

1 AN ACT concerning education.

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

4 Section 5. The School Code is amended by changing
5 Section 18-8.05 as follows:

6 (105 ILCS 5/18-8.05)

7 Sec. 18-8.05. Basis for apportionment of general State
8 financial aid and supplemental general State aid to the
9 common schools for the 1998-1999 and subsequent school years.

10 (A) General Provisions.

11 (1) The provisions of this Section apply to the
12 1998-1999 and subsequent school years. The system of general
13 State financial aid provided for in this Section is designed
14 to assure that, through a combination of State financial aid
15 and required local resources, the financial support provided
16 each pupil in Average Daily Attendance equals or exceeds a
17 prescribed per pupil Foundation Level. This formula approach
18 imputes a level of per pupil Available Local Resources and
19 provides for the basis to calculate a per pupil level of
20 general State financial aid that, when added to Available
21 Local Resources, equals or exceeds the Foundation Level. The
22 amount of per pupil general State financial aid for school
23 districts, in general, varies in inverse relation to
24 Available Local Resources. Per pupil amounts are based upon
25 each school district's Average Daily Attendance as that term
26 is defined in this Section.

27 (2) In addition to general State financial aid, school
28 districts with specified levels or concentrations of pupils
29 from low income households are eligible to receive
30 supplemental general State financial aid grants as provided
31 pursuant to subsection (H). The supplemental State aid grants

1 provided for school districts under subsection (H) shall be
2 appropriated for distribution to school districts as part of
3 the same line item in which the general State financial aid
4 of school districts is appropriated under this Section.

5 (3) To receive financial assistance under this Section,
6 school districts are required to file claims with the State
7 Board of Education, subject to the following requirements:

8 (a) Any school district which fails for any given
9 school year to maintain school as required by law, or to
10 maintain a recognized school is not eligible to file for
11 such school year any claim upon the Common School Fund.
12 In case of nonrecognition of one or more attendance
13 centers in a school district otherwise operating
14 recognized schools, the claim of the district shall be
15 reduced in the proportion which the Average Daily
16 Attendance in the attendance center or centers bear to
17 the Average Daily Attendance in the school district. A
18 "recognized school" means any public school which meets
19 the standards as established for recognition by the State
20 Board of Education. A school district or attendance
21 center not having recognition status at the end of a
22 school term is entitled to receive State aid payments due
23 upon a legal claim which was filed while it was
24 recognized.

25 (b) School district claims filed under this Section
26 are subject to Sections 18-9, 18-10, and 18-12, except as
27 otherwise provided in this Section.

28 (c) If a school district operates a full year
29 school under Section 10-19.1, the general State aid to
30 the school district shall be determined by the State
31 Board of Education in accordance with this Section as
32 near as may be applicable.

33 (d) (Blank).

34 (4) Except as provided in subsections (H) and (L), the

1 board of any district receiving any of the grants provided
2 for in this Section may apply those funds to any fund so
3 received for which that board is authorized to make
4 expenditures by law.

5 School districts are not required to exert a minimum
6 Operating Tax Rate in order to qualify for assistance under
7 this Section.

8 (5) As used in this Section the following terms, when
9 capitalized, shall have the meaning ascribed herein:

10 (a) "Average Daily Attendance": A count of pupil
11 attendance in school, averaged as provided for in
12 subsection (C) and utilized in deriving per pupil
13 financial support levels.

14 (b) "Available Local Resources": A computation of
15 local financial support, calculated on the basis of
16 Average Daily Attendance and derived as provided pursuant
17 to subsection (D).

18 (c) "Corporate Personal Property Replacement
19 Taxes": Funds paid to local school districts pursuant to
20 "An Act in relation to the abolition of ad valorem
21 personal property tax and the replacement of revenues
22 lost thereby, and amending and repealing certain Acts and
23 parts of Acts in connection therewith", certified August
24 14, 1979, as amended (Public Act 81-1st S.S.-1).

25 (d) "Foundation Level": A prescribed level of per
26 pupil financial support as provided for in subsection
27 (B).

28 (e) "Operating Tax Rate": All school district
29 property taxes extended for all purposes, except Bond and
30 Interest, Summer School, Rent, Capital Improvement, and
31 Vocational Education Building purposes.

32 (B) Foundation Level.

33 (1) The Foundation Level is a figure established by the
34 State representing the minimum level of per pupil financial

1 support that should be available to provide for the basic
2 education of each pupil in Average Daily Attendance. As set
3 forth in this Section, each school district is assumed to
4 exert a sufficient local taxing effort such that, in
5 combination with the aggregate of general State financial aid
6 provided the district, an aggregate of State and local
7 resources are available to meet the basic education needs of
8 pupils in the district.

9 (2) For the 1998-1999 school year, the Foundation Level
10 of support is \$4,225. For the 1999-2000 school year, the
11 Foundation Level of support is \$4,325. For the 2000-2001
12 school year, the Foundation Level of support is \$4,425.

13 (3) For the 2001-2002 school year through the 2002-2003
14 school year and each school year thereafter, the Foundation
15 Level of support is \$4,560 or such greater amount as may be
16 established by law by the General Assembly. For each school
17 year thereafter, the Foundation Level of support shall be
18 equal to the Foundation Level of support for the preceding
19 school year, increased by (i) the percentage increase, if
20 any, in the Consumer Price Index for All Urban Consumers for
21 all items, published by the United States Department of
22 Labor, during the 12-month calendar year immediately
23 preceding the calendar year in which commences the school
24 year or (ii) 3%, whichever is greater.

25 (C) Average Daily Attendance.

