

1 AN ACT concerning schools.

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

4 Article 1

5 Section 1-1. Short title. This Act may be cited as the
6 FY2004 Budget Implementation (Education) Act.

7 Section 1-5. Purpose. It is the purpose of this Act to
8 make changes relating to education that are necessary to
9 implement the State's FY2004 budget.

10 Article 5

11 Section 5-5. The School Code is amended by changing
12 Sections 1D-1, 2-3.47, 2-3.61, 2-3.62, 18-8.05, and 27A-11.5
13 and adding Section 2-3.131 as follows:

14 (105 ILCS 5/1D-1)

15 Sec. 1D-1. Block grant funding.

16 (a) For fiscal year 1996 and each fiscal year
17 thereafter, the State Board of Education shall award to a
18 school district having a population exceeding 500,000
19 inhabitants a general education block grant and an
20 educational services block grant, determined as provided in
21 this Section, in lieu of distributing to the district
22 separate State funding for the programs described in
23 subsections (b) and (c). The provisions of this Section,
24 however, do not apply to any federal funds that the district
25 is entitled to receive. In accordance with Section 2-3.32,
26 all block grants are subject to an audit. Therefore, block
27 grant receipts and block grant expenditures shall be recorded

1 to the appropriate fund code for the designated block grant.

2 (b) The general education block grant shall include the
3 following programs: REI Initiative, Summer Bridges, Preschool
4 At Risk, K-6 Comprehensive Arts, School Improvement Support,
5 Urban Education, Scientific Literacy, Substance Abuse
6 Prevention, Second Language Planning, Staff Development,
7 Outcomes and Assessment, K-6 Reading Improvement, Truants'
8 Optional Education, Hispanic Programs, Agriculture Education,
9 Gifted-Education, Parental Education, Prevention Initiative,
10 Report Cards, and Criminal Background Investigations.
11 Notwithstanding any other provision of law, all amounts paid
12 under the general education block grant from State
13 appropriations to a school district in a city having a
14 population exceeding 500,000 inhabitants shall be
15 appropriated and expended by the board of that district for
16 any of the programs included in the block grant or any of the
17 board's lawful purposes.

18 (c) The educational services block grant shall include
19 the following programs: Bilingual, Regular and Vocational
20 Transportation, State Lunch and Free Breakfast Program,
21 Special Education (Personnel, Extraordinary, Transportation,
22 Orphanage, Private Tuition), Summer School, Educational
23 Service Centers, and Administrator's Academy. This
24 subsection (c) does not relieve the district of its
25 obligation to provide the services required under a program
26 that is included within the educational services block grant.
27 It is the intention of the General Assembly in enacting the
28 provisions of this subsection (c) to relieve the district of
29 the administrative burdens that impede efficiency and
30 accompany single-program funding. The General Assembly
31 encourages the board to pursue mandate waivers pursuant to
32 Section 2-3.25g.

33 (d) For fiscal year 1996 and each fiscal year
34 thereafter, the amount of the district's block grants shall

1 be determined as follows: (i) with respect to each program
2 that is included within each block grant, the district shall
3 receive an amount equal to the same percentage of the current
4 fiscal year appropriation made for that program as the
5 percentage of the appropriation received by the district from
6 the 1995 fiscal year appropriation made for that program, and
7 (ii) the total amount that is due the district under the
8 block grant shall be the aggregate of the amounts that the
9 district is entitled to receive for the fiscal year with
10 respect to each program that is included within the block
11 grant that the State Board of Education shall award the
12 district under this Section for that fiscal year. In the
13 case of the Summer Bridges program, the amount of the
14 district's block grant shall be equal to 44% of the amount of
15 the current fiscal year appropriation made for that program.

16 (e) The district is not required to file any application
17 or other claim in order to receive the block grants to which
18 it is entitled under this Section. The State Board of
19 Education shall make payments to the district of amounts due
20 under the district's block grants on a schedule determined by
21 the State Board of Education.

22 (f) A school district to which this Section applies
23 shall report to the State Board of Education on its use of
24 the block grants in such form and detail as the State Board
25 of Education may specify.

26 (g) This paragraph provides for the treatment of block
27 grants under Article 1C for purposes of calculating the
28 amount of block grants for a district under this Section.
29 Those block grants under Article 1C are, for this purpose,
30 treated as included in the amount of appropriation for the
31 various programs set forth in paragraph (b) above. The
32 appropriation in each current fiscal year for each block
33 grant under Article 1C shall be treated for these purposes as
34 appropriations for the individual program included in that

1 block grant. The proportion of each block grant so allocated
2 to each such program included in it shall be the proportion
3 which the appropriation for that program was of all
4 appropriations for such purposes now in that block grant, in
5 fiscal 1995.

6 Payments to the school district under this Section with
7 respect to each program for which payments to school
8 districts generally, as of the date of this amendatory Act of
9 the 92nd General Assembly, are on a reimbursement basis shall
10 continue to be made to the district on a reimbursement basis,
11 pursuant to the provisions of this Code governing those
12 programs.

