



Sen. Kimberly A. Lightford

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1 AMENDMENT TO SENATE BILL 816

2 AMENDMENT NO. _____. Amend Senate Bill 816 by replacing
3 everything after the enacting clause with the following:

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

6 (105 ILCS 5/18-8.15)

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

9 (a) General provisions.

10 (1) The purpose of this Section is to ensure that, by
11 June 30, 2027 and beyond, this State has a kindergarten
12 through grade 12 public education system with the capacity
13 to ensure the educational development of all persons to
14 the limits of their capacities in accordance with Section
15 1 of Article X of the Constitution of the State of
16 Illinois. To accomplish that objective, this Section

1 creates a method of funding public education that is
2 evidence-based; is sufficient to ensure every student
3 receives a meaningful opportunity to learn irrespective of
4 race, ethnicity, sexual orientation, gender, or
5 community-income level; and is sustainable and
6 predictable. When fully funded under this Section, every
7 school shall have the resources, based on what the
8 evidence indicates is needed, to:

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

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

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

24 (D) ensure this State satisfies its obligation to
25 assume the primary responsibility to fund public
26 education and simultaneously relieve the

1 disproportionate burden placed on local property taxes
2 to fund schools.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 school district. For the 2020-2021 school year, the ASE
2 must be the greater of the current-year ASE or the 2-year
3 average ASE. Beginning with the 2021-2022 school year, the
4 ASE must be the greater of the current-year ASE or the
5 3-year average ASE. School districts shall submit the data
6 for the ASE calculation to the State Board within 45 days
7 of the dates required in this Section for submission of
8 enrollment data in order for it to be included in the ASE
9 calculation. For fiscal year 2018 only, the ASE
10 calculation shall include only enrollment taken on October
11 1. In recognition of the impact of COVID-19, the
12 definition of "Average Student Enrollment" or "ASE" shall
13 be adjusted for calculations under this Section for fiscal
14 years 2022 through 2024. For fiscal years 2022 through
15 2024, the enrollment used in the calculation of ASE
16 representing the 2020-2021 school year shall be the
17 greater of the enrollment for the 2020-2021 school year or
18 the 2019-2020 school year.

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

21 "Base Funding Minimum" is defined in subsection (e) of
22 this Section.

23 "Base Tax Year" means the property tax levy year used
24 to calculate the Budget Year allocation of primary State
25 aid.

26 "Base Tax Year's Extension" means the product of the

1 equalized assessed valuation utilized by the county clerk
2 in the Base Tax Year multiplied by the limiting rate as
3 calculated by the county clerk and defined in PTELL.

4 "Best school practices" means strong principal and
5 teacher leadership, small school size, small class size,
6 local school programming and budget decision-making,
7 comprehensive programming, strong staff teamwork, strong
8 professional development for all staff, and employment and
9 career preparation, with a more complete list detailed in
10 the January 2008 Final Report of the State Task Force on
11 Re-enrolling Students Who Dropped Out of School, Appendix
12 E.

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

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

24 "Central office" means individual administrators and
25 support service personnel charged with managing the
26 instructional programs, business and operations, and

1 security of the Organizational Unit.

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

15 "Computer technology and equipment" means computers
16 servers, notebooks, network equipment, copiers, printers,
17 instructional software, security software, curriculum
18 management courseware, and other similar materials and
19 equipment.

20 "Computer technology and equipment investment
21 allocation" means the final Adequacy Target amount of an
22 Organizational Unit assigned to Tier 1 or Tier 2 in the
23 prior school year attributable to the additional \$285.50
24 per student computer technology and equipment investment
25 grant divided by the Organizational Unit's final Adequacy
26 Target, the result of which shall be multiplied by the

1 amount of new funding received pursuant to this Section.
2 An Organizational Unit assigned to a Tier 1 or Tier 2 final
3 Adequacy Target attributable to the received computer
4 technology and equipment investment grant shall include
5 all additional investments in computer technology and
6 equipment adequacy elements.

7 "Core subject" means mathematics; science; reading,
8 English, writing, and language arts; history and social
9 studies; world languages; and subjects taught as Advanced
10 Placement in high schools.

11 "Core teacher" means a regular classroom teacher in
12 elementary schools and teachers of a core subject in
13 middle and high schools.

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

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

26 "EAV" means equalized assessed valuation as defined in

1 paragraph (2) of subsection (d) of this Section and
2 calculated in accordance with paragraph (3) of subsection
3 (d) of this Section.

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

9 "EIS Data" means the employment information system
10 data maintained by the State Board on educators within
11 Organizational Units.

12 "Employee benefits" means health, dental, and vision
13 insurance offered to employees of an Organizational Unit,
14 the costs associated with the statutorily required payment
15 of the normal cost of the Organizational Unit's teacher
16 pensions, Social Security employer contributions, and
17 Illinois Municipal Retirement Fund employer contributions.

18 "English learner" or "EL" means a child included in
19 the definition of "English learners" under Section 14C-2
20 of this Code participating in a program of transitional
21 bilingual education or a transitional program of
22 instruction meeting the requirements and program
23 application procedures of Article 14C of this Code. For
24 the purposes of collecting the number of EL students
25 enrolled, the same collection and calculation methodology
26 as defined above for "ASE" shall apply to English

1 learners, with the exception that EL student enrollment
2 shall include students in grades pre-kindergarten through
3 12.

