of that
14 employer who has elected or who is deemed to have elected
15 the benefits under Section 1-161 or who has made the
16 election under subsection (b) of Section 1-161; for fiscal
17 year 2021 and each fiscal year thereafter, the defined
18 benefit normal cost of the defined benefit plan, less the
19 employee contribution, plus 2%, for each employee of that
20 employer who has elected or who is deemed to have elected
21 the benefits under Section 1-161 or who has made the
22 election under subsection (b) of Section 1-161; plus

23 (ii) the amount required for that fiscal year to
24 amortize any unfunded actuarial accrued liability
25 associated with the present value of liabilities
26 attributable to the employer's account under Section

1 16-158.3, determined as a level percentage of payroll over
2 a 30-year rolling amortization period.

3 In determining contributions required under item (i) of
4 this subsection, the System shall determine an aggregate rate
5 for all employers, expressed as a percentage of projected
6 payroll.

7 In determining the contributions required under item (ii)
8 of this subsection, the amount shall be computed by the System
9 on the basis of the actuarial assumptions and tables used in
10 the most recent actuarial valuation of the System that is
11 available at the time of the computation.

12 The contributions required under this subsection (b-4)
13 shall be paid by an employer concurrently with that employer's
14 payroll payment period. The State, as the actual employer of an
15 employee, shall make the required contributions under this
16 subsection.

17 (b-5) Beginning in fiscal year 2021, each employer under
18 this Article shall pay a required contribution determined as a
19 percentage of projected payroll and sufficient to produce an
20 annual amount equal to:

21 (1) for fiscal year 2021, the normal cost of each
22 member employed by the employer, other than a member
23 covered by subsection (b-4) of this Section, less the
24 employee contribution; and

25 (2) for fiscal year 2022 and each fiscal year
26 thereafter, the amount required for that fiscal year to

1 amortize any unfunded actuarial accrued liability accrued
2 from differences between estimated and actual normal cost
3 rates paid by the employer determined as a level percentage
4 of payroll over a 30-year rolling amortization period.

5 In determining the contributions required under item (1) of
6 this subsection (b-5), the System shall determine an aggregate
7 rate for all employers, expressed as a percentage of projected
8 payroll. In determining contributions required under item (2)
9 of this subsection (b-5), the amount shall be computed by the
10 System on the basis of actuarial assumptions and tables used in
11 the most recent actuarial valuation of the System that is
12 available at the time of the computation. The contributions
13 required under this subsection (b-5) shall be paid by the
14 employer concurrently with that employer's payroll payment
15 period. The State as the actual employer of an employee shall
16 make the required contributions under this subsection (b-5).
17 The System shall certify the required contribution of each
18 employer under this Article pursuant to this subsection (b-5)
19 and submit that certification and its aggregate rate for all
20 employers to the State Superintendent of Education by February
21 15th of each year or upon a date mutually agreed upon by the
22 System and State Superintendent of Education. Nothing in this
23 amendatory Act of the 101st General Assembly shall be construed
24 to apply to or alter the existing contribution obligations on
25 an employer of a teacher defined under paragraph (2), (3), (4),
26 (5), (8), or (10) of Section 16-106 of this Code.

1 (c) Payment of the required State contributions and of all
2 pensions, retirement annuities, death benefits, refunds, and
3 other benefits granted under or assumed by this System, and all
4 expenses in connection with the administration and operation
5 thereof, are obligations of the State.

6 If members are paid from special trust or federal funds
7 which are administered by the employing unit, whether school
8 district or other unit, the employing unit shall pay to the
9 System from such funds the full accruing retirement costs based
10 upon that service, which, beginning July 1, 2017, shall be at a
11 rate, expressed as a percentage of salary, equal to the total
12 employer's normal cost, expressed as a percentage of payroll,
13 as determined by the System. Employer contributions, based on
14 salary paid to members from federal funds, may be forwarded by
15 the distributing agency of the State of Illinois to the System
16 prior to allocation, in an amount determined in accordance with
17 guidelines established by such agency and the System. Any
18 contribution for fiscal year 2015 collected as a result of the
19 change made by Public Act 98-674 shall be considered a State
20 contribution under subsection (b-3) of this Section.

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

1 System.

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

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

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

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

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

1 contributions.

2 These employer contributions are intended to offset a
3 portion of the cost to the System of the increases in
4 retirement benefits resulting from Public Act 90-582.

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

12 The additional 1% employee contribution required under
13 Section 16-152 by Public Act 90-582 is the responsibility of
14 the teacher and not the teacher's employer, unless the employer
15 agrees, through collective bargaining or otherwise, to make the
16 contribution on behalf of the teacher.

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

1 termination, extension, or renewal of the contract at any time
2 after May 1, 1998.

3 (f) If ~~June 4, 2018 (Public Act 100-587)~~ the amount of a
4 teacher's salary for any school year used to determine final
5 average salary exceeds the member's annual full-time salary
6 rate with the same employer for the previous school year by
7 more than 6%, the teacher's employer shall pay to the System,
8 in addition to all other payments required under this Section
9 and in accordance with guidelines established by the System,
10 the present value of the increase in benefits resulting from
11 the portion of the increase in salary that is in excess of 6%.
12 This present value shall be computed by the System on the basis
13 of the actuarial assumptions and tables used in the most recent
14 actuarial valuation of the System that is available at the time
15 of the computation. If a teacher's salary for the 2005-2006
16 school year is used to determine final average salary under
17 this subsection (f), then the changes made to this subsection
18 (f) by Public Act 94-1057 shall apply in calculating whether
19 the increase in his or her salary is in excess of 6%. For the
20 purposes of this Section, change in employment under Section
21 10-21.12 of the School Code on or after June 1, 2005 shall
22 constitute a change in employer. The System may require the
23 employer to provide any pertinent information or
24 documentation. The changes made to this subsection (f) by
25 Public Act 94-1111 apply without regard to whether the teacher
26 was in service on or after its effective date.

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

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

25 (f-1) (Blank). ~~June 4, 2018 (Public Act 100-587)~~

26 (g) This subsection (g) applies only to payments made or

1 salary increases given on or after June 1, 2005 but before July
2 1, 2011. The changes made by Public Act 94-1057 shall not
3 require the System to refund any payments received before July
4 31, 2006 (the effective date of Public Act 94-1057).

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

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

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

23 When assessing payment for any amount due under subsection
24 (f), the System shall exclude a salary increase resulting from
25 a promotion (i) for which the employee is required to hold a
26 certificate or supervisory endorsement issued by the State

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

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

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

1 (i) The System shall prepare a report and file copies of
2 the report with the Governor and the General Assembly by
3 January 1, 2007 that contains all of the following information:

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

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

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

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

16 (i-5) For school years beginning on or after July 1, 2017,
17 if the amount of a participant's salary for any school year
18 exceeds the amount of the salary set for the Governor, the
19 participant's employer shall pay to the System, in addition to
20 all other payments required under this Section and in
21 accordance with guidelines established by the System, an amount
22 determined by the System to be equal to the employer normal
23 cost, as established by the System and expressed as a total
24 percentage of payroll, multiplied by the amount of salary in
25 excess of the amount of the salary set for the Governor. This
26 amount shall be computed by the System on the basis of the

1 actuarial assumptions and tables used in the most recent
2 actuarial valuation of the System that is available at the time
3 of the computation. The System may require the employer to
4 provide any pertinent information or documentation.