26 (1) For purposes of calculating general State aid
27 pursuant to subsection (E), an Average Daily Attendance
28 figure shall be utilized. The Average Daily Attendance
29 figure for formula calculation purposes shall be the monthly
30 average of the actual number of pupils in attendance of each
31 school district, as further averaged for the best 3 months of
32 pupil attendance for each school district. In compiling the
33 figures for the number of pupils in attendance, school
34 districts and the State Board of Education shall, for

1 purposes of general State aid funding, conform attendance
2 figures to the requirements of subsection (F).

3 (2) The Average Daily Attendance figures utilized in
4 subsection (E) shall be the requisite attendance data for the
5 school year immediately preceding the school year for which
6 general State aid is being calculated or the average of the
7 attendance data for the 3 preceding school years, whichever
8 is greater. The Average Daily Attendance figures utilized in
9 subsection (H) shall be the requisite attendance data for the
10 school year immediately preceding the school year for which
11 general State aid is being calculated.

12 (D) Available Local Resources.

13 (1) For purposes of calculating general State aid
14 pursuant to subsection (E), a representation of Available
15 Local Resources per pupil, as that term is defined and
16 determined in this subsection, shall be utilized. Available
17 Local Resources per pupil shall include a calculated dollar
18 amount representing local school district revenues from local
19 property taxes and from Corporate Personal Property
20 Replacement Taxes, expressed on the basis of pupils in
21 Average Daily Attendance.

22 (2) In determining a school district's revenue from
23 local property taxes, the State Board of Education shall
24 utilize the equalized assessed valuation of all taxable
25 property of each school district as of September 30 of the
26 previous year. The equalized assessed valuation utilized
27 shall be obtained and determined as provided in subsection
28 (G).

29 (3) For school districts maintaining grades kindergarten
30 through 12, local property tax revenues per pupil shall be
31 calculated as the product of the applicable equalized
32 assessed valuation for the district multiplied by 3.00%, and
33 divided by the district's Average Daily Attendance figure.
34 For school districts maintaining grades kindergarten through

1 8, local property tax revenues per pupil shall be calculated
2 as the product of the applicable equalized assessed valuation
3 for the district multiplied by 2.30%, and divided by the
4 district's Average Daily Attendance figure. For school
5 districts maintaining grades 9 through 12, local property tax
6 revenues per pupil shall be the applicable equalized assessed
7 valuation of the district multiplied by 1.05%, and divided by
8 the district's Average Daily Attendance figure.

9 (4) The Corporate Personal Property Replacement Taxes
10 paid to each school district during the calendar year 2 years
11 before the calendar year in which a school year begins,
12 divided by the Average Daily Attendance figure for that
13 district, shall be added to the local property tax revenues
14 per pupil as derived by the application of the immediately
15 preceding paragraph (3). The sum of these per pupil figures
16 for each school district shall constitute Available Local
17 Resources as that term is utilized in subsection (E) in the
18 calculation of general State aid.

19 (E) Computation of General State Aid.

20 (1) For each school year, the amount of general State
21 aid allotted to a school district shall be computed by the
22 State Board of Education as provided in this subsection.

23 (2) For any school district for which Available Local
24 Resources per pupil is less than the product of 0.93 times
25 the Foundation Level, general State aid for that district
26 shall be calculated as an amount equal to the Foundation
27 Level minus Available Local Resources, multiplied by the
28 Average Daily Attendance of the school district.

29 (3) For any school district for which Available Local
30 Resources per pupil is equal to or greater than the product
31 of 0.93 times the Foundation Level and less than the product
32 of 1.75 times the Foundation Level, the general State aid per
33 pupil shall be a decimal proportion of the Foundation Level
34 derived using a linear algorithm. Under this linear

1 algorithm, the calculated general State aid per pupil shall
2 decline in direct linear fashion from 0.07 times the
3 Foundation Level for a school district with Available Local
4 Resources equal to the product of 0.93 times the Foundation
5 Level, to 0.05 times the Foundation Level for a school
6 district with Available Local Resources equal to the product
7 of 1.75 times the Foundation Level. The allocation of
8 general State aid for school districts subject to this
9 paragraph 3 shall be the calculated general State aid per
10 pupil figure multiplied by the Average Daily Attendance of
11 the school district.

12 (4) For any school district for which Available Local
13 Resources per pupil equals or exceeds the product of 1.75
14 times the Foundation Level, the general State aid for the
15 school district shall be calculated as the product of \$218
16 multiplied by the Average Daily Attendance of the school
17 district.

18 (5) The amount of general State aid allocated to a
19 school district for the 1999-2000 school year meeting the
20 requirements set forth in paragraph (4) of subsection (G)
21 shall be increased by an amount equal to the general State
22 aid that would have been received by the district for the
23 1998-1999 school year by utilizing the Extension Limitation
24 Equalized Assessed Valuation as calculated in paragraph (4)
25 of subsection (G) less the general State aid allotted for the
26 1998-1999 school year. This amount shall be deemed a one
27 time increase, and shall not affect any future general State
28 aid allocations.

29 (F) Compilation of Average Daily Attendance.

30 (1) Each school district shall, by July 1 of each year,
31 submit to the State Board of Education, on forms prescribed
32 by the State Board of Education, attendance figures for the
33 school year that began in the preceding calendar year. The
34 attendance information so transmitted shall identify the

1 average daily attendance figures for each month of the school
2 year. Beginning with the general State aid claim form for
3 the 2002-2003 school year, districts shall calculate Average
4 Daily Attendance as provided in subdivisions (a), (b), and
5 (c) of this paragraph (1).

6 (a) In districts that do not hold year-round
7 classes, days of attendance in August shall be added to
8 the month of September and any days of attendance in June
9 shall be added to the month of May.