13 (h) Notwithstanding any other provision of law, any
14 school district receiving a block grant under this Section
15 may classify all or a portion of the funds that it receives
16 in a particular fiscal year from any block grant authorized
17 under this Code or from general State aid pursuant to Section
18 18-8.05 of this Code (other than supplemental general State
19 aid) as funds received in connection with any funding program
20 for which it is entitled to receive funds from the State in
21 that fiscal year (including, without limitation, any funding
22 program referred to in subsection (c) of this Section),
23 regardless of the source or timing of the receipt. The
24 district may not classify more funds as funds received in
25 connection with the funding program than the district is
26 entitled to receive in that fiscal year for that program.
27 Any classification by a district must be made by a resolution
28 of its board of education. The resolution must identify the
29 amount of any block grant or general State aid to be
30 classified under this subsection (h) and must specify the
31 funding program to which the funds are to be treated as
32 received in connection therewith. This resolution is
33 controlling as to the classification of funds referenced
34 therein. A certified copy of the resolution must be sent to

1 the State Superintendent of Education. The resolution shall
2 still take effect even though a copy of the resolution has
3 not been sent to the State Superintendent of Education in a
4 timely manner. No classification under this subsection (h)
5 by a district shall affect the total amount or timing of
6 money the district is entitled to receive under this Code.
7 No classification under this subsection (h) by a district
8 shall in any way relieve the district from or affect any
9 requirements that otherwise would apply with respect to the
10 block grant as provided in this Section, including any
11 accounting of funds by source, reporting expenditures by
12 original source and purpose, reporting requirements, or
13 requirements of provision of services.

14 (Source: P.A. 91-711, eff. 7-1-00; 92-568, eff. 6-26-02;
15 92-651, eff. 7-11-02.)

16 (105 ILCS 5/2-3.47) (from Ch. 122, par. 2-3.47)

17 Sec. 2-3.47. Comprehensive Educational Plan. The State
18 Board of Education shall analyze the current and anticipated
19 problems and deficiencies, present and future minimum needs
20 and requirements and immediate and future objectives and
21 goals of elementary and secondary education in the State of
22 Illinois, and shall design and prepare a Comprehensive
23 Educational Plan for the development, expansion, integration,
24 coordination, and improved and efficient utilization of the
25 personnel, facilities, revenues, curricula and standards of
26 elementary and secondary education for the public schools in
27 the areas of teaching (including preparation, certification,
28 compensation, classification, performance rating and tenure),
29 administration, program content and enrichment, student
30 academic achievement, class size, transportation, educational
31 finance and budgetary and accounting procedure, and
32 educational policy and resource planning. In formulating the
33 Comprehensive Educational Plan for elementary and secondary

1 education, pre-school through grade 12, in this State, the
2 State Board of Education shall give consideration to
3 disabled, ~~gifted~~, occupational, career and other specialized
4 areas of elementary and secondary education, and further
5 shall consider the problems, requirements and objectives of
6 private elementary and secondary schools within the State as
7 the same relate to the present and future problems,
8 deficiencies, needs, requirements, objectives and goals of
9 the public school system of Illinois. As an integral part of
10 the Comprehensive Educational Plan, the State Board of
11 Education shall develop an annual budget for education for
12 the entire State which details the required, total revenues
13 from all sources and the estimated total expenditures for all
14 purposes under the Comprehensive Educational Plan. The
15 budgets shall specify the amount of revenue projected from
16 each source and the amount of expenditure estimated for each
17 purpose for the fiscal year, and shall specifically relate
18 and identify such projected revenues and estimated
19 expenditures to the particular problem, deficiency, need,
20 requirement, objective or goal set forth in the Comprehensive
21 Educational Plan to which such revenues for expenditures are
22 attributable. The State Board of Education shall prepare and
23 submit to the General Assembly and the Governor drafts of
24 proposed legislation to implement the Comprehensive
25 Educational Plan; shall engage in a continuing study,
26 analysis and evaluation of the Comprehensive Educational Plan
27 so designed and prepared; and shall from time to time as
28 required with respect to such annual budgets, and as the
29 State Board of Education shall determine with respect to any
30 proposed amendments or modifications of any Comprehensive
31 Educational Plan enacted by the General Assembly, submit its
32 drafts or recommendations for proposed legislation to the
33 General Assembly and the Governor.

34 (Source: P.A. 89-397, eff. 8-20-95; 90-372, eff. 7-1-98.)