5 Whenever it determines that a payment is or may be required
6 under this subsection, the System shall calculate the amount of
7 the payment and bill the employer for that amount. The bill
8 shall specify the calculations used to determine the amount
9 due. If the employer disputes the amount of the bill, it may,
10 within 30 days after receipt of the bill, apply to the System
11 in writing for a recalculation. The application must specify in
12 detail the grounds of the dispute. Upon receiving a timely
13 application for recalculation, the System shall review the
14 application and, if appropriate, recalculate the amount due.

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

24 (j) For purposes of determining the required State
25 contribution to the System, the value of the System's assets
26 shall be equal to the actuarial value of the System's assets,

1 which shall be calculated as follows:

2 As of June 30, 2008, the actuarial value of the System's
3 assets shall be equal to the market value of the assets as of
4 that date. In determining the actuarial value of the System's
5 assets for fiscal years after June 30, 2008, any actuarial
6 gains or losses from investment return incurred in a fiscal
7 year shall be recognized in equal annual amounts over the
8 5-year period following that fiscal year.

9 (k) For purposes of determining the required State
10 contribution to the system for a particular year, the actuarial
11 value of assets shall be assumed to earn a rate of return equal
12 to the system's actuarially assumed rate of return.

13 (Source: P.A. 100-23, eff. 7-6-17; 100-340, eff. 8-25-17;
14 100-587, eff. 6-4-18; 100-624, eff. 7-20-18; 100-863, eff.
15 8-14-18; 101-10, eff. 6-5-19; 101-81, eff. 7-12-19; revised
16 8-13-19.)

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

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

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

1 (b) The General Assembly finds that for many years the
2 State has contributed to the Fund an annual amount that is
3 between 20% and 30% of the amount of the annual State
4 contribution to the Article 16 retirement system, and the
5 General Assembly declares that it is its goal and intention to
6 continue this level of contribution to the Fund in the future.

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

17 (d) In addition to any other contribution required under
18 this Article, including the contribution required under
19 subsection (c), the State shall contribute to the Fund the
20 following amounts:

21 (1) For State fiscal year 2018, the State shall
22 contribute \$221,300,000 for the employer normal cost for
23 fiscal year 2018 and the amount allowed under paragraph (3)
24 of Section 17-142.1 of this Code to defray health insurance
25 costs. Funds for this paragraph (1) shall come from funds
26 appropriated for Evidence-Based Funding pursuant to

1 Section 18-8.15 of the School Code.

2 (2) Beginning in State fiscal year 2019 through State
3 fiscal year 2020, the State shall contribute for each
4 fiscal year an amount to be determined by the Fund, equal
5 to the employer normal cost for that fiscal year, plus the
6 amount allowed pursuant to paragraph (3) of Section
7 17-142.1 to defray health insurance costs. Beginning in
8 State fiscal year 2021, the State shall contribute for each
9 fiscal year an amount to be determined by the Fund equal to
10 the amount allowed pursuant to paragraph (3) of Section
11 17-142.1 to defray health insurance costs.

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

22 On or before January 1 of each year, beginning January 1,
23 2018, the State Actuary shall issue a preliminary report
24 concerning the proposed certification and identifying, if
25 necessary, recommended changes in actuarial assumptions that
26 the Board must consider before finalizing its certification of

1 the required State contributions.

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

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

22 (g) For State fiscal year 2018, the State Board of
23 Education shall submit vouchers, as directed by the Board, for
24 payment of State contributions to the Fund for the required
25 annual State contribution under subsection (d) of this Section.
26 These vouchers shall be paid by the State Comptroller and

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

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

24 (i) The Board shall determine the amount of employer normal
25 cost to be paid by the Board of Education for its contributors,
26 members, and teachers participating in the Fund each fiscal

1 year on the basis of the actuarial tables and other assumptions
2 adopted by the Board and the recommendations of the actuary.
3 The Board of Education shall contribute the amount certified by
4 the Board as its employer normal cost to the Fund pursuant to
5 Section 17-129 of this Code.

6 On or before November 1 of each year, the Board shall
7 submit to the State Actuary, the Governor, and the General
8 Assembly a proposed certification of the amount of the required
9 Board of Education employer normal cost contributions to the
10 Fund for the next fiscal year, along with all of the actuarial
11 assumptions, calculations, and data upon which that proposed
12 certification is based.

13 On or before January 1 of each year, the State Actuary
14 shall issue a preliminary report concerning the proposed
15 certification and identifying, if necessary, recommended
16 changes in actuarial assumptions that the Board must consider
17 before finalizing its certification of the required State
18 contributions.

19 (j) On or before January 15 of each year, the Board shall
20 certify to the Governor and the General Assembly the amount of
21 the Board of Education's employer normal cost contribution for
22 the next fiscal year. The certification shall include a copy of
23 the actuarial recommendations upon which it is based and shall
24 specifically identify the Fund's projected employer normal
25 cost for that fiscal year. The Board's certification must note
26 any deviations from the State Actuary's recommended changes,

1 the reason or reasons for not following the State Actuary's
2 recommended changes, and the fiscal impact of not following the
3 State Actuary's recommended changes on the required State
4 contribution.

5 (k) Beginning in State fiscal year 2021, the Board shall
6 submit vouchers for the payment of the amount equal to the
7 employer normal cost contributions made by the Board of
8 Education pursuant to Section 17-129 of this Code as determined
9 by the Board under subsection (i) of this Section. These
10 vouchers shall be paid by the State Comptroller and State
11 Treasurer by warrants drawn on the funds appropriated to the
12 State Board of Education for that fiscal year, and the State
13 Board of Education shall distribute the funds it receives
14 pursuant to the provisions of subsection (e) of Section 18-8.15
15 of the School Code. If State appropriations to the State Board
16 of Education for the applicable fiscal year are less than the
17 amount lawfully vouchered under this subsection (k), the
18 difference shall be paid from the Common School Fund under the
19 continuing appropriation authority provided in Section 1.1 of
20 the State Pension Funds Continuing Appropriation Act.

21 (Source: P.A. 100-465, eff. 8-31-17.)

22 (40 ILCS 5/17-129) (from Ch. 108 1/2, par. 17-129)

23 Sec. 17-129. Employer contributions; deficiency in Fund.

24 (a) If in any fiscal year of the Board of Education ending
25 prior to 1997 the total amounts paid to the Fund from the Board

1 of Education (other than under this subsection, and other than
2 amounts used for making or "picking up" contributions on behalf
3 of teachers) and from the State do not equal the total
4 contributions made by or on behalf of the teachers for such
5 year, or if the total income of the Fund in any such fiscal
6 year of the Board of Education from all sources is less than
7 the total such expenditures by the Fund for such year, the
8 Board of Education shall, in the next succeeding year, in
9 addition to any other payment to the Fund set apart and
10 appropriate from moneys from its tax levy for educational
11 purposes, a sum sufficient to remove such deficiency or
12 deficiencies, and promptly pay such sum into the Fund in order
13 to restore any of the reserves of the Fund that may have been
14 so temporarily applied. Any amounts received by the Fund after
15 December 4, 1997 from State appropriations, including under
16 Section 17-127, shall be a credit against and shall fully
17 satisfy any obligation that may have arisen, or be claimed to
18 have arisen, under this subsection (a) as a result of any
19 deficiency or deficiencies in the fiscal year of the Board of
20 Education ending in calendar year 1997.

21 (b) (i) Notwithstanding any other provision of this
22 Section, and notwithstanding any prior certification by the
23 Board under subsection (c) for fiscal year 2011, the Board of
24 Education's total required contribution to the Fund for fiscal
25 year 2011 under this Section is \$187,000,000.