10 (b) In districts in which all buildings hold
11 year-round classes, days of attendance in July and August
12 shall be added to the month of September and any days of
13 attendance in June shall be added to the month of May.

14 (c) In districts in which some buildings, but not
15 all, hold year-round classes, for the non-year-round
16 buildings, days of attendance in August shall be added to
17 the month of September and any days of attendance in June
18 shall be added to the month of May. The average daily
19 attendance for the year-round buildings shall be computed
20 as provided in subdivision (b) of this paragraph (1). To
21 calculate the Average Daily Attendance for the district,
22 the average daily attendance for the year-round buildings
23 shall be multiplied by the days in session for the
24 non-year-round buildings for each month and added to the
25 monthly attendance of the non-year-round buildings.

26 Except as otherwise provided in this Section, days of
27 attendance by pupils shall be counted only for sessions of
28 not less than 5 clock hours of school work per day under
29 direct supervision of: (i) teachers, or (ii) non-teaching
30 personnel or volunteer personnel when engaging in
31 non-teaching duties and supervising in those instances
32 specified in subsection (a) of Section 10-22.34 and paragraph
33 10 of Section 34-18, with pupils of legal school age and in
34 kindergarten and grades 1 through 12.

1 Days of attendance by tuition pupils shall be accredited
2 only to the districts that pay the tuition to a recognized
3 school.

4 (2) Days of attendance by pupils of less than 5 clock
5 hours of school shall be subject to the following provisions
6 in the compilation of Average Daily Attendance.

7 (a) Pupils regularly enrolled in a public school
8 for only a part of the school day may be counted on the
9 basis of 1/6 day for every class hour of instruction of
10 40 minutes or more attended pursuant to such enrollment,
11 unless a pupil is enrolled in a block-schedule format of
12 80 minutes or more of instruction, in which case the
13 pupil may be counted on the basis of the proportion of
14 minutes of school work completed each day to the minimum
15 number of minutes that school work is required to be held
16 that day.

17 (b) Days of attendance may be less than 5 clock
18 hours on the opening and closing of the school term, and
19 upon the first day of pupil attendance, if preceded by a
20 day or days utilized as an institute or teachers'
21 workshop.

22 (c) A session of 4 or more clock hours may be
23 counted as a day of attendance upon certification by the
24 regional superintendent, and approved by the State
25 Superintendent of Education to the extent that the
26 district has been forced to use daily multiple sessions.

27 (d) A session of 3 or more clock hours may be
28 counted as a day of attendance (1) when the remainder of
29 the school day or at least 2 hours in the evening of that
30 day is utilized for an in-service training program for
31 teachers, up to a maximum of 5 days per school year of
32 which a maximum of 4 days of such 5 days may be used for
33 parent-teacher conferences, provided a district conducts
34 an in-service training program for teachers which has

1 been approved by the State Superintendent of Education;
2 or, in lieu of 4 such days, 2 full days may be used, in
3 which event each such day may be counted as a day of
4 attendance; and (2) when days in addition to those
5 provided in item (1) are scheduled by a school pursuant
6 to its school improvement plan adopted under Article 34
7 or its revised or amended school improvement plan adopted
8 under Article 2, provided that (i) such sessions of 3 or
9 more clock hours are scheduled to occur at regular
10 intervals, (ii) the remainder of the school days in which
11 such sessions occur are utilized for in-service training
12 programs or other staff development activities for
13 teachers, and (iii) a sufficient number of minutes of
14 school work under the direct supervision of teachers are
15 added to the school days between such regularly scheduled
16 sessions to accumulate not less than the number of
17 minutes by which such sessions of 3 or more clock hours
18 fall short of 5 clock hours. Any full days used for the
19 purposes of this paragraph shall not be considered for
20 computing average daily attendance. Days scheduled for
21 in-service training programs, staff development
22 activities, or parent-teacher conferences may be
23 scheduled separately for different grade levels and
24 different attendance centers of the district.

25 (e) A session of not less than one clock hour of
26 teaching hospitalized or homebound pupils on-site or by
27 telephone to the classroom may be counted as 1/2 day of
28 attendance, however these pupils must receive 4 or more
29 clock hours of instruction to be counted for a full day
30 of attendance.

31 (f) A session of at least 4 clock hours may be
32 counted as a day of attendance for first grade pupils,
33 and pupils in full day kindergartens, and a session of 2
34 or more hours may be counted as 1/2 day of attendance by

1 pupils in kindergartens which provide only 1/2 day of
2 attendance.

3 (g) For children with disabilities who are below
4 the age of 6 years and who cannot attend 2 or more clock
5 hours because of their disability or immaturity, a
6 session of not less than one clock hour may be counted as
7 1/2 day of attendance; however for such children whose
8 educational needs so require a session of 4 or more clock
9 hours may be counted as a full day of attendance.

10 (h) A recognized kindergarten which provides for
11 only 1/2 day of attendance by each pupil shall not have
12 more than 1/2 day of attendance counted in any one day.
13 However, kindergartens may count 2 1/2 days of attendance
14 in any 5 consecutive school days. When a pupil attends
15 such a kindergarten for 2 half days on any one school
16 day, the pupil shall have the following day as a day
17 absent from school, unless the school district obtains
18 permission in writing from the State Superintendent of
19 Education. Attendance at kindergartens which provide for
20 a full day of attendance by each pupil shall be counted
21 the same as attendance by first grade pupils. Only the
22 first year of attendance in one kindergarten shall be
23 counted, except in case of children who entered the
24 kindergarten in their fifth year whose educational
25 development requires a second year of kindergarten as
26 determined under the rules and regulations of the State
27 Board of Education.

