



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

SB2265

Introduced 2/10/2023, by Sen. Jil Tracy

SYNOPSIS AS INTRODUCED:

35 ILCS 5/234 new
105 ILCS 5/2-3.196 new

Amends the School Code. Provides that the State Board of Education shall establish a teacher recruitment and retention program, which shall encourage both new and experienced teachers to seek employment with qualifying public schools by providing for a refundable income tax credit to each participating teacher in the amount of \$3,000 per school year for no more than 5 consecutive school years. Contains requirements for participating school districts and participating teachers. Amends the Illinois Income Tax Act establishing the \$3,000 tax credit for individuals designated by the State Board of Education as a participating teacher in the teacher recruitment and retention program. Effective July 1, 2023.

LRB103 28491 RJT 54872 b

1 AN ACT concerning education.

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

4 Section 5. The Illinois Income Tax Act is amended by
5 adding Section 234 as follows:

6 (35 ILCS 5/234 new)

7 Sec. 234. Tax credit for teacher recruitment and
8 retention. For taxable years beginning on or after January 1,
9 2023, an individual designated as a participating teacher by
10 the State Board of Education to the Department under
11 subsection (1) of Section 2-3.196 of the School Code is
12 entitled to a tax credit against the tax imposed by
13 subsections (a) and (b) of Section 201 equal to \$3,000. If the
14 total amount of the tax credit provided exceeds the taxpayer's
15 income tax liability for a taxable year, such excess amount
16 shall be refunded to the taxpayer.

17 This Section is exempt from the provisions of Section 250.

18 Section 10. The School Code is amended by adding Section
19 2-3.196 as follows:

20 (105 ILCS 5/2-3.196 new)

21 Sec. 2-3.196. Teacher recruitment and retention program.

1 (a) As used in this Section:

2 "Participating school" means a qualifying public school
3 that has been selected by the Board to participate in the
4 program.

5 "Participating school district" means a public school
6 district that has been selected by the Board to participate in
7 the program.

8 "Participating teacher" means an eligible teacher
9 participating in the program who holds a Professional Educator
10 License under Section 21B-20.

11 "Institution of higher education" means a public
12 institution of higher education or private institution of
13 higher education, as those terms are defined in Section 1 of
14 the Board of Higher Education Act.

15 "Program" means the teacher recruitment and retention
16 program established in this Section.

17 "Qualifying public school" means a public school that is
18 located in a rural area in the State or a school that has
19 performed in the lowest 5% of schools in the State as
20 identified in accordance with the statewide accountability
21 system established in the State plan under the federal Every
22 Student Succeeds Act.

23 "Recently hired" means a licensed teacher, whether a new
24 or experienced teacher, who has accepted his or her first
25 school year contract to teach at a qualifying public school
26 for the 2023-2024 school year, the current school year, or for

1 the immediately upcoming school year.

2 "Rural area" means an area that is more than 5 miles from
3 the nearest urbanized area and more than 2.5 miles from the
4 nearest urban cluster.

5 "School year contract" means a contract of full-time
6 employment between a teacher and a local board of education
7 covering a full school year. A contract of employment for a
8 portion of a school year shall not be counted as a school year
9 contract, nor shall contracts of employment for portions of a
10 school year be cumulated and treated as a school year
11 contract. A school year contract is deemed included within a
12 contract of full-time employment between a teacher and a local
13 board of education covering a full calendar or fiscal year.

14 "Urban cluster" and "urbanized area" have the meanings
15 given to those terms in the Standards for Defining
16 Metropolitan and Micropolitan Statistical Areas, 65 FR 82227.

17 (b) The Board shall establish a teacher recruitment and
18 retention program. The purpose of the program shall be to
19 encourage both new and experienced teachers to seek employment
20 with qualifying public schools by providing for a refundable
21 income tax credit, as provided under Section 234 of the
22 Illinois Income Tax Act, to each participating teacher in the
23 amount of \$3,000 per school year for no more than 5 consecutive
24 school years, subject to conditions provided for under this
25 Section. The Board may adopt rules as necessary to implement
26 and administer the program.

1 (c) By October 1 of each year, the Board shall determine
2 which public schools in the State are qualifying public
3 schools and shall publish a list of all qualifying public
4 schools on the Board's website. For the purposes of the
5 program, a school that has been designated as a qualifying
6 public school shall be eligible for selection as a
7 participating school for the current school year and for at
8 least the immediately upcoming school year. The Board shall
9 develop criteria for the selection of no more than 100
10 participating school districts and shall publish the selection
11 criteria simultaneously with the publication of the list of
12 qualifying school districts on the Board's website.