26 (ii) Notwithstanding any other provision of this Section,

1 the Board of Education's total required contribution to the
2 Fund for fiscal year 2012 under this Section is \$192,000,000.

3 (iii) Notwithstanding any other provision of this Section,
4 the Board of Education's total required contribution to the
5 Fund for fiscal year 2013 under this Section is \$196,000,000.

6 (iv) For fiscal years 2014 through 2059, the minimum
7 contribution to the Fund to be made by the Board of Education
8 in each fiscal year shall be an amount determined by the Fund
9 to be sufficient to bring the total assets of the Fund up to
10 90% of the total actuarial liabilities of the Fund by the end
11 of fiscal year 2059, including, beginning with fiscal year
12 2021, an amount equal to the Board of Education's employer
13 normal cost as determined by the Fund pursuant to subsection
14 (i) of Section 17-127 of this Code. In making these
15 determinations, the required Board of Education contribution
16 shall be calculated each year as a level percentage of the
17 applicable employee payrolls over the years remaining to and
18 including fiscal year 2059 and shall be determined under the
19 projected unit credit actuarial cost method.

20 (v) Beginning in fiscal year 2060, the minimum Board of
21 Education contribution for each fiscal year shall be the amount
22 needed to maintain the total assets of the Fund at 90% of the
23 total actuarial liabilities of the Fund.

24 (vi) Notwithstanding any other provision of this
25 subsection (b), for any fiscal year, the contribution to the
26 Fund from the Board of Education shall not be required to be in

1 excess of the amount calculated as needed to maintain the
2 assets (or cause the assets to be) at the 90% level by the end
3 of the fiscal year.

4 (vii) Any contribution by the State to or for the benefit
5 of the Fund, including, without limitation, as referred to
6 under Section 17-127, shall be a credit against any
7 contribution required to be made by the Board of Education
8 under this subsection (b).

9 (c) The Board shall determine the amount of Board of
10 Education contributions required for each fiscal year on the
11 basis of the actuarial tables and other assumptions adopted by
12 the Board and the recommendations of the actuary, in order to
13 meet the minimum contribution requirements of subsections (a)
14 and (b). Annually, on or before February 28, the Board shall
15 certify to the Board of Education the amount of the required
16 Board of Education contribution for the coming fiscal year. The
17 certification shall include a copy of the actuarial
18 recommendations upon which it is based.

19 (Source: P.A. 96-889, eff. 4-14-10.)

20 Section 10. The State Pension Funds Continuing
21 Appropriation Act is amended by changing Section 1.1 and by
22 adding Section 1.10 as follows:

23 (40 ILCS 15/1.1)

24 Sec. 1.1. Appropriations to certain retirement systems.

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

9 (b) There is hereby appropriated from the General Revenue
10 Fund to the State Universities Retirement System, on a
11 continuing monthly basis, the amount, if any, by which the
12 total available amount of all other appropriations to that
13 retirement system for the payment of State contributions,
14 including any deficiency in the required contributions of the
15 optional retirement program established under Section 15-158.2
16 of the Illinois Pension Code, is less than the total amount of
17 the vouchers for required State contributions lawfully
18 submitted by the retirement system for that month under Section
19 15-165 of the Illinois Pension Code.

20 (c) There is hereby appropriated from the Common School
21 Fund to the Teachers' Retirement System of the State of
22 Illinois, on a continuing monthly basis, the amount, if any, by
23 which the total available amount of all other appropriations to
24 that retirement system for the payment of State contributions
25 is less than the total amount of the vouchers for required
26 State contributions lawfully submitted by the retirement

1 system for that month under Section 16-158 of the Illinois
2 Pension Code.

3 (d) There is hereby appropriated from the General Revenue
4 Fund to the Judges Retirement System of Illinois, on a
5 continuing monthly basis, the amount, if any, by which the
6 total available amount of all other appropriations to that
7 retirement system for the payment of State contributions is
8 less than the total amount of the vouchers for required State
9 contributions lawfully submitted by the retirement system for
10 that month under Section 18-140 of the Illinois Pension Code.

11 (e) The continuing appropriations provided by subsections
12 (a), (b), (c), and (d) of this Section shall first be available
13 in State fiscal year 1996. The continuing appropriations
14 provided by subsection (h) of this Section shall first be
15 available as provided in that subsection (h).

16 (f) For State fiscal year 2010 only, the continuing
17 appropriations provided by this Section are equal to the amount
18 certified by each System on or before December 31, 2008, less
19 (i) the gross proceeds of the bonds sold in fiscal year 2010
20 under the authorization contained in subsection (a) of Section
21 7.2 of the General Obligation Bond Act and (ii) any amounts
22 received from the State Pensions Fund.

23 (g) For State fiscal year 2011 only, the continuing
24 appropriations provided by this Section are equal to the amount
25 certified by each System on or before April 1, 2011, less (i)
26 the gross proceeds of the bonds sold in fiscal year 2011 under

1 the authorization contained in subsection (a) of Section 7.2 of
2 the General Obligation Bond Act and (ii) any amounts received
3 from the State Pensions Fund.

4 (h) There is hereby appropriated from the Common School
5 Fund to the Public School Teachers' Pension and Retirement Fund
6 of Chicago, on a continuing basis, the amount, if any, by which
7 the total available amount of all other State appropriations to
8 that Retirement Fund for the payment of State contributions
9 under Section 17-127 of the Illinois Pension Code is less than
10 the total amount of the vouchers for required State
11 contributions lawfully submitted by the Retirement Fund or the
12 State Board of Education, under that Section 17-127.

13 (i) There is hereby appropriated from the Common School
14 Fund to the State Board of Education, on a continuing annual
15 basis in each State fiscal year beginning with State fiscal
16 year 2021, the amount certified by the Public School Teachers'
17 Pension and Retirement Fund of Chicago pursuant to subsection
18 (i) of Section 17-127 of the Illinois Pension Code for the
19 employer normal cost paid or owed by the board of education of
20 a school district organized under Article 34 of the School
21 Code; provided that the amount appropriated under this
22 subsection (i) after State fiscal year 2021 shall be no less
23 than the amount appropriated in State fiscal year 2021. The
24 State Board of Education shall distribute the certified amount
25 it receives under this subsection (i) pursuant to the
26 provisions of subsection (e) of Section 18-8.15 of the School

1 Code.

2 (Source: P.A. 100-465, eff. 8-31-17.)

3 (40 ILCS 15/1.10 new)

4 Sec. 1.10. Accelerating Equity appropriations to school
5 districts. There is hereby appropriated from the Common School
6 Fund to the State Board of Education, on a continuing annual
7 basis in each State fiscal year beginning with State fiscal
8 year 2021, the amount certified by the Teachers' Retirement
9 System of the State of Illinois pursuant to subsection (b-5) of
10 Section 16-158 of the Illinois Pension Code; provided that the
11 amount appropriated under this Section after State fiscal year
12 2021 shall be no less than the amount appropriated in State
13 fiscal year 2021. The State Board of Education shall distribute
14 the certified amount it receives under this Section pursuant to
15 the provisions of subsection (e) of Section 18-8.15 of the
16 School Code.

17 Section 15. The School Code is amended by changing Section
18 18-8.15 as follows:

19 (105 ILCS 5/18-8.15)

20 Sec. 18-8.15. Evidence-Based Funding ~~Evidence-based~~
21 ~~funding~~ for student success for the 2017-2018 and subsequent
22 school years.

23 (a) General provisions.