28 (G) Equalized Assessed Valuation Data.

29 (1) For purposes of the calculation of Available Local
30 Resources required pursuant to subsection (D), the State
31 Board of Education shall secure from the Department of
32 Revenue the value as equalized or assessed by the Department
33 of Revenue of all taxable property of every school district,
34 together with (i) the applicable tax rate used in extending

1 taxes for the funds of the district as of September 30 of the
2 previous year and (ii) the limiting rate for all school
3 districts subject to property tax extension limitations as
4 imposed under the Property Tax Extension Limitation Law.

5 This equalized assessed valuation, as adjusted further by
6 the requirements of this subsection, shall be utilized in the
7 calculation of Available Local Resources.

8 (2) The equalized assessed valuation in paragraph (1)
9 shall be adjusted, as applicable, in the following manner:

10 (a) For the purposes of calculating State aid under
11 this Section, with respect to any part of a school
12 district within a redevelopment project area in respect
13 to which a municipality has adopted tax increment
14 allocation financing pursuant to the Tax Increment
15 Allocation Redevelopment Act, Sections 11-74.4-1 through
16 11-74.4-11 of the Illinois Municipal Code or the
17 Industrial Jobs Recovery Law, Sections 11-74.6-1 through
18 11-74.6-50 of the Illinois Municipal Code, no part of the
19 current equalized assessed valuation of real property
20 located in any such project area which is attributable to
21 an increase above the total initial equalized assessed
22 valuation of such property shall be used as part of the
23 equalized assessed valuation of the district, until such
24 time as all redevelopment project costs have been paid,
25 as provided in Section 11-74.4-8 of the Tax Increment
26 Allocation Redevelopment Act or in Section 11-74.6-35 of
27 the Industrial Jobs Recovery Law. For the purpose of the
28 equalized assessed valuation of the district, the total
29 initial equalized assessed valuation or the current
30 equalized assessed valuation, whichever is lower, shall
31 be used until such time as all redevelopment project
32 costs have been paid.

33 (b) The real property equalized assessed valuation
34 for a school district shall be adjusted by subtracting

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

13 (3) For the 1999-2000 school year and each school year
14 thereafter, if a school district meets all of the criteria of
15 this subsection (G)(3), the school district's Available Local
16 Resources shall be calculated under subsection (D) using the
17 district's Extension Limitation Equalized Assessed Valuation
18 as calculated under this subsection (G)(3).

19 For purposes of this subsection (G)(3) the following
20 terms shall have the following meanings:

21 "Budget Year": The school year for which general
22 State aid is calculated and awarded under subsection (E).

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

26 "Preceding Tax Year": The property tax levy year
27 immediately preceding the Base Tax Year.

28 "Base Tax Year's Tax Extension": The product of the
29 equalized assessed valuation utilized by the County Clerk
30 in the Base Tax Year multiplied by the limiting rate as
31 calculated by the County Clerk and defined in the
32 Property Tax Extension Limitation Law.

33 "Preceding Tax Year's Tax Extension": The product of
34 the equalized assessed valuation utilized by the County

1 Clerk in the Preceding Tax Year multiplied by the
2 Operating Tax Rate as defined in subsection (A).

3 "Extension Limitation Ratio": A numerical ratio,
4 certified by the County Clerk, in which the numerator is
5 the Base Tax Year's Tax Extension and the denominator is
6 the Preceding Tax Year's Tax Extension.

7 "Operating Tax Rate": The operating tax rate as
8 defined in subsection (A).

9 If a school district is subject to property tax extension
10 limitations as imposed under the Property Tax Extension
11 Limitation Law, the State Board of Education shall calculate
12 the Extension Limitation Equalized Assessed Valuation of that
13 district. For the 1999-2000 school year, the Extension
14 Limitation Equalized Assessed Valuation of a school district
15 as calculated by the State Board of Education shall be equal
16 to the product of the district's 1996 Equalized Assessed
17 Valuation and the district's Extension Limitation Ratio. For
18 the 2000-2001 school year and each school year thereafter,
19 the Extension Limitation Equalized Assessed Valuation of a
20 school district as calculated by the State Board of Education
21 shall be equal to the product of the Equalized Assessed
22 Valuation last used in the calculation of general State aid
23 and the district's Extension Limitation Ratio. If the
24 Extension Limitation Equalized Assessed Valuation of a school
25 district as calculated under this subsection (G)(3) is less
26 than the district's equalized assessed valuation as
27 calculated pursuant to subsections (G)(1) and (G)(2), then
28 for purposes of calculating the district's general State aid
29 for the Budget Year pursuant to subsection (E), that
30 Extension Limitation Equalized Assessed Valuation shall be
31 utilized to calculate the district's Available Local
32 Resources under subsection (D).

33 (4) For the purposes of calculating general State aid
34 for the 1999-2000 school year only, if a school district

1 experienced a triennial reassessment on the equalized
2 assessed valuation used in calculating its general State
3 financial aid apportionment for the 1998-1999 school year,
4 the State Board of Education shall calculate the Extension
5 Limitation Equalized Assessed Valuation that would have been
6 used to calculate the district's 1998-1999 general State aid.
7 This amount shall equal the product of the equalized assessed
8 valuation used to calculate general State aid for the
9 1997-1998 school year and the district's Extension Limitation
10 Ratio. If the Extension Limitation Equalized Assessed
11 Valuation of the school district as calculated under this
12 paragraph (4) is less than the district's equalized assessed
13 valuation utilized in calculating the district's 1998-1999
14 general State aid allocation, then for purposes of
15 calculating the district's general State aid pursuant to
16 paragraph (5) of subsection (E), that Extension Limitation
17 Equalized Assessed Valuation shall be utilized to calculate
18 the district's Available Local Resources.