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

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

15 "Extended day" means academic and enrichment programs
16 provided to students outside the regular school day before
17 and after school or during non-instructional times during
18 the school day.

19 "Extension Limitation Ratio" means a numerical ratio
20 in which the numerator is the Base Tax Year's Extension
21 and the denominator is the Preceding Tax Year's Extension.

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

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

26 "Full-time equivalent" or "FTE" means the full-time

1 equivalency compensation for staffing the relevant
2 position at an Organizational Unit.

3 "Funding Gap" is defined in paragraph (1) of
4 subsection (g).

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

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

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

24 "Instructional materials" means relevant
25 instructional materials for student instruction,
26 including, but not limited to, textbooks, consumable

1 workbooks, laboratory equipment, library books, and other
2 similar materials.

3 "Laboratory School" means a public school that is
4 created and operated by a public university and approved
5 by the State Board.

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

10 "Limiting rate for Hybrid Districts" means the
11 combined elementary school and high school limiting rates.

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

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

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

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

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

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

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

26 "Minimum Funding Level" is defined in paragraph (9) of

1 subsection (g) of this Section.

2 "New Property Tax Relief Pool Funds" means, for any
3 given fiscal year, all State funds appropriated under
4 Section 2-3.170 of this Code.

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

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

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

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

1 Improvement, and Vocational Education Building purposes.

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

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

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

12 "Preceding Tax Year" means the property tax levy year
13 immediately preceding the Base Tax Year.

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

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

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

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

24 "Professional development" means training programs for
25 licensed staff in schools, including, but not limited to,
26 programs that assist in implementing new curriculum

1 programs, provide data focused or academic assessment data
2 training to help staff identify a student's weaknesses and
3 strengths, target interventions, improve instruction,
4 encompass instructional strategies for English learner,
5 gifted, or at-risk students, address inclusivity, cultural
6 sensitivity, or implicit bias, or otherwise provide
7 professional support for licensed staff.

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

13 "PTELL" means the Property Tax Extension Limitation
14 Law.

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

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

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

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

26 "School counselor" means a licensed school counselor

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

3 "School site staff" means the primary school secretary
4 and any additional clerical personnel assigned to a
5 school.

6 "Special education" means special educational
7 facilities and services, as defined in Section 14-1.08 of
8 this Code.

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

17 "Specialist teacher" means a teacher who provides
18 instruction in subject areas not included in core
19 subjects, including, but not limited to, art, music,
20 physical education, health, driver education,
21 career-technical education, and such other subject areas
22 as may be mandated by State law or provided by an
23 Organizational Unit.

24 "Specially Funded Unit" means an Alternative School,
25 safe school, Department of Juvenile Justice school,
26 special education cooperative or entity recognized by the

1 State Board as a special education cooperative,
2 State-approved charter school, or alternative learning
3 opportunities program that received direct funding from
4 the State Board during the 2016-2017 school year through
5 any of the funding sources included within the calculation
6 of the Base Funding Minimum or Glenwood Academy.

7 "Supplemental Grant Funding" means supplemental
8 general State aid funding received by an Organizational
9 Unit during the 2016-2017 school year pursuant to
10 subsection (H) of Section 18-8.05 of this Code (now
11 repealed).

12 "State Adequacy Level" is the sum of the Adequacy
13 Targets of all Organizational Units.

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

15 "State Superintendent" means the State Superintendent
16 of Education.

17 "Statewide Weighted CWI" means a figure determined by
18 multiplying each Organizational Unit CWI times the ASE for
19 that Organizational Unit creating a weighted value,
20 summing all Organizational Units' weighted values, and
21 dividing by the total ASE of all Organizational Units,
22 thereby creating an average weighted index.

23 "Student activities" means non-credit producing
24 after-school programs, including, but not limited to,
25 clubs, bands, sports, and other activities authorized by
26 the school board of the Organizational Unit.

1 "Substitute teacher" means an individual teacher or
2 teaching assistant who is employed by an Organizational
3 Unit and is temporarily serving the Organizational Unit on
4 a per diem or per period-assignment basis to replace
5 another staff member.

6 "Summer school" means academic and enrichment programs
7 provided to students during the summer months outside of
8 the regular school year.

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

16 "Target Ratio" is defined in paragraph (4) of
17 subsection (g).

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

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

24 (b) Adequacy Target calculation.

25 (1) Each Organizational Unit's Adequacy Target is the
26 sum of the Organizational Unit's cost of providing

1 Essential Elements, as calculated in accordance with this
2 subsection (b), with the salary amounts in the Essential
3 Elements multiplied by a Regionalization Factor calculated
4 pursuant to paragraph (3) of this subsection (b).

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

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

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

24 (ii) For grades 4 through 12, the
25 Organizational Unit shall receive funding required
26 to support one FTE core teacher position for every

1 20 Low-Income Count students in those grades and
2 one FTE core teacher position for every 25
3 non-Low-Income Count students in those grades.

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

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

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

18 (ii) if such Organizational Unit operates a
19 high school, then 33.33% of the number of the
20 Organizational Unit's core teachers.