1 (1) The purpose of this Section is to ensure that, by
2 June 30, 2027 and beyond, this State has a kindergarten
3 through grade 12 public education system with the capacity
4 to ensure the educational development of all persons to the
5 limits of their capacities in accordance with Section 1 of
6 Article X of the Constitution of the State of Illinois. To
7 accomplish that objective, this Section creates a method of
8 funding public education that is evidence-based; is
9 sufficient to ensure every student receives a meaningful
10 opportunity to learn irrespective of race, ethnicity,
11 sexual orientation, gender, or community-income level; and
12 is sustainable and predictable. When fully funded under
13 this Section, every school shall have the resources, based
14 on what the evidence indicates is needed, to:

15 (A) provide all students with a high quality
16 education that offers the academic, enrichment, social
17 and emotional support, technical, and career-focused
18 programs that will allow them to become competitive
19 workers, responsible parents, productive citizens of
20 this State, and active members of our national
21 democracy;

22 (B) ensure all students receive the education they
23 need to graduate from high school with the skills
24 required to pursue post-secondary education and
25 training for a rewarding career;

26 (C) reduce, with a goal of eliminating, the

1 achievement gap between at-risk and non-at-risk
2 students by raising the performance of at-risk
3 students and not by reducing standards; and

4 (D) ensure this State satisfies its obligation to
5 assume the primary responsibility to fund public
6 education and simultaneously relieve the
7 disproportionate burden placed on local property taxes
8 to fund schools.

9 (2) The Evidence-Based Funding ~~evidence based funding~~
10 formula under this Section shall be applied to all
11 Organizational Units in this State. The Evidence-Based
12 Funding ~~evidence based funding~~ formula outlined in this
13 Section ~~Act~~ is based on the formula outlined in Senate Bill
14 1 of the 100th General Assembly, as passed by both
15 legislative chambers. As further defined and described in
16 this Section, there are 4 major components of the
17 Evidence-Based Funding ~~evidence based funding~~ model:

18 (A) First, the model calculates a unique Adequacy
19 Target ~~adequacy target~~ for each Organizational Unit in
20 this State that considers the costs to implement
21 research-based activities, the unit's student
22 demographics, and regional wage differences
23 ~~difference~~.

24 (B) Second, the model calculates each
25 Organizational Unit's Local Capacity ~~local capacity~~,
26 or the amount each Organizational Unit is assumed to

1 contribute toward ~~towards~~ its Adequacy Target ~~adequacy~~
2 ~~target~~ from local resources.

3 (C) Third, the model calculates how much funding
4 the State currently contributes to the Organizational
5 Unit, and adds that to the unit's Local Capacity ~~local~~
6 ~~capacity~~ to determine the unit's overall current
7 adequacy of funding.

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

13 (3) An Organizational Unit receiving any funding under
14 this Section may apply those funds to any fund so received
15 for which that Organizational Unit is authorized to make
16 expenditures by law.

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

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

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

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

25 "Adjusted Operating Tax Rate" means a tax rate for all
26 Organizational Units, for which the State Superintendent

1 shall calculate and subtract for the Operating Tax Rate a
2 transportation rate based on total expenses for
3 transportation services under this Code, as reported on the
4 most recent Annual Financial Report in Pupil
5 Transportation Services, function 2550 in both the
6 Education and Transportation funds and functions 4110 and
7 4120 in the Transportation fund, less any corresponding
8 fiscal year State of Illinois scheduled payments excluding
9 net adjustments for prior years for regular, vocational, or
10 special education transportation reimbursement pursuant to
11 Section 29-5 or subsection (b) of Section 14-13.01 of this
12 Code divided by the Adjusted EAV. If an Organizational
13 Unit's corresponding fiscal year State of Illinois
14 scheduled payments excluding net adjustments for prior
15 years for regular, vocational, or special education
16 transportation reimbursement pursuant to Section 29-5 or
17 subsection (b) of Section 14-13.01 of this Code exceed the
18 total transportation expenses, as defined in this
19 paragraph, no transportation rate shall be subtracted from
20 the Operating Tax Rate.

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

23 "Alternative School" means a public school that is
24 created and operated by a regional superintendent of
25 schools and approved by the State Board.

26 "Applicable Tax Rate" is defined in paragraph (1) of

1 subsection (d) of this Section.

2 "Assessment" means any of those benchmark, progress
3 monitoring, formative, diagnostic, and other assessments,
4 in addition to the State accountability assessment, that
5 assist teachers' needs in understanding the skills and
6 meeting the needs of the students they serve.

7 "Assistant principal" means a school administrator
8 duly endorsed to be employed as an assistant principal in
9 this State.

10 "At-risk student" means a student who is at risk of not
11 meeting the Illinois Learning Standards or not graduating
12 from elementary or high school and who demonstrates a need
13 for vocational support or social services beyond that
14 provided by the regular school program. All students
15 included in an Organizational Unit's Low-Income Count, as
16 well as all English learner and disabled students attending
17 the Organizational Unit, shall be considered at-risk
18 students under this Section.

19 "Average Student Enrollment" or "ASE" for fiscal year
20 2018 means, for an Organizational Unit, the greater of the
21 average number of students (grades K through 12) reported
22 to the State Board as enrolled in the Organizational Unit
23 on October 1 in the immediately preceding school year, plus
24 the pre-kindergarten students who receive special
25 education services of 2 or more hours a day as reported to
26 the State Board on December 1 in the immediately preceding

1 school year, or the average number of students (grades K
2 through 12) reported to the State Board as enrolled in the
3 Organizational Unit on October 1, plus the
4 pre-kindergarten students who receive special education
5 services of 2 or more hours a day as reported to the State
6 Board on December 1, for each of the immediately preceding
7 3 school years. For fiscal year 2019 and each subsequent
8 fiscal year, "Average Student Enrollment" or "ASE" means,
9 for an Organizational Unit, the greater of the average
10 number of students (grades K through 12) reported to the
11 State Board as enrolled in the Organizational Unit on
12 October 1 and March 1 in the immediately preceding school
13 year, plus the pre-kindergarten students who receive
14 special education services as reported to the State Board
15 on October 1 and March 1 in the immediately preceding
16 school year, or the average number of students (grades K
17 through 12) reported to the State Board as enrolled in the
18 Organizational Unit on October 1 and March 1, plus the
19 pre-kindergarten students who receive special education
20 services as reported to the State Board on October 1 and
21 March 1, for each of the immediately preceding 3 school
22 years. For the purposes of this definition, "enrolled in
23 the Organizational Unit" means the number of students
24 reported to the State Board who are enrolled in schools
25 within the Organizational Unit that the student attends or
26 would attend if not placed or transferred to another school

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

1 under this Section for the 2019-2020 school year and each
2 subsequent school year until separate adequacy formulas
3 are developed and adopted for each type of program. ASE for
4 a program operated by a regional office of education or an
5 intermediate service center must be determined by the March
6 1 enrollment for the program. For the 2019-2020 school
7 year, the ASE used in the calculation must be the
8 first-year ASE and, in that year only, the assignment of
9 students served by a regional office of education or
10 intermediate service center shall not result in a reduction
11 of the March enrollment for any school district. For the
12 2020-2021 school year, the ASE must be the greater of the
13 current-year ASE or the 2-year average ASE. Beginning with
14 the 2021-2022 school year, the ASE must be the greater of
15 the current-year ASE or the 3-year average ASE. School
16 districts shall submit the data for the ASE calculation to
17 the State Board within 45 days of the dates required in
18 this Section for submission of enrollment data in order for
19 it to be included in the ASE calculation. For fiscal year
20 2018 only, the ASE calculation shall include only
21 enrollment taken on October 1.