19 (5) For school districts having a majority of their
20 equalized assessed valuation in any county except Cook,
21 DuPage, Kane, Lake, McHenry, or Will, if the amount of
22 general State aid allocated to the school district for the
23 1999-2000 school year under the provisions of subsection (E),
24 (H), and (J) of this Section is less than the amount of
25 general State aid allocated to the district for the 1998-1999
26 school year under these subsections, then the general State
27 aid of the district for the 1999-2000 school year only shall
28 be increased by the difference between these amounts. The
29 total payments made under this paragraph (5) shall not exceed
30 \$14,000,000. Claims shall be prorated if they exceed
31 \$14,000,000.

32 (H) Supplemental General State Aid.

33 (1) In addition to the general State aid a school
34 district is allotted pursuant to subsection (E), qualifying

1 school districts shall receive a grant, paid in conjunction
2 with a district's payments of general State aid, for
3 supplemental general State aid based upon the concentration
4 level of children from low-income households within the
5 school district. Supplemental State aid grants provided for
6 school districts under this subsection shall be appropriated
7 for distribution to school districts as part of the same line
8 item in which the general State financial aid of school
9 districts is appropriated under this Section. For purposes of
10 this subsection, the term "Low-Income Concentration Level"
11 shall be the low-income eligible pupil count from the most
12 recently available federal census divided by the Average
13 Daily Attendance of the school district. If, however, (i) the
14 percentage decrease from the 2 most recent federal censuses
15 in the low-income eligible pupil count of a high school
16 district with fewer than 400 students exceeds by 75% or more
17 the percentage change in the total low-income eligible pupil
18 count of contiguous elementary school districts, whose
19 boundaries are coterminous with the high school district, or
20 (ii) a high school district within 2 counties and serving 5
21 elementary school districts, whose boundaries are coterminous
22 with the high school district, has a percentage decrease from
23 the 2 most recent federal censuses in the low-income eligible
24 pupil count and there is a percentage increase in the total
25 low-income eligible pupil count of a majority of the
26 elementary school districts in excess of 50% from the 2 most
27 recent federal censuses, then the high school district's
28 low-income eligible pupil count from the earlier federal
29 census shall be the number used as the low-income eligible
30 pupil count for the high school district, for purposes of
31 this subsection (H). The changes made to this paragraph (1)
32 by Public Act 92-28 shall apply to supplemental general State
33 aid grants paid in fiscal year 1999 and in each fiscal year
34 thereafter and to any State aid payments made in fiscal year

1 1994 through fiscal year 1998 pursuant to subsection 1(n) of
2 Section 18-8 of this Code (which was repealed on July 1,
3 1998), and any high school district that is affected by
4 Public Act 92-28 is entitled to a recomputation of its
5 supplemental general State aid grant or State aid paid in any
6 of those fiscal years. This recomputation shall not be
7 affected by any other funding.

8 (2) Supplemental general State aid pursuant to this
9 subsection (H) shall be provided as follows for the
10 1998-1999, 1999-2000, and 2000-2001 school years only:

11 (a) For any school district with a Low Income
12 Concentration Level of at least 20% and less than 35%,
13 the grant for any school year shall be \$800 multiplied by
14 the low income eligible pupil count.

15 (b) For any school district with a Low Income
16 Concentration Level of at least 35% and less than 50%,
17 the grant for the 1998-1999 school year shall be \$1,100
18 multiplied by the low income eligible pupil count.

19 (c) For any school district with a Low Income
20 Concentration Level of at least 50% and less than 60%,
21 the grant for the 1998-99 school year shall be \$1,500
22 multiplied by the low income eligible pupil count.

23 (d) For any school district with a Low Income
24 Concentration Level of 60% or more, the grant for the
25 1998-99 school year shall be \$1,900 multiplied by the low
26 income eligible pupil count.

27 (e) For the 1999-2000 school year, the per pupil
28 amount specified in subparagraphs (b), (c), and (d)
29 immediately above shall be increased to \$1,243, \$1,600,
30 and \$2,000, respectively.

31 (f) For the 2000-2001 school year, the per pupil
32 amounts specified in subparagraphs (b), (c), and (d)
33 immediately above shall be \$1,273, \$1,640, and \$2,050,
34 respectively.

1 (2.5) Supplemental general State aid pursuant to this
2 subsection (H) shall be provided as follows for the 2002-2003
3 school year and each school year thereafter:

4 (a) For any school district with a Low Income
5 Concentration Level of less than 10%, the grant for each
6 school year shall be \$355 multiplied by the low income
7 eligible pupil count.

8 (b) For any school district with a Low Income
9 Concentration Level of at least 10% and less than 20%,
10 the grant for each school year shall be \$675 multiplied
11 by the low income eligible pupil count.

12 (c) For any school district with a Low Income
13 Concentration Level of at least 20% and less than 35%,
14 the grant for each school year shall be \$1,330 multiplied
15 by the low income eligible pupil count.

16 (d) For any school district with a Low Income
17 Concentration Level of at least 35% and less than 50%,
18 the grant for each school year shall be \$1,362 multiplied
19 by the low income eligible pupil count.

20 (e) For any school district with a Low Income
21 Concentration Level of at least 50% and less than 60%,
22 the grant for each school year shall be \$1,680 multiplied
23 by the low income eligible pupil count.

24 (f) For any school district with a Low Income
25 Concentration Level of 60% or more, the grant for each
26 school year shall be \$2,080 multiplied by the low income
27 eligible pupil count.