1 (105 ILCS 5/2-3.61) (from Ch. 122, par. 2-3.61)
2 Sec. 2-3.61. Summer school grants; ~~gifted~~-and remedial
3 education. From moneys appropriated for such purposes, the
4 State Board of Education shall provide summer school grants
5 to qualifying school districts applying for such grants to be
6 used by such districts, in strict accordance with the
7 provisions of this Section, solely for the purpose of
8 enabling ~~students who are "gifted children" or "talented~~
9 ~~children" as defined in Section 14A-2 and~~ students who, as
10 determined by the school district in accordance with criteria
11 established by the State Board of Education, are in need of
12 remedial education in order to qualify for academic
13 advancement to attend summer school without having to pay
14 tuition, fees or instructional material expenses. A
15 qualifying district receiving a summer school grant pursuant
16 to this Section shall use the grant moneys so received solely
17 for the purpose of employing certificated personnel to
18 provide instruction and to furnish necessary transportation,
19 text books and other instructional materials for students who
20 are ~~gifted children, talented children or~~ in need of remedial
21 education within the meaning of this Section and who attend
22 the summer school program of the district. All applications
23 for grants under this Section shall be made on forms which
24 the State Board of Education shall provide, and shall be
25 filed by the school districts making application for such
26 grants with the State Board of Education prior to the
27 beginning of a program. The State Board of Education shall
28 adopt rules regarding the procedure by which application may
29 be made for such grants, and shall establish standards by
30 which to evaluate the summer school programs proposed by
31 applicant school districts for students who are ~~gifted~~
32 ~~children, talented children or~~ in need of remedial education
33 within the meaning of this Section and for the payment of all
34 grants awarded pursuant to this Section.

1 (Source: P.A. 86-184.)

2 (105 ILCS 5/2-3.62) (from Ch. 122, par. 2-3.62)

3 Sec. 2-3.62. Educational Service Centers.

4 (a) A regional network of educational service centers
5 shall be established by the State Board of Education to
6 coordinate and combine existing services in a manner which is
7 practical and efficient and to provide new services to
8 schools as provided in this Section. Services to be made
9 available by such centers shall include the planning,
10 implementation and evaluation of:

11 (1) ~~(blank); education-for-gifted-children--through~~
12 ~~area---service---centers,---experimental---projects---and~~
13 ~~institutes-as-provided-in-Section-14A-6;~~

14 (2) computer technology education including the
15 evaluation, use and application of state-of-the-art
16 technology in computer software as provided in Section
17 2-3.43;

18 (3) mathematics, science and reading resources for
19 teachers including continuing education, inservice
20 training and staff development.

21 The centers may provide training, technical assistance,
22 coordination and planning in other program areas such as
23 school improvement, school accountability, career guidance,
24 early childhood education, alcohol/drug education and
25 prevention, family life - sex education, electronic
26 transmission of data from school districts to the State,
27 alternative education and regional special education, and
28 telecommunications systems that provide distance learning.
29 Such telecommunications systems may be obtained through the
30 Department of Central Management Services pursuant to Section
31 405-270 of the Department of Central Management Services Law
32 (20 ILCS 405/405-270). The programs and services of
33 educational service centers may be offered to private school

1 teachers and private school students within each service
2 center area provided public schools have already been
3 afforded adequate access to such programs and services.

4 The State Board of Education shall promulgate rules and
5 regulations necessary to implement this Section. The rules
6 shall include detailed standards which delineate the scope
7 and specific content of programs to be provided by each
8 Educational Service Center, as well as the specific planning,
9 implementation and evaluation services to be provided by each
10 Center relative to its programs. The Board shall also
11 provide the standards by which it will evaluate the programs
12 provided by each Center.

13 (b) Centers serving Class 1 county school units shall be
14 governed by an 11-member board, 3 members of which shall be
15 public school teachers nominated by the local bargaining
16 representatives to the appropriate regional superintendent
17 for appointment and no more than 3 members of which shall be
18 from each of the following categories, including but not
19 limited to superintendents, regional superintendents, school
20 board members and a representative of an institution of
21 higher education. The members of the board shall be
22 appointed by the regional superintendents whose school
23 districts are served by the educational service center. The
24 composition of the board will reflect the revisions of this
25 amendatory Act of 1989 as the terms of office of current
26 members expire.

27 (c) The centers shall be of sufficient size and number
28 to assure delivery of services to all local school districts
29 in the State.

30 (d) From monies appropriated for this program the State
31 Board of Education shall provide grants to qualifying
32 Educational Service Centers applying for such grants in
33 accordance with rules and regulations promulgated by the
34 State Board of Education to implement this Section.

1 (e) The governing authority of each of the 18 regional
2 educational service centers shall appoint a family life - sex
3 education advisory board consisting of 2 parents, 2 teachers,
4 2 school administrators, 2 school board members, 2 health
5 care professionals, one library system representative, and
6 the director of the regional educational service center who
7 shall serve as chairperson of the advisory board so
8 appointed. Members of the family life - sex education
9 advisory boards shall serve without compensation. Each of
10 the advisory boards appointed pursuant to this subsection
11 shall develop a plan for regional teacher-parent family life
12 - sex education training sessions and shall file a written
13 report of such plan with the governing board of their
14 regional educational service center. The directors of each
15 of the regional educational service centers shall thereupon
16 meet, review each of the reports submitted by the advisory
17 boards and combine those reports into a single written report
18 which they shall file with the Citizens Council on School
19 Problems prior to the end of the regular school term of the
20 1987-1988 school year.