21 (C) Instructional facilitator investments. Each
22 Organizational Unit shall receive the funding needed
23 to cover one FTE instructional facilitator position
24 for every 200 combined ASE of pre-kindergarten
25 children with disabilities and all kindergarten
26 through grade 12 students of the Organizational Unit.

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

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

19 (F) Core school counselor investments. Each
20 Organizational Unit shall receive the funding needed
21 to cover one FTE school counselor for each 450
22 combined ASE of pre-kindergarten children with
23 disabilities and all kindergarten through grade 5
24 students, plus one FTE school counselor for each 250
25 grades 6 through 8 ASE middle school students, plus
26 one FTE school counselor for each 250 grades 9 through

1 12 ASE high school students.

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

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

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

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

1 position for each prototypical high school.

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

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

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

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

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

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

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

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

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

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

24 (T) Central office investments. Each
25 Organizational Unit shall receive \$742 per student of
26 the combined ASE of pre-kindergarten children with

1 disabilities and all kindergarten through grade 12
2 students to cover central office operations, including
3 administrators and classified personnel charged with
4 managing the instructional programs, business and
5 operations of the school district, and security
6 personnel. The proportion of salary for the
7 application of a Regionalization Factor and the
8 calculation of benefits is equal to \$368.48.

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

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

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

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

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

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

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

26 (W) Additional investments in English learner

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

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

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

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

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

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

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

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

24 (ii) one FTE instructional assistant for every
25 141 combined ASE of pre-kindergarten children with
26 disabilities and all kindergarten through grade 12

1 students; and

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

6 (Y) Reenrolled student school investments. Each
7 Organizational Unit shall receive funding based on the
8 average teacher salary and assistant principal or
9 program director salary for grades 9 through 12 as
10 follows:

11 (i) one FTE teacher with strong experience
12 working with high-risk high school students or
13 reenrolled high school students for every 7
14 reenrolled high school students; and

15 (ii) one FTE assistant principal or program
16 director with strong experience working and
17 administering schools with high-risk high school
18 students or reenrolled high school students.

19 (2.5) In this paragraph (2.5), "out-of-school high
20 school student" means a high school student in a Tier 1, 2,
21 3, or 4 Organizational Unit who is on a school's
22 attendance roll and misses a significant number of school
23 days or a high school student who is a formal dropout and
24 not on an attendance roll. An out-of-school high school
25 student who is on a school's attendance roll must complete
26 an attestation form that states he or she has been out of

1 school. To be eligible for a program for out-of-school
2 students funded through the federal Workforce Innovation
3 Fund, a student who is out of school must fill out an
4 attestation form that states he or she has been out of
5 school. For the 2023-2024 school year and each school year
6 thereafter, an Organizational Unit with a high school
7 dropout rate that is at least 2 times the State high school
8 dropout rate, as calculated for the latest school year by
9 the State Board of Education, and that is eligible for
10 funding under this Section shall receive funding under
11 this Section for a minimum of 3 school years following the
12 last school year in which the calculation was made in
13 terms of the Organizational Unit's eligibility. The
14 Organizational Unit shall implement best school practices
15 by developing or expanding a best practices school for a
16 minimum of 3 years following the last year for which the
17 Organizational Unit had a high school dropout rate at
18 least 2 times the State rate. Evidence-Based Funding shall
19 be used to support the Organizational Unit with the full
20 formula elements under subparagraph (Y) of paragraph (2)
21 of this Section. Any State funds authorized under this
22 paragraph (2.5) must be expended on purposes related to
23 reenrolling high-risk, out-of-school high school students.
24 The funding for an Organizational Unit must be calculated
25 according to the Organizational Unit's Adequacy Target.
26 The Organizational Unit shall provide the services

1 commensurate to the reenrolled student's needs. The
2 reenrolled high school student shall also be supported by
3 existing local and other funding that is provided for a
4 currently enrolled student. These existing local and other
5 sources of funding shall also provide for services
6 commensurate to the reenrolled student's needs. The
7 Organizational Unit shall provide the same local and other
8 funding for each reenrolled high school student that is
9 provided for other students already enrolled in the
10 Organizational Unit. The Organizational Unit may operate a
11 best practices school directly or may contract with a
12 not-for-profit organization or school to provide the
13 comprehensive services for the reenrolled high school
14 students. A school district organized under Article 34 of
15 this Code may also run the school directly or subcontract
16 with a not-for-profit charter school to provide the
17 comprehensive best practices school services. A new best
18 practices school shall have a minimum of 50 reenrolled
19 high school students. These schools shall operate using
20 the best school practices that successfully reengage,
21 educate, graduate, and transition out-of-school high
22 school students, as developed through successful
23 experience and research. The full reimbursement for a new
24 or expanded best practices school shall be made in the
25 school year in which the school is operating if the school
26 has at least 70% enrollment in October and 75% enrollment

1 in March of the school year. Reenrolled high school
2 students who have left school and are off the
3 Organizational Unit's reimbursement rolls are considered
4 enrolled when they reenroll back into a best practices
5 school, as provided in this amendatory Act of the 102nd
6 General Assembly. The level of reenrollment in the best
7 practices school in October and March of the school year
8 shall be verified by the Organizational Unit database.
9 These schools shall be held to outcomes that are at
10 appropriate levels for reenrolling and graduating
11 high-risk high school students who have been previously
12 out of school. These outcomes shall include enrollment,
13 attendance, skill gains, credit gains, graduation or
14 promotion to the next grade level, and the transition to
15 college, training, or employment, with an emphasis on
16 progressively increasing the overall attendance and
17 enrollment to 75% in March of the school year of the best
18 practices school that the reenrolled students have entered
19 into. In a school district organized under Article 34 of
20 this Code, the outcomes for any school, including any
21 not-for-profit charter high school, that reenrolls
22 high-risk high school students who have been previously
23 out of school shall utilize best school practices to
24 reenroll the high-risk, out-of-school high school students
25 and shall be measured by the general assessment tool used
26 by the school district to provide a strong framework for

1 accountability.