28 (3) School districts with an Average Daily Attendance of
29 more than 1,000 and less than 50,000 that qualify for
30 supplemental general State aid pursuant to this subsection
31 shall submit a plan to the State Board of Education prior to
32 October 30 of each year for the use of the funds resulting
33 from this grant of supplemental general State aid for the
34 improvement of instruction in which priority is given to

1 meeting the education needs of disadvantaged children. Such
2 plan shall be submitted in accordance with rules and
3 regulations promulgated by the State Board of Education.

4 (4) School districts with an Average Daily Attendance of
5 50,000 or more that qualify for supplemental general State
6 aid pursuant to this subsection shall be required to
7 distribute from funds available pursuant to this Section, no
8 less than \$261,000,000 in accordance with the following
9 requirements:

10 (a) The required amounts shall be distributed to
11 the attendance centers within the district in proportion
12 to the number of pupils enrolled at each attendance
13 center who are eligible to receive free or reduced-price
14 lunches or breakfasts under the federal Child Nutrition
15 Act of 1966 and under the National School Lunch Act
16 during the immediately preceding school year.

17 (b) The distribution of these portions of
18 supplemental and general State aid among attendance
19 centers according to these requirements shall not be
20 compensated for or contravened by adjustments of the
21 total of other funds appropriated to any attendance
22 centers, and the Board of Education shall utilize funding
23 from one or several sources in order to fully implement
24 this provision annually prior to the opening of school.

25 (c) Each attendance center shall be provided by the
26 school district a distribution of noncategorical funds
27 and other categorical funds to which an attendance center
28 is entitled under law in order that the general State aid
29 and supplemental general State aid provided by
30 application of this subsection supplements rather than
31 supplants the noncategorical funds and other categorical
32 funds provided by the school district to the attendance
33 centers.

34 (d) Any funds made available under this subsection

1 that by reason of the provisions of this subsection are
2 not required to be allocated and provided to attendance
3 centers may be used and appropriated by the board of the
4 district for any lawful school purpose.

5 (e) Funds received by an attendance center pursuant
6 to this subsection shall be used by the attendance center
7 at the discretion of the principal and local school
8 council for programs to improve educational opportunities
9 at qualifying schools through the following programs and
10 services: early childhood education, reduced class size
11 or improved adult to student classroom ratio, enrichment
12 programs, remedial assistance, attendance improvement,
13 and other educationally beneficial expenditures which
14 supplement the regular and basic programs as determined
15 by the State Board of Education. Funds provided shall not
16 be expended for any political or lobbying purposes as
17 defined by board rule.

18 (f) Each district subject to the provisions of this
19 subdivision (H)(4) shall submit an acceptable plan to
20 meet the educational needs of disadvantaged children, in
21 compliance with the requirements of this paragraph, to
22 the State Board of Education prior to July 15 of each
23 year. This plan shall be consistent with the decisions of
24 local school councils concerning the school expenditure
25 plans developed in accordance with part 4 of Section
26 34-2.3. The State Board shall approve or reject the plan
27 within 60 days after its submission. If the plan is
28 rejected, the district shall give written notice of
29 intent to modify the plan within 15 days of the
30 notification of rejection and then submit a modified plan
31 within 30 days after the date of the written notice of
32 intent to modify. Districts may amend approved plans
33 pursuant to rules promulgated by the State Board of
34 Education.

1 Upon notification by the State Board of Education
2 that the district has not submitted a plan prior to July
3 15 or a modified plan within the time period specified
4 herein, the State aid funds affected by that plan or
5 modified plan shall be withheld by the State Board of
6 Education until a plan or modified plan is submitted.

7 If the district fails to distribute State aid to
8 attendance centers in accordance with an approved plan,
9 the plan for the following year shall allocate funds, in
10 addition to the funds otherwise required by this
11 subsection, to those attendance centers which were
12 underfunded during the previous year in amounts equal to
13 such underfunding.

14 For purposes of determining compliance with this
15 subsection in relation to the requirements of attendance
16 center funding, each district subject to the provisions
17 of this subsection shall submit as a separate document by
18 December 1 of each year a report of expenditure data for
19 the prior year in addition to any modification of its
20 current plan. If it is determined that there has been a
21 failure to comply with the expenditure provisions of this
22 subsection regarding contravention or supplanting, the
23 State Superintendent of Education shall, within 60 days
24 of receipt of the report, notify the district and any
25 affected local school council. The district shall within
26 45 days of receipt of that notification inform the State
27 Superintendent of Education of the remedial or corrective
28 action to be taken, whether by amendment of the current
29 plan, if feasible, or by adjustment in the plan for the
30 following year. Failure to provide the expenditure
31 report or the notification of remedial or corrective
32 action in a timely manner shall result in a withholding
33 of the affected funds.

34 The State Board of Education shall promulgate rules

1 and regulations to implement the provisions of this
2 subsection. No funds shall be released under this
3 subdivision (H)(4) to any district that has not submitted
4 a plan that has been approved by the State Board of
5 Education.

6 (I) General State Aid for Newly Configured School Districts.

7 (1) For a new school district formed by combining
8 property included totally within 2 or more previously
9 existing school districts, for its first year of existence
10 the general State aid and supplemental general State aid
11 calculated under this Section shall be computed for the new
12 district and for the previously existing districts for which
13 property is totally included within the new district. If the
14 computation on the basis of the previously existing districts
15 is greater, a supplementary payment equal to the difference
16 shall be made for the first 4 years of existence of the new
17 district.