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

24 "Base Funding Minimum" is defined in subsection (e) of
25 this Section.

26 "Base Tax Year" means the property tax levy year used

1 to calculate the Budget Year allocation of primary State
2 aid.

3 "Base Tax Year's Extension" means the product of the
4 equalized assessed valuation utilized by the county clerk
5 in the Base Tax Year multiplied by the limiting rate as
6 calculated by the county clerk and defined in PTELL.

7 "Bilingual Education Allocation" means the amount of
8 an Organizational Unit's final Adequacy Target
9 attributable to bilingual education divided by the
10 Organizational Unit's final Adequacy Target, the product
11 of which shall be multiplied by the amount of new funding
12 received pursuant to this Section. An Organizational
13 Unit's final Adequacy Target attributable to bilingual
14 education shall include all additional investments in
15 English learner students' adequacy elements.

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

18 "Central office" means individual administrators and
19 support service personnel charged with managing the
20 instructional programs, business and operations, and
21 security of the Organizational Unit.

22 "Comparable Wage Index" or "CWI" means a regional cost
23 differentiation metric that measures systemic, regional
24 variations in the salaries of college graduates who are not
25 educators. The CWI utilized for this Section shall, for the
26 first 3 years of Evidence-Based Funding implementation, be

1 the CWI initially developed by the National Center for
2 Education Statistics, as most recently updated by Texas A &
3 M University. In the fourth and subsequent years of
4 Evidence-Based Funding implementation, the State
5 Superintendent shall re-determine the CWI using a similar
6 methodology to that identified in the Texas A & M
7 University study, with adjustments made no less frequently
8 than once every 5 years.

9 "Computer technology and equipment" means computers
10 servers, notebooks, network equipment, copiers, printers,
11 instructional software, security software, curriculum
12 management courseware, and other similar materials and
13 equipment.

14 "Computer technology and equipment investment
15 allocation" means the final Adequacy Target amount of an
16 Organizational Unit assigned to Tier 1 or Tier 2 in the
17 prior school year attributable to the additional \$285.50
18 per student computer technology and equipment investment
19 grant divided by the Organizational Unit's final Adequacy
20 Target, the result of which shall be multiplied by the
21 amount of new funding received pursuant to this Section. An
22 Organizational Unit assigned to a Tier 1 or Tier 2 final
23 Adequacy Target attributable to the received computer
24 technology and equipment investment grant shall include
25 all additional investments in computer technology and
26 equipment adequacy elements.

1 "Core subject" means mathematics; science; reading,
2 English, writing, and language arts; history and social
3 studies; world languages; and subjects taught as Advanced
4 Placement in high schools.

5 "Core teacher" means a regular classroom teacher in
6 elementary schools and teachers of a core subject in middle
7 and high schools.

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

11 "CPPRT" means corporate personal property replacement
12 tax funds paid to an Organizational Unit during the
13 calendar year one year before the calendar year in which a
14 school year begins, pursuant to "An Act in relation to the
15 abolition of ad valorem personal property tax and the
16 replacement of revenues lost thereby, and amending and
17 repealing certain Acts and parts of Acts in connection
18 therewith", certified August 14, 1979, as amended (Public
19 Act 81-1st S.S.-1).

20 "EAV" means equalized assessed valuation as defined in
21 paragraph (2) of subsection (d) of this Section and
22 calculated in accordance with paragraph (3) of subsection
23 (d) of this Section.

24 "ECI" means the Bureau of Labor Statistics' national
25 employment cost index for civilian workers in educational
26 services in elementary and secondary schools on a

1 cumulative basis for the 12-month calendar year preceding
2 the fiscal year of the Evidence-Based Funding calculation.

3 "EIS Data" means the employment information system
4 data maintained by the State Board on educators within
5 Organizational Units.

6 "Employee benefits" means health, dental, and vision
7 insurance offered to employees of an Organizational Unit,
8 the costs associated with the statutorily required payment
9 of the normal cost of the Organizational Unit's teacher
10 pensions as set forth in subparagraph (U) of paragraph (2)
11 of subsection (b) of this Section, Social Security employer
12 contributions, and Illinois Municipal Retirement Fund
13 employer contributions.

14 "English learner" or "EL" means a child included in the
15 definition of "English learners" under Section 14C-2 of
16 this Code participating in a program of transitional
17 bilingual education or a transitional program of
18 instruction meeting the requirements and program
19 application procedures of Article 14C of this Code. For the
20 purposes of collecting the number of EL students enrolled,
21 the same collection and calculation methodology as defined
22 above for "ASE" shall apply to English learners, with the
23 exception that EL student enrollment shall include
24 students in grades pre-kindergarten through 12.

25 "Essential Elements" means those elements, resources,
26 and educational programs that have been identified through

1 academic research as necessary to improve student success,
2 improve academic performance, close achievement gaps, and
3 provide for other per student costs related to the delivery
4 and leadership of the Organizational Unit, as well as the
5 maintenance and operations of the unit, and which are
6 specified in paragraph (2) of subsection (b) of this
7 Section.

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

10 "Extended day" means academic and enrichment programs
11 provided to students outside the regular school day before
12 and after school or during non-instructional times during
13 the school day.

14 "Extension Limitation Ratio" means a numerical ratio
15 in which the numerator is the Base Tax Year's Extension and
16 the denominator is the Preceding Tax Year's Extension.

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

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

21 "Full-time equivalent" or "FTE" means the full-time
22 equivalency compensation for staffing the relevant
23 position at an Organizational Unit.

24 "Funding Gap" is defined in paragraph (1) of subsection
25 (g).

26 "Guidance counselor" means a licensed guidance

1 counselor who provides guidance and counseling support for
2 students within an Organizational Unit.

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

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

8 "Instructional facilitator" means a qualified teacher
9 or licensed teacher leader who facilitates and coaches
10 continuous improvement in classroom instruction; provides
11 instructional support to teachers in the elements of
12 research-based instruction or demonstrates the alignment
13 of instruction with curriculum standards and assessment
14 tools; develops or coordinates instructional programs or
15 strategies; develops and implements training; chooses
16 standards-based instructional materials; provides teachers
17 with an understanding of current research; serves as a
18 mentor, site coach, curriculum specialist, or lead
19 teacher; or otherwise works with fellow teachers, in
20 collaboration, to use data to improve instructional
21 practice or develop model lessons.

22 "Instructional materials" means relevant instructional
23 materials for student instruction, including, but not
24 limited to, textbooks, consumable workbooks, laboratory
25 equipment, library books, and other similar materials.

26 "Laboratory School" means a public school that is

1 created and operated by a public university and approved by
2 the State Board.

3 "Librarian" means a teacher with an endorsement as a
4 library information specialist or another individual whose
5 primary responsibility is overseeing library resources
6 within an Organizational Unit.

7 "Limiting rate for Hybrid Districts" means the
8 combined elementary school and high school limiting
9 ~~limited~~ rates.