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

10 (A) Teacher for grades K through 8.

11 (B) Teacher for grades 9 through 12.

12 (C) Teacher for grades K through 12.

13 (D) School counselor for grades K through 8.

14 (E) School counselor for grades 9 through 12.

15 (F) School counselor for grades K through 12.

16 (G) Social worker.

17 (H) Psychologist.

18 (I) Librarian.

19 (J) Nurse.

20 (K) Principal.

21 (L) Assistant principal.

22 For the purposes of this paragraph (3), "teacher"
23 includes core teachers, specialist and elective teachers,
24 instructional facilitators, tutors, special education
25 teachers, pupil support staff teachers, English learner
26 teachers, extended day teachers, and summer school

1 teachers. Where specific grade data is not required for
2 the Essential Elements, the average salary for
3 corresponding positions shall apply. For substitute
4 teachers, the average teacher salary for grades K through
5 12 shall apply.

6 For calculating the salaries included within the
7 Essential Elements for positions not included within EIS
8 Data, the following salaries shall be used in the first
9 year of implementation of Evidence-Based Funding:

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

11 (ii) non-instructional assistant, instructional
12 assistant, library aide, library media tech, or
13 supervisory aide: \$25,000.

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

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

23 (c) Local Capacity calculation.

24 (1) Each Organizational Unit's Local Capacity
25 represents an amount of funding it is assumed to
26 contribute toward its Adequacy Target for purposes of the

1 Evidence-Based Funding formula calculation. "Local
2 Capacity" means either (i) the Organizational Unit's Local
3 Capacity Target as calculated in accordance with paragraph
4 (2) of this subsection (c) if its Real Receipts are equal
5 to or less than its Local Capacity Target or (ii) the
6 Organizational Unit's Adjusted Local Capacity, as
7 calculated in accordance with paragraph (3) of this
8 subsection (c) if Real Receipts are more than its Local
9 Capacity Target.

10 (2) "Local Capacity Target" means, for an
11 Organizational Unit, that dollar amount that is obtained
12 by multiplying its Adequacy Target by its Local Capacity
13 Ratio.

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

24 (B) An Organizational Unit's Local Capacity Ratio
25 in a given year is the percentage obtained by dividing
26 its Adjusted EAV or PTELL EAV, whichever is less, by

1 its Adequacy Target, with the resulting ratio further
2 adjusted as follows:

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

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

9 (iii) for Organizational Units serving grades
10 9 through 12, the Local Capacity Ratio shall be
11 multiplied by 4/13; and

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

17 (C) The Local Capacity Percentage is equal to the
18 percentile ranking of the district. Local Capacity
19 Percentage converts each Organizational Unit's Local
20 Capacity Ratio to a cumulative distribution resulting
21 in a percentile ranking to determine each
22 Organizational Unit's relative position to all other
23 Organizational Units in this State. The Local Capacity
24 Percentage cumulative distribution resulting in a
25 percentile ranking for each Organizational Unit shall
26 be calculated using the standard normal distribution

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

1 ASE for the unit to create a weighted variance for each
2 unit, then summing all units' weighted variance and
3 dividing by the total ASE of all units.

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

22 (3) If an Organizational Unit's Real Receipts are more
23 than its Local Capacity Target, then its Local Capacity
24 shall equal an Adjusted Local Capacity Target as
25 calculated in accordance with this paragraph (3). The
26 Adjusted Local Capacity Target is calculated as the sum of

1 the Organizational Unit's Local Capacity Target and its
2 Real Receipts Adjustment. The Real Receipts Adjustment
3 equals the Organizational Unit's Real Receipts less its
4 Local Capacity Target, with the resulting figure
5 multiplied by the Local Capacity Percentage.

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

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

13 (1) An Organizational Unit's Real Receipts are the
14 product of its Applicable Tax Rate and its Adjusted EAV.
15 An Organizational Unit's Applicable Tax Rate is its
16 Adjusted Operating Tax Rate for property within the
17 Organizational Unit.

18 (2) The State Superintendent shall calculate the
19 equalized assessed valuation, or EAV, of all taxable
20 property of each Organizational Unit as of September 30 of
21 the previous year in accordance with paragraph (3) of this
22 subsection (d). The State Superintendent shall then
23 determine the Adjusted EAV of each Organizational Unit in
24 accordance with paragraph (4) of this subsection (d),
25 which Adjusted EAV figure shall be used for the purposes
26 of calculating Local Capacity.