18 (2) For a school district which annexes all of the
19 territory of one or more entire other school districts, for
20 the first year during which the change of boundaries
21 attributable to such annexation becomes effective for all
22 purposes as determined under Section 7-9 or 7A-8, the general
23 State aid and supplemental general State aid calculated under
24 this Section shall be computed for the annexing district as
25 constituted after the annexation and for the annexing and
26 each annexed district as constituted prior to the annexation;
27 and if the computation on the basis of the annexing and
28 annexed districts as constituted prior to the annexation is
29 greater, a supplementary payment equal to the difference
30 shall be made for the first 4 years of existence of the
31 annexing school district as constituted upon such annexation.

32 (3) For 2 or more school districts which annex all of
33 the territory of one or more entire other school districts,
34 and for 2 or more community unit districts which result upon

1 the division (pursuant to petition under Section 11A-2) of
2 one or more other unit school districts into 2 or more parts
3 and which together include all of the parts into which such
4 other unit school district or districts are so divided, for
5 the first year during which the change of boundaries
6 attributable to such annexation or division becomes effective
7 for all purposes as determined under Section 7-9 or 11A-10,
8 as the case may be, the general State aid and supplemental
9 general State aid calculated under this Section shall be
10 computed for each annexing or resulting district as
11 constituted after the annexation or division and for each
12 annexing and annexed district, or for each resulting and
13 divided district, as constituted prior to the annexation or
14 division; and if the aggregate of the general State aid and
15 supplemental general State aid as so computed for the
16 annexing or resulting districts as constituted after the
17 annexation or division is less than the aggregate of the
18 general State aid and supplemental general State aid as so
19 computed for the annexing and annexed districts, or for the
20 resulting and divided districts, as constituted prior to the
21 annexation or division, then a supplementary payment equal to
22 the difference shall be made and allocated between or among
23 the annexing or resulting districts, as constituted upon such
24 annexation or division, for the first 4 years of their
25 existence. The total difference payment shall be allocated
26 between or among the annexing or resulting districts in the
27 same ratio as the pupil enrollment from that portion of the
28 annexed or divided district or districts which is annexed to
29 or included in each such annexing or resulting district bears
30 to the total pupil enrollment from the entire annexed or
31 divided district or districts, as such pupil enrollment is
32 determined for the school year last ending prior to the date
33 when the change of boundaries attributable to the annexation
34 or division becomes effective for all purposes. The amount

1 of the total difference payment and the amount thereof to be
2 allocated to the annexing or resulting districts shall be
3 computed by the State Board of Education on the basis of
4 pupil enrollment and other data which shall be certified to
5 the State Board of Education, on forms which it shall provide
6 for that purpose, by the regional superintendent of schools
7 for each educational service region in which the annexing and
8 annexed districts, or resulting and divided districts are
9 located.

10 (3.5) Claims for financial assistance under this
11 subsection (I) shall not be recomputed except as expressly
12 provided under this Section.

13 (4) Any supplementary payment made under this subsection
14 (I) shall be treated as separate from all other payments made
15 pursuant to this Section.

16 (J) Supplementary Grants in Aid.

17 (1) Notwithstanding any other provisions of this
18 Section, the amount of the aggregate general State aid in
19 combination with supplemental general State aid under this
20 Section for which each school district is eligible shall be
21 no less than the amount of the aggregate general State aid
22 entitlement that was received by the district under Section
23 18-8 (exclusive of amounts received under subsections 5(p)
24 and 5(p-5) of that Section) for the 1997-98 school year,
25 pursuant to the provisions of that Section as it was then in
26 effect. If a school district qualifies to receive a
27 supplementary payment made under this subsection (J), the
28 amount of the aggregate general State aid in combination with
29 supplemental general State aid under this Section which that
30 district is eligible to receive for each school year shall be
31 no less than the amount of the aggregate general State aid
32 entitlement that was received by the district under Section
33 18-8 (exclusive of amounts received under subsections 5(p)
34 and 5(p-5) of that Section) for the 1997-1998 school year,

1 pursuant to the provisions of that Section as it was then in
2 effect.

3 (2) If, as provided in paragraph (1) of this subsection
4 (J), a school district is to receive aggregate general State
5 aid in combination with supplemental general State aid under
6 this Section for the 1998-99 school year and any subsequent
7 school year that in any such school year is less than the
8 amount of the aggregate general State aid entitlement that
9 the district received for the 1997-98 school year, the school
10 district shall also receive, from a separate appropriation
11 made for purposes of this subsection (J), a supplementary
12 payment that is equal to the amount of the difference in the
13 aggregate State aid figures as described in paragraph (1).

14 (3) (Blank).

15 (K) Grants to Laboratory and Alternative Schools.

16 In calculating the amount to be paid to the governing
17 board of a public university that operates a laboratory
18 school under this Section or to any alternative school that
19 is operated by a regional superintendent of schools, the
20 State Board of Education shall require by rule such reporting
21 requirements as it deems necessary.

22 As used in this Section, "laboratory school" means a
23 public school which is created and operated by a public
24 university and approved by the State Board of Education. The
25 governing board of a public university which receives funds
26 from the State Board under this subsection (K) may not
27 increase the number of students enrolled in its laboratory
28 school from a single district, if that district is already
29 sending 50 or more students, except under a mutual agreement
30 between the school board of a student's district of residence
31 and the university which operates the laboratory school. A
32 laboratory school may not have more than 1,000 students,
33 excluding students with disabilities in a special education
34 program.