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

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

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

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

18 "Low-Income Count" means, for an Organizational Unit
19 in a fiscal year, the higher of the average number of
20 students for the prior school year or the immediately
21 preceding 3 school years who, as of July 1 of the
22 immediately preceding fiscal year (as determined by the
23 Department of Human Services), are eligible for at least
24 one of the following low-income ~~low-income~~ programs:
25 Medicaid, the Children's Health Insurance Program,
26 Temporary Assistance for Needy Families (TANF), or the

1 Supplemental Nutrition Assistance Program, excluding
2 pupils who are eligible for services provided by the
3 Department of Children and Family Services. Until such time
4 that grade level low-income populations become available,
5 grade level low-income populations shall be determined by
6 applying the low-income percentage to total student
7 enrollments by grade level. The low-income percentage is
8 determined by dividing the Low-Income Count by the Average
9 Student Enrollment. The low-income percentage for programs
10 operated by a regional office of education or an
11 intermediate service center must be set to the weighted
12 average of the low-income percentages of all of the school
13 districts in the service region. The weighted low-income
14 percentage is the result of multiplying the low-income
15 percentage of each school district served by the regional
16 office of education or intermediate service center by each
17 school district's Average Student Enrollment, summarizing
18 those products and dividing the total by the total Average
19 Student Enrollment for the service region.

20 "Maintenance and operations" means custodial services,
21 facility and ground maintenance, facility operations,
22 facility security, routine facility repairs, and other
23 similar services and functions.

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

26 "New Property Tax Relief Pool Funds" means, for any

1 given fiscal year, all State funds appropriated under
2 Section 2-3.170 of the School Code.

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

7 "Net State Contribution Target" means, for a given
8 school year, the amount of State funds that would be
9 necessary to fully meet the Adequacy Target of an
10 Operational Unit minus the Preliminary Resources available
11 to each unit.

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

17 "Operating Tax Rate" means the rate utilized in the
18 previous year to extend property taxes for all purposes,
19 except, Bond and Interest, Summer School, Rent, Capital
20 Improvement, and Vocational Education Building purposes.
21 For Hybrid Districts, the Operating Tax Rate shall be the
22 combined elementary and high school rates utilized in the
23 previous year to extend property taxes for all purposes,
24 except, Bond and Interest, Summer School, Rent, Capital
25 Improvement, and Vocational Education Building purposes.

26 "Organizational Unit" means a Laboratory School or any

1 public school district that is recognized as such by the
2 State Board and that contains elementary schools typically
3 serving kindergarten through 5th grades, middle schools
4 typically serving 6th through 8th grades, high schools
5 typically serving 9th through 12th grades, a program
6 established under Section 2-3.66 or 2-3.41, or a program
7 operated by a regional office of education or an
8 intermediate service center under Article 13A or 13B. The
9 General Assembly acknowledges that the actual grade levels
10 served by a particular Organizational Unit may vary
11 slightly from what is typical.

12 "Organizational Unit CWI" is determined by calculating
13 the CWI in the region and original county in which an
14 Organizational Unit's primary administrative office is
15 located as set forth in this paragraph, provided that if
16 the Organizational Unit CWI as calculated in accordance
17 with this paragraph is less than 0.9, the Organizational
18 Unit CWI shall be increased to 0.9. Each county's current
19 CWI value shall be adjusted based on the CWI value of that
20 county's neighboring Illinois counties, to create a
21 "weighted adjusted index value". This shall be calculated
22 by summing the CWI values of all of a county's adjacent
23 Illinois counties and dividing by the number of adjacent
24 Illinois counties, then taking the weighted value of the
25 original county's CWI value and the adjacent Illinois
26 county average. To calculate this weighted value, if the

1 number of adjacent Illinois counties is greater than 2, the
2 original county's CWI value will be weighted at 0.25 and
3 the adjacent Illinois county average will be weighted at
4 0.75. If the number of adjacent Illinois counties is 2, the
5 original county's CWI value will be weighted at 0.33 and
6 the adjacent Illinois county average will be weighted at
7 0.66. The greater of the county's current CWI value and its
8 weighted adjusted index value shall be used as the
9 Organizational Unit CWI.

10 "Preceding Tax Year" means the property tax levy year
11 immediately preceding the Base Tax Year.

12 "Preceding Tax Year's Extension" means the product of
13 the equalized assessed valuation utilized by the county
14 clerk in the Preceding Tax Year multiplied by the Operating
15 Tax Rate.

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

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

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

22 "Professional development" means training programs for
23 licensed staff in schools, including, but not limited to,
24 programs that assist in implementing new curriculum
25 programs, provide data focused or academic assessment data
26 training to help staff identify a student's weaknesses and

1 strengths, target interventions, improve instruction,
2 encompass instructional strategies for English learner,
3 gifted, or at-risk students, address inclusivity, cultural
4 sensitivity, or implicit bias, or otherwise provide
5 professional support for licensed staff.

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

11 "PTELL" means the Property Tax Extension Limitation
12 Law.

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

15 "Pupil support staff" means a nurse, psychologist,
16 social worker, family liaison personnel, or other staff
17 member who provides support to at-risk or struggling
18 students.

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

21 "Regionalization Factor" means, for a particular
22 Organizational Unit, the figure derived by dividing the
23 Organizational Unit CWI by the Statewide Weighted CWI.

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

26 "Special education" means special educational

1 facilities and services, as defined in Section 14-1.08 of
2 this Code.

3 "Special Education Allocation" means the amount of an
4 Organizational Unit's final Adequacy Target attributable
5 to special education divided by the Organizational Unit's
6 final Adequacy Target, the product of which shall be
7 multiplied by the amount of new funding received pursuant
8 to this Section. An Organizational Unit's final Adequacy
9 Target attributable to special education shall include all
10 special education investment adequacy elements.

11 "Specialist teacher" means a teacher who provides
12 instruction in subject areas not included in core subjects,
13 including, but not limited to, art, music, physical
14 education, health, driver education, career-technical
15 education, and such other subject areas as may be mandated
16 by State law or provided by an Organizational Unit.

17 "Specially Funded Unit" means an Alternative School,
18 safe school, Department of Juvenile Justice school,
19 special education cooperative or entity recognized by the
20 State Board as a special education cooperative,
21 State-approved charter school, or alternative learning
22 opportunities program that received direct funding from
23 the State Board during the 2016-2017 school year through
24 any of the funding sources included within the calculation
25 of the Base Funding Minimum or Glenwood Academy.

26 "Supplemental Grant Funding" means supplemental

1 general State aid funding received by an Organizational
2 ~~Organization~~ Unit during the 2016-2017 school year
3 pursuant to subsection (H) of Section 18-8.05 of this Code
4 (now repealed).

5 "State Adequacy Level" is the sum of the Adequacy
6 Targets of all Organizational Units.

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

8 "State Superintendent" means the State Superintendent
9 of Education.

10 "Statewide Weighted CWI" means a figure determined by
11 multiplying each Organizational Unit CWI times the ASE for
12 that Organizational Unit creating a weighted value,
13 summing all Organizational Units' ~~Unit's~~ weighted values,
14 and dividing by the total ASE of all Organizational Units,
15 thereby creating an average weighted index.

16 "Student activities" means non-credit producing
17 after-school programs, including, but not limited to,
18 clubs, bands, sports, and other activities authorized by
19 the school board of the Organizational Unit.

20 "Substitute teacher" means an individual teacher or
21 teaching assistant who is employed by an Organizational
22 Unit and is temporarily serving the Organizational Unit on
23 a per diem or per period-assignment basis to replace
24 ~~replacing~~ another staff member.

25 "Summer school" means academic and enrichment programs
26 provided to students during the summer months outside of

1 the regular school year.

2 "Supervisory aide" means a non-licensed staff member
3 who helps in supervising students of an Organizational
4 Unit, but does so outside of the classroom, in situations
5 such as, but not limited to, monitoring hallways and
6 playgrounds, supervising lunchrooms, or supervising
7 students when being transported in buses serving the
8 Organizational Unit.

9 "Target Ratio" is defined in paragraph (4) of
10 subsection (g).