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

10 (A) The Department of Revenue shall add to the
11 equalized assessed value of all taxable property of
12 each Organizational Unit situated entirely or
13 partially within a county that is or was subject to the
14 provisions of Section 15-176 or 15-177 of the Property
15 Tax Code (i) an amount equal to the total amount by
16 which the homestead exemption allowed under Section
17 15-176 or 15-177 of the Property Tax Code for real
18 property situated in that Organizational Unit exceeds
19 the total amount that would have been allowed in that
20 Organizational Unit if the maximum reduction under
21 Section 15-176 was (I) \$4,500 in Cook County or \$3,500
22 in all other counties in tax year 2003 or (II) \$5,000
23 in all counties in tax year 2004 and thereafter and
24 (ii) an amount equal to the aggregate amount for the
25 taxable year of all additional exemptions under
26 Section 15-175 of the Property Tax Code for owners

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

1 difference, if any, because of those additional
2 exemptions.

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

23 (B-5) The real property equalized assessed
24 valuation for a school district shall be adjusted by
25 subtracting from the real property value, as equalized
26 or assessed by the Department of Revenue, for the

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

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

21 (4) An Organizational Unit's Adjusted EAV shall be the
22 average of its EAV over the immediately preceding 3 years
23 or its EAV in the immediately preceding year if the EAV in
24 the immediately preceding year has declined by 10% or more
25 compared to the 3-year average. In the event of
26 Organizational Unit reorganization, consolidation, or

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

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

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

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

18 (e) Base Funding Minimum calculation.

19 (1) For the 2017-2018 school year, the Base Funding
20 Minimum of an Organizational Unit or a Specially Funded
21 Unit shall be the amount of State funds distributed to the
22 Organizational Unit or Specially Funded Unit during the
23 2016-2017 school year prior to any adjustments and
24 specified appropriation amounts described in this
25 paragraph (1) from the following Sections, as calculated
26 by the State Superintendent: Section 18-8.05 of this Code

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

1 district's actual expenditures for its non-public special
2 education, special education transportation,
3 transportation programs, agricultural education, truants'
4 alternative education, services that would otherwise be
5 performed by a regional office of education, special
6 education orphanage expenditures, and free breakfast, as
7 most recently calculated and reported pursuant to
8 subsection (f) of Section 1D-1 of this Code. The Base
9 Funding Minimum for Glenwood Academy shall be \$625,500.
10 For programs operated by a regional office of education or
11 an intermediate service center, the Base Funding Minimum
12 must be the total amount of State funds allocated to those
13 programs in the 2018-2019 school year and amounts provided
14 pursuant to Article 34 of Public Act 100-586 and Section
15 3-16 of this Code. All programs established after June 5,
16 2019 (the effective date of Public Act 101-10) and
17 administered by a regional office of education or an
18 intermediate service center must have an initial Base
19 Funding Minimum set to an amount equal to the first-year
20 ASE multiplied by the amount of per pupil funding received
21 in the previous school year by the lowest funded similar
22 existing program type. If the enrollment for a program
23 operated by a regional office of education or an
24 intermediate service center is zero, then it may not
25 receive Base Funding Minimum funds for that program in the
26 next fiscal year, and those funds must be distributed to

1 Organizational Units under subsection (g).

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

9 (3) Subject to approval by the General Assembly as
10 provided in this paragraph (3), an Organizational Unit
11 that meets all of the following criteria, as determined by
12 the State Board, shall have District Intervention Money
13 added to its Base Funding Minimum at the time the Base
14 Funding Minimum is calculated by the State Board:

15 (A) The Organizational Unit is operating under an
16 Independent Authority under Section 2-3.25f-5 of this
17 Code for a minimum of 4 school years or is subject to
18 the control of the State Board pursuant to a court
19 order for a minimum of 4 school years.

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

24 (C) The Organizational Unit demonstrates
25 sustainability through a 5-year financial and
26 strategic plan.

1 (D) The Organizational Unit has made sufficient
2 progress and achieved sufficient stability in the
3 areas of governance, academic growth, and finances.

4 As part of its determination under this paragraph (3),
5 the State Board may consider the Organizational Unit's
6 summative designation, any accreditations of the
7 Organizational Unit, or the Organizational Unit's
8 financial profile, as calculated by the State Board.

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

26 For the first 4 years following the initial year that

1 the State Board determines that an Organizational Unit has
2 met the criteria set forth in this paragraph (3) and has
3 received funding under this Section, the Organizational
4 Unit must annually submit to the State Board, on or before
5 November 30, a progress report regarding its financial and
6 strategic plan under subparagraph (C) of this paragraph
7 (3). The plan shall include the financial data from the
8 past 4 annual financial reports or financial audits that
9 must be presented to the State Board by November 15 of each
10 year and the approved budget financial data for the
11 current year. The plan shall be developed according to the
12 guidelines presented to the Organizational Unit by the
13 State Board. The plan shall further include financial
14 projections for the next 3 fiscal years and include a
15 discussion and financial summary of the Organizational
16 Unit's facility needs. If the Organizational Unit does not
17 demonstrate sufficient progress toward its 5-year plan or
18 if it has failed to file an annual financial report, an
19 annual budget, a financial plan, a deficit reduction plan,
20 or other financial information as required by law, the
21 State Board may establish a Financial Oversight Panel
22 under Article 1H of this Code. However, if the
23 Organizational Unit already has a Financial Oversight
24 Panel, the State Board may extend the duration of the
25 Panel.