21 (f) The 14 educational service centers serving Class I
22 county school units shall be disbanded on the first Monday of
23 August, 1995, and their statutory responsibilities and
24 programs shall be assumed by the regional offices of
25 education, subject to rules and regulations developed by the
26 State Board of Education. The regional superintendents of
27 schools elected by the voters residing in all Class I
28 counties shall serve as the chief administrators for these
29 programs and services. By rule of the State Board of
30 Education, the 10 educational service regions of lowest
31 population shall provide such services under cooperative
32 agreements with larger regions.

33 (Source: P.A. 91-239, eff. 1-1-00.)

1 (105 ILCS 5/2-3.131 new)

2 Sec. 2-3.131. FY2004 transitional assistance payments.

3 If the amount that the State Board of Education will pay to a
4 school district from fiscal year 2004 appropriations, as
5 estimated by the State Board of Education on April 1, 2004,
6 is less than the amount that the State Board of Education
7 paid to the school district from fiscal year 2003
8 appropriations, then, subject to appropriation, the State
9 Board of Education shall make a fiscal year 2004 transitional
10 assistance payment to the school district in an amount equal
11 to the difference between the estimated amount to be paid
12 from fiscal year 2004 appropriations and the amount paid from
13 fiscal year 2003 appropriations.

14 (105 ILCS 5/18-8.05)

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

18 (A) General Provisions.

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

1 is defined in this Section.

2 (2) In addition to general State financial aid, school
3 districts with specified levels or concentrations of pupils
4 from low income households are eligible to receive
5 supplemental general State financial aid grants as provided
6 pursuant to subsection (H). The supplemental State aid grants
7 provided for school districts under subsection (H) shall be
8 appropriated for distribution to school districts as part of
9 the same line item in which the general State financial aid
10 of school districts is appropriated under this Section.

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

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

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

34 (c) If a school district operates a full year

1 school under Section 10-19.1, the general State aid to
2 the school district shall be determined by the State
3 Board of Education in accordance with this Section as
4 near as may be applicable.

5 (d) (Blank).

6 (4) Except as provided in subsections (H) and (L), the
7 board of any district receiving any of the grants provided
8 for in this Section may apply those funds to any fund so
9 received for which that board is authorized to make
10 expenditures by law.

11 School districts are not required to exert a minimum
12 Operating Tax Rate in order to qualify for assistance under
13 this Section.

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

16 (a) "Average Daily Attendance": A count of pupil
17 attendance in school, averaged as provided for in
18 subsection (C) and utilized in deriving per pupil
19 financial support levels.

20 (b) "Available Local Resources": A computation of
21 local financial support, calculated on the basis of
22 Average Daily Attendance and derived as provided pursuant
23 to subsection (D).

24 (c) "Corporate Personal Property Replacement
25 Taxes": Funds paid to local school districts pursuant to
26 "An Act in relation to the abolition of ad valorem
27 personal property tax and the replacement of revenues
28 lost thereby, and amending and repealing certain Acts and
29 parts of Acts in connection therewith", certified August
30 14, 1979, as amended (Public Act 81-1st S.S.-1).

31 (d) "Foundation Level": A prescribed level of per
32 pupil financial support as provided for in subsection
33 (B).

34 (e) "Operating Tax Rate": All school district

1 property taxes extended for all purposes, except Bond and
2 Interest, Summer School, Rent, Capital Improvement, and
3 Vocational Education Building purposes.

4 (B) Foundation Level.

5 (1) The Foundation Level is a figure established by the
6 State representing the minimum level of per pupil financial
7 support that should be available to provide for the basic
8 education of each pupil in Average Daily Attendance. As set
9 forth in this Section, each school district is assumed to
10 exert a sufficient local taxing effort such that, in
11 combination with the aggregate of general State financial aid
12 provided the district, an aggregate of State and local
13 resources are available to meet the basic education needs of
14 pupils in the district.

15 (2) For the 1998-1999 school year, the Foundation Level
16 of support is \$4,225. For the 1999-2000 school year, the
17 Foundation Level of support is \$4,325. For the 2000-2001
18 school year, the Foundation Level of support is \$4,425.

19 (3) For the 2001-2002 school year and 2002-2003 school
20 year each--school--year--thereafter, the Foundation Level of
21 support is \$4,560 or--such--greater--amount--as---may---be
22 established-by-law-by-the-General-Assembly.

23 (4) For the 2003-2004 school year and each school year
24 thereafter, the Foundation Level of support is \$4,810 or such
25 greater amount as may be established by law by the General
26 Assembly.

27 (C) Average Daily Attendance.

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

1 pupil attendance for each school district. In compiling the
2 figures for the number of pupils in attendance, school
3 districts and the State Board of Education shall, for
4 purposes of general State aid funding, conform attendance
5 figures to the requirements of subsection (F).

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

15 (D) Available Local Resources.