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

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

16 (b) Adequacy Target calculation.

17 (1) Each Organizational Unit's Adequacy Target is the
18 sum of the Organizational Unit's cost of providing
19 Essential Elements, as calculated in accordance with this
20 subsection (b), with the salary amounts in the Essential
21 Elements multiplied by a Regionalization Factor calculated
22 pursuant to paragraph (3) of this subsection (b).

23 (2) The Essential Elements are attributable on a pro
24 rata basis related to defined subgroups of the ASE of each
25 Organizational Unit as specified in this paragraph (2),
26 with investments and FTE positions pro rata funded based on

1 ASE counts in excess or less than the thresholds set forth
2 in this paragraph (2). The method for calculating
3 attributable pro rata costs and the defined subgroups
4 thereto are as follows:

5 (A) Core class size investments. Each
6 Organizational Unit shall receive the funding required
7 to support that number of FTE core teacher positions as
8 is needed to keep the respective class sizes of the
9 Organizational Unit to the following maximum numbers:

10 (i) For grades kindergarten through 3, the
11 Organizational Unit shall receive funding required
12 to support one FTE core teacher position for every
13 15 Low-Income Count students in those grades and
14 one FTE core teacher position for every 20
15 non-Low-Income Count students in those grades.

16 (ii) For grades 4 through 12, the
17 Organizational Unit shall receive funding required
18 to support one FTE core teacher position for every
19 20 Low-Income Count students in those grades and
20 one FTE core teacher position for every 25
21 non-Low-Income Count students in those grades.

22 The number of non-Low-Income Count students in a
23 grade shall be determined by subtracting the
24 Low-Income students in that grade from the ASE of the
25 Organizational Unit for that grade.

26 (B) Specialist teacher investments. Each

1 Organizational Unit shall receive the funding needed
2 to cover that number of FTE specialist teacher
3 positions that correspond to the following
4 percentages:

5 (i) if the Organizational Unit operates an
6 elementary or middle school, then 20.00% of the
7 number of the Organizational Unit's core teachers,
8 as determined under subparagraph (A) of this
9 paragraph (2); and

10 (ii) if such Organizational Unit operates a
11 high school, then 33.33% of the number of the
12 Organizational Unit's core teachers.

13 (C) Instructional facilitator investments. Each
14 Organizational Unit shall receive the funding needed
15 to cover one FTE instructional facilitator position
16 for every 200 combined ASE of pre-kindergarten
17 children with disabilities and all kindergarten
18 through grade 12 students of the Organizational Unit.

19 (D) Core intervention teacher (tutor) investments.
20 Each Organizational Unit shall receive the funding
21 needed to cover one FTE teacher position for each
22 prototypical elementary, middle, and high school.

23 (E) Substitute teacher investments. Each
24 Organizational Unit shall receive the funding needed
25 to cover substitute teacher costs that is equal to
26 5.70% of the minimum pupil attendance days required

1 under Section 10-19 of this Code for all full-time
2 equivalent core, specialist, and intervention
3 teachers, school nurses, special education teachers
4 and instructional assistants, instructional
5 facilitators, and summer school and extended day
6 ~~extended day~~ teacher positions, as determined under
7 this paragraph (2), at a salary rate of 33.33% of the
8 average salary for grade K through 12 teachers and
9 33.33% of the average salary of each instructional
10 assistant position.

11 (F) Core guidance counselor investments. Each
12 Organizational Unit shall receive the funding needed
13 to cover one FTE guidance counselor for each 450
14 combined ASE of pre-kindergarten children with
15 disabilities and all kindergarten through grade 5
16 students, plus one FTE guidance counselor for each 250
17 grades 6 through 8 ASE middle school students, plus one
18 FTE guidance counselor for each 250 grades 9 through 12
19 ASE high school students.

20 (G) Nurse investments. Each Organizational Unit
21 shall receive the funding needed to cover one FTE nurse
22 for each 750 combined ASE of pre-kindergarten children
23 with disabilities and all kindergarten through grade
24 12 students across all grade levels it serves.

25 (H) Supervisory aide investments. Each
26 Organizational Unit shall receive the funding needed

1 to cover one FTE for each 225 combined ASE of
2 pre-kindergarten children with disabilities and all
3 kindergarten through grade 5 students, plus one FTE for
4 each 225 ASE middle school students, plus one FTE for
5 each 200 ASE high school students.

6 (I) Librarian investments. Each Organizational
7 Unit shall receive the funding needed to cover one FTE
8 librarian for each prototypical elementary school,
9 middle school, and high school and one FTE aide or
10 media technician for every 300 combined ASE of
11 pre-kindergarten children with disabilities and all
12 kindergarten through grade 12 students.

13 (J) Principal investments. Each Organizational
14 Unit shall receive the funding needed to cover one FTE
15 principal position for each prototypical elementary
16 school, plus one FTE principal position for each
17 prototypical middle school, plus one FTE principal
18 position for each prototypical high school.

19 (K) Assistant principal investments. Each
20 Organizational Unit shall receive the funding needed
21 to cover one FTE assistant principal position for each
22 prototypical elementary school, plus one FTE assistant
23 principal position for each prototypical middle
24 school, plus one FTE assistant principal position for
25 each prototypical high school.

26 (L) School site staff investments. Each

1 Organizational Unit shall receive the funding needed
2 for one FTE position for each 225 ASE of
3 pre-kindergarten children with disabilities and all
4 kindergarten through grade 5 students, plus one FTE
5 position for each 225 ASE middle school students, plus
6 one FTE position for each 200 ASE high school students.

7 (M) Gifted investments. Each Organizational Unit
8 shall receive \$40 per kindergarten through grade 12
9 ASE.

10 (N) Professional development investments. Each
11 Organizational Unit shall receive \$125 per student of
12 the combined ASE of pre-kindergarten children with
13 disabilities and all kindergarten through grade 12
14 students for trainers and other professional
15 development-related expenses for supplies and
16 materials.

17 (O) Instructional material investments. Each
18 Organizational Unit shall receive \$190 per student of
19 the combined ASE of pre-kindergarten children with
20 disabilities and all kindergarten through grade 12
21 students to cover instructional material costs.

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

1 (Q) Computer technology and equipment investments.
2 Each Organizational Unit shall receive \$285.50 per
3 student of the combined ASE of pre-kindergarten
4 children with disabilities and all kindergarten
5 through grade 12 students to cover computer technology
6 and equipment costs. For the 2018-2019 school year and
7 subsequent school years, Organizational Units assigned
8 to Tier 1 and Tier 2 in the prior school year shall
9 receive an additional \$285.50 per student of the
10 combined ASE of pre-kindergarten children with
11 disabilities and all kindergarten through grade 12
12 students to cover computer technology and equipment
13 costs in the Organizational ~~Organization~~ Unit's
14 Adequacy Target. The State Board may establish
15 additional requirements for Organizational Unit
16 expenditures of funds received pursuant to this
17 subparagraph (Q), including a requirement that funds
18 received pursuant to this subparagraph (Q) may be used
19 only for serving the technology needs of the district.
20 It is the intent of Public Act 100-465 ~~this amendatory~~
21 ~~Act of the 100th General Assembly~~ that all Tier 1 and
22 Tier 2 districts receive the addition to their Adequacy
23 Target in the following year, subject to compliance
24 with the requirements of the State Board.

25 (R) Student activities investments. Each
26 Organizational Unit shall receive the following

1 funding amounts to cover student activities: \$100 per
2 kindergarten through grade 5 ASE student in elementary
3 school, plus \$200 per ASE student in middle school,
4 plus \$675 per ASE student in high school.