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

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

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

18 (3) Except for Specially Funded Units, an
19 Organizational Unit's Final Resources are equal to the sum
20 of its Local Capacity, CPPRT, and Adjusted Base Funding
21 Minimum. The Base Funding Minimum of each Specially Funded
22 Unit shall serve as its Final Resources, except that the
23 Base Funding Minimum for State-approved charter schools
24 shall not include any portion of general State aid
25 allocated in the prior year based on the per capita
26 tuition charge times the charter school enrollment.

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

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

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

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

21 (2) To ensure equitable distribution of dollars for
22 all Tier 2 Organizational Units, no Tier 2 Organizational
23 Unit shall receive fewer dollars per ASE than any Tier 3
24 Organizational Unit. Each Tier 2 and Tier 3 Organizational
25 Unit shall have its funding allocation divided by its ASE.
26 Any Tier 2 Organizational Unit with a funding allocation

1 per ASE below the greatest Tier 3 allocation per ASE shall
2 get a funding allocation equal to the greatest Tier 3
3 funding allocation per ASE multiplied by the
4 Organizational Unit's ASE. Each Tier 2 Organizational
5 Unit's Tier 2 funding allocation shall be multiplied by
6 the percentage calculated by dividing the original Tier 2
7 Aggregate Funding by the sum of all Tier 2 Organizational
8 Units' Tier 2 funding allocation after adjusting
9 districts' funding below Tier 3 levels.

10 (3) Organizational Units are placed into one of 4
11 tiers as follows:

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

19 (B) Tier 2 consists of all Tier 1 Units and all
20 other Organizational Units, except for Specially
21 Funded Units, with a Percent of Adequacy of less than
22 0.90.

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

26 (D) Tier 4 consists of all Organizational Units

1 with a Percent of Adequacy of at least 1.0.

2 (4) The Allocation Rates for Tiers 1 through 4 are
3 determined as follows:

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

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

12 (C) The Tier 3 Allocation Rate is the result of the
13 following equation: Tier 3 Aggregate Funding, divided
14 by the sum of the Adequacy Targets of all Tier 3
15 Organizational Units.

16 (D) The Tier 4 Allocation Rate is the result of the
17 following equation: Tier 4 Aggregate Funding, divided
18 by the sum of the Adequacy Targets of all Tier 4
19 Organizational Units.

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

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

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

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

26 (6) If, at any point, the Tier 1 Target Ratio is

1 greater than 90%, then all Tier 1 funding shall be
2 allocated to Tier 2 and no Tier 1 Organizational Unit's
3 funding may be identified.

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

8 (8) If any Specially Funded Units, excluding Glenwood
9 Academy, recognized by the State Board do not qualify for
10 direct funding following the implementation of Public Act
11 100-465 from any of the funding sources included within
12 the definition of Base Funding Minimum, the unqualified
13 portion of the Base Funding Minimum shall be transferred
14 to one or more appropriate Organizational Units as
15 determined by the State Superintendent based on the prior
16 year ASE of the Organizational Units.

17 (8.5) If a school district withdraws from a special
18 education cooperative, the portion of the Base Funding
19 Minimum that is attributable to the school district may be
20 redistributed to the school district upon withdrawal. The
21 school district and the cooperative must include the
22 amount of the Base Funding Minimum that is to be
23 reapportioned in their withdrawal agreement and notify the
24 State Board of the change with a copy of the agreement upon
25 withdrawal.

26 (9) The Minimum Funding Level is intended to establish

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

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

18 (B) Next, Tier 3 funding shall be reduced by an
19 amount equal to the difference between the Minimum
20 Funding Level and New State Funds and the reduction in
21 Tier 4 funding until such time as Tier 3 funding is
22 exhausted.

23 (C) Next, Tier 2 funding shall be reduced by an
24 amount equal to the difference between the Minimum
25 Funding Level and New State Funds and the reduction in
26 Tier 4 and Tier 3.

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

9 (9.5) For State fiscal year 2019 and subsequent State
10 fiscal years, if New State Funds exceed \$300,000,000, then
11 any amount in excess of \$300,000,000 shall be dedicated
12 for purposes of Section 2-3.170 of this Code up to a
13 maximum of \$50,000,000.

14 (10) In the event of a decrease in the amount of the
15 appropriation for this Section in any fiscal year after
16 implementation of this Section, the Organizational Units
17 receiving Tier 1 and Tier 2 funding, as determined under
18 paragraph (3) of this subsection (g), shall be held
19 harmless by establishing a Base Funding Guarantee equal to
20 the per pupil kindergarten through grade 12 funding
21 received in accordance with this Section in the prior
22 fiscal year. Reductions shall be made to the Base Funding
23 Minimum of Organizational Units in Tier 3 and Tier 4 on a
24 per pupil basis equivalent to the total number of the ASE
25 in Tier 3-funded and Tier 4-funded Organizational Units
26 divided by the total reduction in State funding. The Base

1 Funding Minimum as reduced shall continue to be applied to
2 Tier 3 and Tier 4 Organizational Units and adjusted by the
3 relative formula when increases in appropriations for this
4 Section resume. In no event may State funding reductions
5 to Organizational Units in Tier 3 or Tier 4 exceed an
6 amount that would be less than the Base Funding Minimum
7 established in the first year of implementation of this
8 Section. If additional reductions are required, all school
9 districts shall receive a reduction by a per pupil amount
10 equal to the aggregate additional appropriation reduction
11 divided by the total ASE of all Organizational Units.