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

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

32 (3) For school districts maintaining grades kindergarten
33 through 12, local property tax revenues per pupil shall be
34 calculated as the product of the applicable equalized

1 assessed valuation for the district multiplied by 3.00%, and
2 divided by the district's Average Daily Attendance figure.
3 For school districts maintaining grades kindergarten through
4 8, local property tax revenues per pupil shall be calculated
5 as the product of the applicable equalized assessed valuation
6 for the district multiplied by 2.30%, and divided by the
7 district's Average Daily Attendance figure. For school
8 districts maintaining grades 9 through 12, local property tax
9 revenues per pupil shall be the applicable equalized assessed
10 valuation of the district multiplied by 1.05%, and divided by
11 the district's Average Daily Attendance figure.

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

22 (E) Computation of General State Aid.

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

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

32 (3) For any school district for which Available Local
33 Resources per pupil is equal to or greater than the product
34 of 0.93 times the Foundation Level and less than the product

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

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

21 (5) The amount of general State aid allocated to a
22 school district for the 1999-2000 school year meeting the
23 requirements set forth in paragraph (4) of subsection (G)
24 shall be increased by an amount equal to the general State
25 aid that would have been received by the district for the
26 1998-1999 school year by utilizing the Extension Limitation
27 Equalized Assessed Valuation as calculated in paragraph (4)
28 of subsection (G) less the general State aid allotted for the
29 1998-1999 school year. This amount shall be deemed a one
30 time increase, and shall not affect any future general State
31 aid allocations.

32 (F) Compilation of Average Daily Attendance.

33 (1) Each school district shall, by July 1 of each year,
34 submit to the State Board of Education, on forms prescribed

1 by the State Board of Education, attendance figures for the
2 school year that began in the preceding calendar year. The
3 attendance information so transmitted shall identify the
4 average daily attendance figures for each month of the school
5 year. Beginning with the general State aid claim form for
6 the 2002-2003 school year, districts shall calculate Average
7 Daily Attendance as provided in subdivisions (a), (b), and
8 (c) of this paragraph (1).

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

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

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

29 Except as otherwise provided in this Section, days of
30 attendance by pupils shall be counted only for sessions of
31 not less than 5 clock hours of school work per day under
32 direct supervision of: (i) teachers, or (ii) non-teaching
33 personnel or volunteer personnel when engaging in
34 non-teaching duties and supervising in those instances

1 specified in subsection (a) of Section 10-22.34 and paragraph
2 10 of Section 34-18, with pupils of legal school age and in
3 kindergarten and grades 1 through 12.

4 Days of attendance by tuition pupils shall be accredited
5 only to the districts that pay the tuition to a recognized
6 school.

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

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

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

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

30 (d) A session of 3 or more clock hours may be
31 counted as a day of attendance (1) when the remainder of
32 the school day or at least 2 hours in the evening of that
33 day is utilized for an in-service training program for
34 teachers, up to a maximum of 5 days per school year of

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

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

34 (f) A session of at least 4 clock hours may be

1 counted as a day of attendance for first grade pupils,
2 and pupils in full day kindergartens, and a session of 2
3 or more hours may be counted as 1/2 day of attendance by
4 pupils in kindergartens which provide only 1/2 day of
5 attendance.

6 (g) For children with disabilities who are below
7 the age of 6 years and who cannot attend 2 or more clock
8 hours because of their disability or immaturity, a
9 session of not less than one clock hour may be counted as
10 1/2 day of attendance; however for such children whose
11 educational needs so require a session of 4 or more clock
12 hours may be counted as a full day of attendance.

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

31 (G) Equalized Assessed Valuation Data.

32 (1) For purposes of the calculation of Available Local
33 Resources required pursuant to subsection (D), the State
34 Board of Education shall secure from the Department of

1 Revenue the value as equalized or assessed by the Department
2 of Revenue of all taxable property of every school district,
3 together with (i) the applicable tax rate used in extending
4 taxes for the funds of the district as of September 30 of the
5 previous year and (ii) the limiting rate for all school
6 districts subject to property tax extension limitations as
7 imposed under the Property Tax Extension Limitation Law.

8 This equalized assessed valuation, as adjusted further by
9 the requirements of this subsection, shall be utilized in the
10 calculation of Available Local Resources.

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

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

1 costs have been paid.

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

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

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

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

26 "Base Tax Year": The property tax levy year used to
 27 calculate the Budget Year allocation of general State
 28 aid.

29 "Preceding Tax Year": The property tax levy year
 30 immediately preceding the Base Tax Year.

31 "Base Tax Year's Tax Extension": The product of the
 32 equalized assessed valuation utilized by the County Clerk
 33 in the Base Tax Year multiplied by the limiting rate as
 34 calculated by the County Clerk and defined in the

1 Property Tax Extension Limitation Law.

2 "Preceding Tax Year's Tax Extension": The product of
3 the equalized assessed valuation utilized by the County
4 Clerk in the Preceding Tax Year multiplied by the
5 Operating Tax Rate as defined in subsection (A).