1 As used in this Section, "alternative school" means a
2 public school which is created and operated by a Regional
3 Superintendent of Schools and approved by the State Board of
4 Education. Such alternative schools may offer courses of
5 instruction for which credit is given in regular school
6 programs, courses to prepare students for the high school
7 equivalency testing program or vocational and occupational
8 training. A regional superintendent of schools may contract
9 with a school district or a public community college district
10 to operate an alternative school. An alternative school
11 serving more than one educational service region may be
12 established by the regional superintendents of schools of the
13 affected educational service regions. An alternative school
14 serving more than one educational service region may be
15 operated under such terms as the regional superintendents of
16 schools of those educational service regions may agree.

17 Each laboratory and alternative school shall file, on
18 forms provided by the State Superintendent of Education, an
19 annual State aid claim which states the Average Daily
20 Attendance of the school's students by month. The best 3
21 months' Average Daily Attendance shall be computed for each
22 school. The general State aid entitlement shall be computed
23 by multiplying the applicable Average Daily Attendance by the
24 Foundation Level as determined under this Section.

25 (L) Payments, Additional Grants in Aid and Other
26 Requirements.

27 (1) For a school district operating under the financial
28 supervision of an Authority created under Article 34A, the
29 general State aid otherwise payable to that district under
30 this Section, but not the supplemental general State aid,
31 shall be reduced by an amount equal to the budget for the
32 operations of the Authority as certified by the Authority to
33 the State Board of Education, and an amount equal to such
34 reduction shall be paid to the Authority created for such

1 district for its operating expenses in the manner provided in
2 Section 18-11. The remainder of general State school aid for
3 any such district shall be paid in accordance with Article
4 34A when that Article provides for a disposition other than
5 that provided by this Article.

6 (2) (Blank).

7 (3) Summer school. Summer school payments shall be made
8 as provided in Section 18-4.3.

9 (M) Education Funding Advisory Board.

10 The Education Funding Advisory Board, hereinafter in this
11 subsection (M) referred to as the "Board", is hereby created.
12 The Board shall consist of 5 members who are appointed by the
13 Governor, by and with the advice and consent of the Senate.
14 The members appointed shall include representatives of
15 education, business, and the general public. One of the
16 members so appointed shall be designated by the Governor at
17 the time the appointment is made as the chairperson of the
18 Board. The initial members of the Board may be appointed any
19 time after the effective date of this amendatory Act of 1997.
20 The regular term of each member of the Board shall be for 4
21 years from the third Monday of January of the year in which
22 the term of the member's appointment is to commence, except
23 that of the 5 initial members appointed to serve on the
24 Board, the member who is appointed as the chairperson shall
25 serve for a term that commences on the date of his or her
26 appointment and expires on the third Monday of January, 2002,
27 and the remaining 4 members, by lots drawn at the first
28 meeting of the Board that is held after all 5 members are
29 appointed, shall determine 2 of their number to serve for
30 terms that commence on the date of their respective
31 appointments and expire on the third Monday of January, 2001,
32 and 2 of their number to serve for terms that commence on the
33 date of their respective appointments and expire on the third
34 Monday of January, 2000. All members appointed to serve on

1 the Board shall serve until their respective successors are
2 appointed and confirmed. Vacancies shall be filled in the
3 same manner as original appointments. If a vacancy in
4 membership occurs at a time when the Senate is not in
5 session, the Governor shall make a temporary appointment
6 until the next meeting of the Senate, when he or she shall
7 appoint, by and with the advice and consent of the Senate, a
8 person to fill that membership for the unexpired term. If
9 the Senate is not in session when the initial appointments
10 are made, those appointments shall be made as in the case of
11 vacancies.

12 The Education Funding Advisory Board shall be deemed
13 established, and the initial members appointed by the
14 Governor to serve as members of the Board shall take office,
15 on the date that the Governor makes his or her appointment of
16 the fifth initial member of the Board, whether those initial
17 members are then serving pursuant to appointment and
18 confirmation or pursuant to temporary appointments that are
19 made by the Governor as in the case of vacancies.

20 The State Board of Education shall provide such staff
21 assistance to the Education Funding Advisory Board as is
22 reasonably required for the proper performance by the Board
23 of its responsibilities.

24 For school years after the 2000-2001 school year, the
25 Education Funding Advisory Board, in consultation with the
26 State Board of Education, shall make recommendations as
27 provided in this subsection (M) to the General Assembly for
28 the foundation level under subdivision (B)(3) of this Section
29 and for the supplemental general State aid grant level under
30 subsection (H) of this Section for districts with high
31 concentrations of children from poverty. The recommended
32 foundation level shall be determined based on a methodology
33 which incorporates the basic education expenditures of
34 low-spending schools exhibiting high academic performance.

1 The Education Funding Advisory Board shall make such
2 recommendations to the General Assembly on January 1 of odd
3 numbered years, beginning January 1, 2001.

4 (N) (Blank).

5 (O) References.

6 (1) References in other laws to the various subdivisions
7 of Section 18-8 as that Section existed before its repeal and
8 replacement by this Section 18-8.05 shall be deemed to refer
9 to the corresponding provisions of this Section 18-8.05, to
10 the extent that those references remain applicable.

11 (2) References in other laws to State Chapter 1 funds
12 shall be deemed to refer to the supplemental general State
13 aid provided under subsection (H) of this Section.

14 (Source: P.A. 91-24, eff. 7-1-99; 91-93, eff. 7-9-99; 91-96,
15 eff. 7-9-99; 91-111, eff. 7-14-99; 91-357, eff. 7-29-99;
16 91-533, eff. 8-13-99; 92-7, eff. 6-29-01; 92-16, eff.
17 6-28-01; 92-28, eff. 7-1-01; 92-29, eff. 7-1-01; 92-269, eff.
18 8-7-01; 92-604, eff. 7-1-02; 92-636, eff. 7-11-02; 92-651,
19 eff. 7-11-02; revised 7-26-02.)

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