5 (S) Maintenance and operations investments. Each
6 Organizational Unit shall receive \$1,038 per student
7 of the combined ASE of pre-kindergarten children with
8 disabilities and all kindergarten through grade 12
9 students for day-to-day maintenance and operations
10 expenditures, including salary, supplies, and
11 materials, as well as purchased services, but
12 excluding employee benefits. The proportion of salary
13 for the application of a Regionalization Factor and the
14 calculation of benefits is equal to \$352.92.

15 (T) Central office investments. Each
16 Organizational Unit shall receive \$742 per student of
17 the combined ASE of pre-kindergarten children with
18 disabilities and all kindergarten through grade 12
19 students to cover central office operations, including
20 administrators and classified personnel charged with
21 managing the instructional programs, business and
22 operations of the school district, and security
23 personnel. The proportion of salary for the
24 application of a Regionalization Factor and the
25 calculation of benefits is equal to \$368.48.

26 (U) Employee benefit investments. Each

1 Organizational Unit shall receive 30% of the total of
2 all salary-calculated elements of the Adequacy Target,
3 excluding substitute teachers and student activities
4 investments, to cover benefit costs. For central
5 office and maintenance and operations investments, the
6 benefit calculation shall be based upon the salary
7 proportion of each investment.

8 For fiscal year 2021 and each fiscal year
9 thereafter, the State Superintendent shall calculate
10 the employer normal cost of teacher pensions of each
11 Organizational Unit, other than a school district
12 organized under Article 34 of this Code, using the
13 applicable Regionalization Factor multiplied by the
14 salaries of the positions set forth in paragraph (3) of
15 this subsection (b) and the administrators and
16 classified personnel described in subparagraph (T) of
17 this paragraph (2) that are covered by Article 16 of
18 the Illinois Pension Code and the aggregate rate of the
19 normal cost for teacher pensions of all employers,
20 expressed as a percentage of projected payroll as
21 determined by the Teachers' Retirement System of the
22 State of Illinois pursuant to subsection (b-5) of
23 Section 16-158 of the Illinois Pension Code. The amount
24 calculated by the State Superintendent as the employer
25 normal cost of teacher pensions for the Organizational
26 Unit shall be added to the employee benefit investments

1 specified under this subparagraph (U).

2 For fiscal year 2021 and each fiscal year
3 thereafter, the State Superintendent shall calculate
4 the employer normal cost of teacher pensions of a
5 school district organized under Article 34 of this Code
6 using the applicable Regionalization Factor multiplied
7 by the average salaries of positions set forth in
8 paragraph (3) of this subsection (b) and the
9 administrators and classified personnel described in
10 subparagraph (T) of this paragraph (2) that are covered
11 by Article 17 of the Illinois Pension Code and the rate
12 of the normal cost for teacher pensions, expressed as a
13 percentage of projected payroll as determined by the
14 Public School Teachers' Pension and Retirement Fund of
15 Chicago pursuant to subsection (i) of Section 17-127 of
16 the Illinois Pension Code. The amount calculated by the
17 State Superintendent as the employer normal cost of
18 teacher pensions for a school district organized under
19 Article 34 of this Code shall be added to the employee
20 benefit investments specified under this subparagraph
21 (U).

22 ~~If at any time the responsibility for funding the~~
23 ~~employer normal cost of teacher pensions is assigned to~~
24 ~~school districts, then that amount certified by the~~
25 ~~Teachers' Retirement System of the State of Illinois to~~
26 ~~be paid by the Organizational Unit for the preceding~~

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

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

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

26 (ii) one FTE pupil support staff position for

1 every 125 Low-Income Count students;

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

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

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

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

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

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

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

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

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

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

1 disabilities and all kindergarten through grade 12
2 students;

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

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

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

19 (A) Teacher for grades K through 8.

20 (B) Teacher for grades 9 through 12.

21 (C) Teacher for grades K through 12.

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

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

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

25 (G) Social worker.

26 (H) Psychologist.

1 (I) Librarian.

2 (J) Nurse.

3 (K) Principal.

4 (L) Assistant principal.

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

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

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

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

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

26 The salary amounts for the Essential Elements

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 (2) The State Superintendent shall calculate the

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

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

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

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

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

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

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

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

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

1 defined in Article 11E of this Code.

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

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

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

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

25 (e) Base Funding Minimum calculation.

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

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

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

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

9 (2) For the 2018-2019 and 2019-2020 ~~subsequent~~ school
10 years, the Base Funding Minimum of Organizational Units and
11 Specially Funded Units shall be the sum of (i) the amount
12 of Evidence-Based Funding for the prior school year, (ii)
13 the Base Funding Minimum for the prior school year, and
14 (iii) any amount received by a school district pursuant to
15 Section 7 of Article 97 of Public Act 100-21.

16 (2.5) Except as otherwise provided in paragraph (3) of
17 this subsection (e), for the 2020-2021 school year, the
18 Base Funding Minimum of Organizational Units and Specially
19 Funded Units shall be the sum of (i) the amount of New
20 State Funds they received in the prior school year, (ii)
21 the Base Funding Minimum for the prior school year, and
22 (iii) the amount certified by the Teachers' Retirement
23 System of the State of Illinois as the normal cost of the
24 Organizational Unit's teacher pensions assigned to that
25 Organizational Unit pursuant to subsection (b-5) of
26 Section 16-158 of the Illinois Pension Code for the

1 preceding school year or the amount certified by the Public
2 School Teachers' Pension and Retirement Fund of Chicago
3 that the board of education of a school district organized
4 under Article 34 of this Code is obligated to contribute
5 pursuant to subsection (i) of Section 17-127 of the
6 Illinois Pension Code in the preceding school year. Except
7 as otherwise provided in paragraph (3) of this subsection
8 (e), for the 2021-2022 school year and subsequent school
9 years, the Base Funding Minimum of Organizational Units and
10 Specially Funded Units shall be the sum of (i) the amount
11 of New State Funds they received in the prior year and (ii)
12 the Base Funding Minimum for the prior school year.

13 (3) In this paragraph (3):

14 "Excess state payment" means any amount of an
15 Organizational Unit's Preliminary Base Funding Minimum
16 that is in excess of the expected State payment.

17 "Expected State payment" means the amount an
18 Organizational Unit would receive from the State if the
19 Evidence-Based Funding formula under this Section were
20 fully funded, calculated for each Organizational Unit by
21 taking the difference of the Organizational Unit's
22 regionalized Adequacy Target and its preliminary Local
23 Capacity Target.

24 For the 2021-2022 school year and subsequent school
25 years, the Base Funding Minimum of Organizational Units
26 shall exclude any excess State payment specified and

1 determined by the State Superintendent pursuant to this
2 paragraph (3). For the 2021-2022 school year, the State
3 Superintendent shall exclude 33% of any excess State
4 payment amount from the Base Funding Minimum of the
5 Organizational Unit. For the 2022-2023 school year, the
6 State Superintendent shall exclude 66% of any excess State
7 payment amount from the Base Funding Minimum of the
8 Organizational Unit. For the 2023-2024 school year and
9 subsequent school years, the State Superintendent shall
10 exclude 100% of any excess State payment amount from the
11 Base Funding Minimum of the Organizational Unit. Each
12 school year, the State Superintendent shall distribute the
13 total amount of excess State payment amounts excluded
14 pursuant to this paragraph (3) as New State Funds pursuant
15 to subsection (g) of this Section.

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.