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

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

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

1 Resources under subsection (D).

2 (4) For the purposes of calculating general State aid
3 for the 1999-2000 school year only, if a school district
4 experienced a triennial reassessment on the equalized
5 assessed valuation used in calculating its general State
6 financial aid apportionment for the 1998-1999 school year,
7 the State Board of Education shall calculate the Extension
8 Limitation Equalized Assessed Valuation that would have been
9 used to calculate the district's 1998-1999 general State aid.
10 This amount shall equal the product of the equalized assessed
11 valuation used to calculate general State aid for the
12 1997-1998 school year and the district's Extension Limitation
13 Ratio. If the Extension Limitation Equalized Assessed
14 Valuation of the school district as calculated under this
15 paragraph (4) is less than the district's equalized assessed
16 valuation utilized in calculating the district's 1998-1999
17 general State aid allocation, then for purposes of
18 calculating the district's general State aid pursuant to
19 paragraph (5) of subsection (E), that Extension Limitation
20 Equalized Assessed Valuation shall be utilized to calculate
21 the district's Available Local Resources.

22 (5) For school districts having a majority of their
23 equalized assessed valuation in any county except Cook,
24 DuPage, Kane, Lake, McHenry, or Will, if the amount of
25 general State aid allocated to the school district for the
26 1999-2000 school year under the provisions of subsection (E),
27 (H), and (J) of this Section is less than the amount of
28 general State aid allocated to the district for the 1998-1999
29 school year under these subsections, then the general State
30 aid of the district for the 1999-2000 school year only shall
31 be increased by the difference between these amounts. The
32 total payments made under this paragraph (5) shall not exceed
33 \$14,000,000. Claims shall be prorated if they exceed
34 \$14,000,000.

1 (H) Supplemental General State Aid.

2 (1) In addition to the general State aid a school
3 district is allotted pursuant to subsection (E), qualifying
4 school districts shall receive a grant, paid in conjunction
5 with a district's payments of general State aid, for
6 supplemental general State aid based upon the concentration
7 level of children from low-income households within the
8 school district. Supplemental State aid grants provided for
9 school districts under this subsection shall be appropriated
10 for distribution to school districts as part of the same line
11 item in which the general State financial aid of school
12 districts is appropriated under this Section. If the
13 appropriation in any fiscal year for general State aid and
14 supplemental general State aid is insufficient to pay the
15 amounts required under the general State aid and supplemental
16 general State aid calculations, then the State Board of
17 Education shall ensure that each school district receives the
18 full amount due for general State aid and the remainder of
19 the appropriation shall be used for supplemental general
20 State aid, which the State Board of Education shall calculate
21 and pay to eligible districts on a prorated basis.

22 (1.5) This paragraph (1.5) applies only to those school
23 years preceding the 2003-2004 school year. For purposes of
24 this subsection (H), the term "Low-Income Concentration
25 Level" shall be the low-income eligible pupil count from the
26 most recently available federal census divided by the Average
27 Daily Attendance of the school district. If, however, (i) the
28 percentage decrease from the 2 most recent federal censuses
29 in the low-income eligible pupil count of a high school
30 district with fewer than 400 students exceeds by 75% or more
31 the percentage change in the total low-income eligible pupil
32 count of contiguous elementary school districts, whose
33 boundaries are coterminous with the high school district, or
34 (ii) a high school district within 2 counties and serving 5

1 elementary school districts, whose boundaries are coterminous
2 with the high school district, has a percentage decrease from
3 the 2 most recent federal censuses in the low-income eligible
4 pupil count and there is a percentage increase in the total
5 low-income eligible pupil count of a majority of the
6 elementary school districts in excess of 50% from the 2 most
7 recent federal censuses, then the high school district's
8 low-income eligible pupil count from the earlier federal
9 census shall be the number used as the low-income eligible
10 pupil count for the high school district, for purposes of
11 this subsection (H). The changes made to this paragraph (1)
12 by Public Act 92-28 shall apply to supplemental general State
13 aid grants for school years preceding the 2003-2004 school
14 year that are paid in fiscal year 1999 or and-in-each-fiscal
15 year thereafter and to any State aid payments made in fiscal
16 year 1994 through fiscal year 1998 pursuant to subsection
17 1(n) of Section 18-8 of this Code (which was repealed on July
18 1, 1998), and any high school district that is affected by
19 Public Act 92-28 is entitled to a recomputation of its
20 supplemental general State aid grant or State aid paid in any
21 of those fiscal years. This recomputation shall not be
22 affected by any other funding.

23 (1.10) This paragraph (1.10) applies to the 2003-2004
24 school year and each school year thereafter. For purposes of
25 this subsection (H), the term "Low-Income Concentration
26 Level" shall, for each fiscal year, be the low-income
27 eligible pupil count as of July 1 of the immediately
28 preceding fiscal year (as determined by the Department of
29 Human Services based on the number of pupils who are eligible
30 for at least one of the following low income programs:
31 Medicaid, KidCare, TANF, or Food Stamps, excluding pupils who
32 are eligible for services provided by the Department of
33 Children and Family Services, averaged over the 2 immediately
34 preceding fiscal years for fiscal year 2004 and over the 3

1 immediately preceding fiscal years for each fiscal year
2 thereafter) divided by the Average Daily Attendance of the
3 school district.