12 (11) The State Superintendent shall make minor
13 adjustments to the distribution formula set forth in this
14 subsection (g) to account for the rounding of percentages
15 to the nearest tenth of a percentage and dollar amounts to
16 the nearest whole dollar.

17 (h) State Superintendent administration of funding and
18 district submission requirements.

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

22 (2) The State Superintendent shall calculate the
23 Adequacy Target for each Organizational Unit and Net State
24 Contribution Target for each Organizational Unit under
25 this Section. No Evidence-Based Funding shall be
26 distributed within an Organizational Unit without the

1 approval of the unit's school board.

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

13 (4) Annually, the State Superintendent shall calculate
14 and report to each Organizational Unit the amount the unit
15 must expend on special education and bilingual education
16 and computer technology and equipment for Organizational
17 Units assigned to Tier 1 or Tier 2 that received an
18 additional \$285.50 per student computer technology and
19 equipment investment grant to their Adequacy Target
20 pursuant to the unit's Base Funding Minimum, Special
21 Education Allocation, Bilingual Education Allocation, and
22 computer technology and equipment investment allocation.

23 (5) Moneys distributed under this Section shall be
24 calculated on a school year basis, but paid on a fiscal
25 year basis, with payments beginning in August and
26 extending through June. Unless otherwise provided, the

1 moneys appropriated for each fiscal year shall be
2 distributed in 22 equal payments at least 2 times monthly
3 to each Organizational Unit. If moneys appropriated for
4 any fiscal year are distributed other than monthly, the
5 distribution shall be on the same basis for each
6 Organizational Unit.

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

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

24 (8) Each fiscal year, the State Superintendent shall
25 calculate for each Organizational Unit an amount of its
26 Base Funding Minimum and Evidence-Based Funding that shall

1 be deemed attributable to the provision of special
2 educational facilities and services, as defined in Section
3 14-1.08 of this Code, in a manner that ensures compliance
4 with maintenance of State financial support requirements
5 under the federal Individuals with Disabilities Education
6 Act. An Organizational Unit must use such funds only for
7 the provision of special educational facilities and
8 services, as defined in Section 14-1.08 of this Code, and
9 must comply with any expenditure verification procedures
10 adopted by the State Board.

11 (9) All Organizational Units in this State must submit
12 annual spending plans by the end of September of each year
13 to the State Board as part of the annual budget process,
14 which shall describe how each Organizational Unit will
15 utilize the Base Funding Minimum and Evidence-Based
16 Funding it receives from this State under this Section
17 with specific identification of the intended utilization
18 of Low-Income, English learner, and special education
19 resources. Additionally, the annual spending plans of each
20 Organizational Unit shall describe how the Organizational
21 Unit expects to achieve student growth and how the
22 Organizational Unit will achieve State education goals, as
23 defined by the State Board. The State Superintendent may,
24 from time to time, identify additional requisites for
25 Organizational Units to satisfy when compiling the annual
26 spending plans required under this subsection (h). The

1 format and scope of annual spending plans shall be
2 developed by the State Superintendent and the State Board
3 of Education. School districts that serve students under
4 Article 14C of this Code shall continue to submit
5 information as required under Section 14C-12 of this Code.

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

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

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

19 (C) application and enhancement of the current
20 financial accountability measures, the approved State
21 plan to comply with the federal Every Student Succeeds
22 Act, and the Illinois Balanced Accountability Measures
23 in relation to student growth and elements of the
24 Evidence-Based Funding model; and

25 (D) implementation of an effective school adequacy
26 funding system based on projected and recommended

1 funding levels from the General Assembly.

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

7 (A) Gifted under subparagraph (M) of paragraph (2)
8 of subsection (b).

9 (B) Instructional materials under subparagraph (O)
10 of paragraph (2) of subsection (b).

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

13 (D) Student activities under subparagraph (R) of
14 paragraph (2) of subsection (b).

15 (E) Maintenance and operations under subparagraph
16 (S) of paragraph (2) of subsection (b).

17 (F) Central office under subparagraph (T) of
18 paragraph (2) of subsection (b).

19 (i) Professional Review Panel.

20 (1) A Professional Review Panel is created to study
21 and review topics related to the implementation and effect
22 of Evidence-Based Funding, as assigned by a joint
23 resolution or Public Act of the General Assembly or a
24 motion passed by the State Board of Education. The Panel
25 must provide recommendations to and serve the Governor,
26 the General Assembly, and the State Board. The State

1 Superintendent or his or her designee must serve as a
2 voting member and chairperson of the Panel. The State
3 Superintendent must appoint a vice chairperson from the
4 membership of the Panel. The Panel must advance
5 recommendations based on a three-fifths majority vote of
6 Panel members present and voting. A minority opinion may
7 also accompany any recommendation of the Panel. The Panel
8 shall be appointed by the State Superintendent, except as
9 otherwise provided in paragraph (2) of this subsection (i)
10 and include the following members:

11 (A) Two appointees that represent district
12 superintendents, recommended by a statewide
13 organization that represents district superintendents.