13 By December 1 of each year, the Board shall select no more
14 than 100 participating school districts and shall publish a
15 list of all participating school districts on the Board's
16 website. A school district that has been designated as a
17 participating school district shall be eligible to participate
18 in the program for the current school year and for at least the
19 immediately upcoming school year. The Board shall determine
20 the total number of participating teachers authorized for each
21 participating school district.

22 (d) The Board shall solicit applications from teachers who
23 meet the eligibility criteria provided for in subsections (g),
24 (h), and (i) and may share with participating school districts
25 such applications and related materials submitted by teachers.

26 (e) The Board may provide guidance and technical

1 assistance to teachers, participating schools, and school
2 districts with participating schools in the program.

3 (f) The Board shall establish program objectives and shall
4 annually measure and evaluate the program. Beginning with the
5 2024-2025 school year, and by December 1 of each year, the
6 Board shall file with the Governor and the General Assembly a
7 report covering the immediately preceding school year that
8 includes, but is not limited to, the following information:

9 (1) the positions filled by participating teachers
10 with corresponding information regarding the subject
11 matter and grade or grades taught; and

12 (2) the length of time participating teachers have
13 been participating in the program.

14 (g) In order to participate in the program, a teacher
15 shall:

16 (1) have been recently hired to teach at a
17 participating school;

18 (2) have attained a bachelor's degree in education
19 from an institution of higher education with a teacher
20 certification program approved by the Board; and

21 (3) hold a valid Professional Educator License issued
22 by the Board.

23 (h) Teachers who meet the eligibility criteria provided in
24 subsection (g) and who wish to participate in the program
25 shall submit to the Board a completed application to
26 participate in the program, on a form and in a manner

1 prescribed by the Board. Each application shall include, but
2 is not limited to:

3 (1) a copy of a teacher's school year contract to
4 teach at a participating school; and

5 (2) written verification by the principal or other
6 school personnel of the participating school that the
7 teacher was recently hired as defined under this Section.

8 (i) Eligible teachers who complete the application process
9 prescribed by the Board shall be accepted to participate in
10 the program on an annual basis, subject to the continuation of
11 the program, the provisions of subsection (m), and for good
12 cause shown by the Board.

13 (j) A teacher who is accepted by the Board to participate
14 in the program shall be allowed to continue as a participating
15 teacher in the program on an annual basis for up to 5
16 consecutive school years if he or she remains employed under a
17 school year contract as a teacher at the same school district
18 continuously, regardless of whether the school remains a
19 participating or qualifying public school, and subject to
20 continuation of the program, the provisions of subsection (m),
21 and for good cause shown by the Board.

22 (k) A participating teacher who is involuntarily
23 transferred to another school within the same participating or
24 qualifying school district shall be eligible to continue
25 participating in the program on the same terms and conditions
26 as provided in subsection (j). A participating teacher who

1 voluntarily transfers to another school is not eligible to
2 continue participating in the program, effective immediately
3 upon the transfer.

4 A participating teacher who receives an annual performance
5 evaluation of "unsatisfactory" as provided in Sections 24A-5
6 and 34-85c, shall be permanently ineligible to participate in
7 the program upon the conclusion of the school year in which he
8 or she received such rating.

9 A participating teacher who lawfully takes a leave of
10 absence pursuant to any State or federal law retains
11 eligibility to continue participating in the program if he or
12 she remains unemployed under a school year contract as teacher
13 at the same school continuously.

14 (l) By July 31 of each year, the Board shall notify the
15 Department of Revenue of each participating teacher who has
16 satisfied all terms and conditions of the program for the
17 immediately preceding school year.

18 (m) The number of participating teachers in the program in
19 any school year shall be limited to 1,000 participating
20 teachers statewide. In the discretion of the Board,
21 participation in the program may be determined according to
22 the following order of priority:

23 (1) Participating teachers shall be prioritized over
24 teachers not yet participating in the program.

25 (2) Among teachers participating in the program, those
26 with greater seniority in the program shall be prioritized

1 over those with less seniority.

2 (3) No new applications for the program shall be
3 accepted after December 31, 2033.

4 Section 99. Effective date. This Act takes effect July 1,
5 2023.