4 (2) Supplemental general State aid pursuant to this
5 subsection (H) shall be provided as follows for the
6 1998-1999, 1999-2000, and 2000-2001 school years only:

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

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

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

19 (d) For any school district with a Low Income
20 Concentration Level of 60% or more, the grant for the
21 1998-99 school year shall be \$1,900 multiplied by the low
22 income eligible pupil count.

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

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

31 (2.5) Supplemental general State aid pursuant to this
32 subsection (H) shall be provided as follows for the 2002-2003
33 school year ~~and each school year thereafter~~:

34 (a) For any school district with a Low Income

1 Concentration Level of less than 10%, the grant for each
2 school year shall be \$355 multiplied by the low income
3 eligible pupil count.

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

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

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

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

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

24 (2.10) Except as otherwise provided, supplemental
25 general State aid pursuant to this subsection (H) shall be
26 provided as follows for the 2003-2004 school year and each
27 school year thereafter:

28 (a) For any school district with a Low Income
29 Concentration Level of 15% or less, the grant for each
30 school year shall be \$355 multiplied by the low income
31 eligible pupil count.

32 (b) For any school district with a Low Income
33 Concentration Level greater than 15%, the grant for each
34 school year shall be \$294.25 added to the product of

1 \$2,700 and the square of the Low Income Concentration
2 Level, all multiplied by the low income eligible pupil
3 count.

4 For the 2003-2004 school year only, the grant shall be no
5 less than the grant for the 2002-2003 school year. For the
6 2004-2005 school year only, the grant shall be no less than
7 the grant for the 2002-2003 school year multiplied by 0.66.
8 For the 2005-2006 school year only, the grant shall be no
9 less than the grant for the 2002-2003 school year multiplied
10 by 0.33.

11 For the 2003-2004 school year only, the grant shall be no
12 greater than the grant received during the 2002-2003 school
13 year added to the product of 0.25 multiplied by the
14 difference between the grant amount calculated under
15 subsection (a) or (b) of this paragraph (2.10), whichever is
16 applicable, and the grant received during the 2002-2003
17 school year. For the 2004-2005 school year only, the grant
18 shall be no greater than the grant received during the
19 2002-2003 school year added to the product of 0.50 multiplied
20 by the difference between the grant amount calculated under
21 subsection (a) or (b) of this paragraph (2.10), whichever is
22 applicable, and the grant received during the 2002-2003
23 school year. For the 2005-2006 school year only, the grant
24 shall be no greater than the grant received during the
25 2002-2003 school year added to the product of 0.75 multiplied
26 by the difference between the grant amount calculated under
27 subsection (a) or (b) of this paragraph (2.10), whichever is
28 applicable, and the grant received during the 2002-2003
29 school year.

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

1 from this grant of supplemental general State aid for the
2 improvement of instruction in which priority is given to
3 meeting the education needs of disadvantaged children. Such
4 plan shall be submitted in accordance with rules and
5 regulations promulgated by the State Board of Education.

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

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

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

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

1 centers.

2 (d) Any funds made available under this subsection
3 that by reason of the provisions of this subsection are
4 not required to be allocated and provided to attendance
5 centers may be used and appropriated by the board of the
6 district for any lawful school purpose.

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

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

1 pursuant to rules promulgated by the State Board of
2 Education.

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

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

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

1 of the affected funds.

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

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

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

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

34 (3) For 2 or more school districts which annex all of

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

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

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

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

18 (J) Supplementary Grants in Aid.

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

1 18-8 (exclusive of amounts received under subsections 5(p)
2 and 5(p-5) of that Section) for the 1997-1998 school year,
3 pursuant to the provisions of that Section as it was then in
4 effect.

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

16 (3) (Blank).

17 (K) Grants to Laboratory and Alternative Schools.

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

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

1 excluding students with disabilities in a special education
2 program.

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

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

27 (L) Payments, Additional Grants in Aid and Other
28 Requirements.

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

1 the State Board of Education, and an amount equal to such
2 reduction shall be paid to the Authority created for such
3 district for its operating expenses in the manner provided in
4 Section 18-11. The remainder of general State school aid for
5 any such district shall be paid in accordance with Article
6 34A when that Article provides for a disposition other than
7 that provided by this Article.

8 (2) (Blank).

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

11 (M) Education Funding Advisory Board.

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

1 date of their respective appointments and expire on the third
2 Monday of January, 2000. All members appointed to serve on
3 the Board shall serve until their respective successors are
4 appointed and confirmed. Vacancies shall be filled in the
5 same manner as original appointments. If a vacancy in
6 membership occurs at a time when the Senate is not in
7 session, the Governor shall make a temporary appointment
8 until the next meeting of the Senate, when he or she shall
9 appoint, by and with the advice and consent of the Senate, a
10 person to fill that membership for the unexpired term. If
11 the Senate is not in session when the initial appointments
12 are made, those appointments shall be made as in the case of
13 vacancies.