14 (B) Two appointees that represent school boards,
15 recommended by a statewide organization that
16 represents school boards.

17 (C) Two appointees from districts that represent
18 school business officials, recommended by a statewide
19 organization that represents school business
20 officials.

21 (D) Two appointees that represent school
22 principals, recommended by a statewide organization
23 that represents school principals.

24 (E) Two appointees that represent teachers,
25 recommended by a statewide organization that
26 represents teachers.

1 (F) Two appointees that represent teachers,
2 recommended by another statewide organization that
3 represents teachers.

4 (G) Two appointees that represent regional
5 superintendents of schools, recommended by
6 organizations that represent regional superintendents.

7 (H) Two independent experts selected solely by the
8 State Superintendent.

9 (I) Two independent experts recommended by public
10 universities in this State.

11 (J) One member recommended by a statewide
12 organization that represents parents.

13 (K) Two representatives recommended by collective
14 impact organizations that represent major metropolitan
15 areas or geographic areas in Illinois.

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

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

22 The State Superintendent shall ensure that the
23 membership of the Panel includes representatives from
24 school districts and communities reflecting the
25 geographic, socio-economic, racial, and ethnic diversity
26 of this State. The State Superintendent shall additionally

1 ensure that the membership of the Panel includes
2 representatives with expertise in bilingual education and
3 special education. Staff from the State Board shall staff
4 the Panel.

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

17 (3) The Panel must study topics at the direction of
18 the General Assembly or State Board of Education, as
19 provided under paragraph (1). The Panel may also study the
20 following topics at the direction of the chairperson:

21 (A) The format and scope of annual spending plans
22 referenced in paragraph (9) of subsection (h) of this
23 Section.

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

25 (C) Maintenance and operations, including capital
26 maintenance and construction costs.

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

2 (E) Benefits.

3 (F) Technology.

4 (G) Local Capacity Target.

5 (H) Funding for Alternative Schools, Laboratory
6 Schools, safe schools, and alternative learning
7 opportunities programs.

8 (I) Funding for college and career acceleration
9 strategies.

10 (J) Special education investments.

11 (K) Early childhood investments, in collaboration
12 with the Illinois Early Learning Council.

13 (4) (Blank).

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

21 (6) (Blank).

22 (7) To ensure that (i) the Adequacy Target calculation
23 under subsection (b) accurately reflects the needs of
24 students living in poverty or attending schools located in
25 areas of high poverty, (ii) racial equity within the
26 Evidence-Based Funding formula is explicitly explored and

1 advanced, and (iii) the funding goals of the formula
2 distribution system established under this Section are
3 sufficient to provide adequate funding for every student
4 and to fully fund every school in this State, the Panel
5 shall review the Essential Elements under paragraph (2) of
6 subsection (b). The Panel shall consider all of the
7 following in its review:

8 (A) The financial ability of school districts to
9 provide instruction in a foreign language to every
10 student and whether an additional Essential Element
11 should be added to the formula to ensure that every
12 student has access to instruction in a foreign
13 language.

14 (B) The adult-to-student ratio for each Essential
15 Element in which a ratio is identified. The Panel
16 shall consider whether the ratio accurately reflects
17 the staffing needed to support students living in
18 poverty or who have traumatic backgrounds.

19 (C) Changes to the Essential Elements that may be
20 required to better promote racial equity and eliminate
21 structural racism within schools.

22 (D) The impact of investing \$350,000,000 in
23 additional funds each year under this Section and an
24 estimate of when the school system will become fully
25 funded under this level of appropriation.

26 (E) Provide an overview of alternative funding

1 structures that would enable the State to become fully
2 funded at an earlier date.

3 (F) The potential to increase efficiency and to
4 find cost savings within the school system to expedite
5 the journey to a fully funded system.

6 (G) The appropriate levels for reenrolling and
7 graduating high-risk high school students who have
8 been previously out of school. These outcomes shall
9 include enrollment, attendance, skill gains, credit
10 gains, graduation or promotion to the next grade
11 level, and the transition to college, training, or
12 employment, with an emphasis on progressively
13 increasing the overall attendance.

14 (H) The evidence-based or research-based practices
15 that are shown to reduce the gaps and disparities
16 experienced by African American students in academic
17 achievement and educational performance, including
18 practices that have been shown to reduce disparities
19 ~~parities~~ in disciplinary rates, drop-out rates,
20 graduation rates, college matriculation rates, and
21 college completion rates.

22 On or before December 31, 2021, the Panel shall report
23 to the State Board, the General Assembly, and the Governor
24 on the findings of its review. This paragraph (7) is
25 inoperative on and after July 1, 2022.

26 (j) References. Beginning July 1, 2017, references in

1 other laws to general State aid funds or calculations under
2 Section 18-8.05 of this Code (now repealed) shall be deemed to
3 be references to evidence-based model formula funds or
4 calculations under this Section.

5 (Source: P.A. 101-10, eff. 6-5-19; 101-17, eff. 6-14-19;
6 101-643, eff. 6-18-20; 101-654, eff. 3-8-21; 102-33, eff.
7 6-25-21; 102-197, eff. 7-30-21; 102-558, eff. 8-20-21; revised
8 10-12-21.)

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