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

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

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

1 which incorporates the basic education expenditures of
 2 low-spending schools exhibiting high academic performance.
 3 The Education Funding Advisory Board shall make such
 4 recommendations to the General Assembly on January 1 of odd
 5 numbered years, beginning January 1, 2001.

6 (N) (Blank).

7 (O) References.

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

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

16 (Source: P.A. 91-24, eff. 7-1-99; 91-93, eff. 7-9-99; 91-96,
 17 eff. 7-9-99; 91-111, eff. 7-14-99; 91-357, eff. 7-29-99;
 18 91-533, eff. 8-13-99; 92-7, eff. 6-29-01; 92-16, eff.
 19 6-28-01; 92-28, eff. 7-1-01; 92-29, eff. 7-1-01; 92-269, eff.
 20 8-7-01; 92-604, eff. 7-1-02; 92-636, eff. 7-11-02; 92-651,
 21 eff. 7-11-02; revised 7-26-02.)

22 (105 ILCS 5/27A-11.5)

23 Sec. 27A-11.5. State financing. The State Board of
 24 Education shall make the following funds available to school
 25 districts and charter schools:

26 (1) From a separate appropriation made to the State
 27 Board for purposes of this subdivision (1), the State
 28 Board shall make transition impact aid available to
 29 school districts that approve a new charter school or
 30 that have funds withheld by the State Board to fund a new
 31 charter school that is chartered by the State Board. The
 32 amount of the aid shall equal 90% of the per capita

1 funding paid to the charter school during the first year
2 of its initial charter term, 65% of the per capita
3 funding paid to the charter school during the second year
4 of its initial term, and 35% of the per capita funding
5 paid to the charter school during the third year of its
6 initial term. This transition impact aid shall be paid
7 to the local school board in equal quarterly
8 installments, with the payment of the installment for the
9 first quarter being made by August 1st immediately
10 preceding the first, second, and third years of the
11 initial term. The district shall file an application for
12 this aid with the State Board in a format designated by
13 the State Board. If the appropriation is insufficient in
14 any year to pay all approved claims, the impact aid shall
15 be prorated. However, for fiscal year 2004, the State
16 Board of Education shall pay approved claims only for
17 charter schools with a valid charter granted prior to
18 June 1, 2003. If any funds remain after these claims have
19 been paid, then the State Board of Education may pay all
20 other approved claims on a pro rata basis. Transition
21 impact aid shall be paid beginning in the 1999-2000
22 school year for charter schools that are in the first,
23 second, or third year of their initial term. Transition
24 impact aid shall not be paid for any charter school that
25 is proposed and created by one or more boards of
26 education, as authorized under the provisions of Public
27 Act 91-405.

28 (2) From a separate appropriation made for the
29 purpose of this subdivision (2), the State Board shall
30 make grants to charter schools to pay their start-up
31 costs of acquiring educational materials and supplies,
32 textbooks, furniture, and other equipment needed during
33 their initial term. The State Board shall annually
34 establish the time and manner of application for these

1 grants, which shall not exceed \$250 per student enrolled
2 in the charter school.

3 (3) The Charter Schools Revolving Loan Fund is
4 created as a special fund in the State treasury. Federal
5 funds, such other funds as may be made available for
6 costs associated with the establishment of charter
7 schools in Illinois, and amounts repaid by charter
8 schools that have received a loan from the Charter
9 Schools Revolving Loan Fund shall be deposited into the
10 Charter Schools Revolving Loan Fund, and the moneys in
11 the Charter Schools Revolving Loan Fund shall be
12 appropriated to the State Board and used to provide
13 interest-free loans to charter schools. These funds
14 shall be used to pay start-up costs of acquiring
15 educational materials and supplies, textbooks, furniture,
16 and other equipment needed in the initial term of the
17 charter school and for acquiring and remodeling a
18 suitable physical plant, within the initial term of the
19 charter school. Loans shall be limited to one loan per
20 charter school and shall not exceed \$250 per student
21 enrolled in the charter school. A loan shall be repaid
22 by the end of the initial term of the charter school.
23 The State Board may deduct amounts necessary to repay the
24 loan from funds due to the charter school or may require
25 that the local school board that authorized the charter
26 school deduct such amounts from funds due the charter
27 school and remit these amounts to the State Board,
28 provided that the local school board shall not be
29 responsible for repayment of the loan. The State Board
30 may use up to 3% of the appropriation to contract with a
31 non-profit entity to administer the loan program.

32 (4) A charter school may apply for and receive,
33 subject to the same restrictions applicable to school
34 districts, any grant administered by the State Board that

1 is available for school districts.
2 (Source: P.A. 91-407, eff. 8-3-99; 92-16, eff. 6-28-01.)

3 (105 ILCS 5/Art. 14A rep.)

4 Section 5-10. The School Code is amended by repealing
5 Article 14A.

6 Article 10

7 Section 10-5. The School Code is amended by changing
8 Section 10-22.20 as follows:

9 (105 ILCS 5/10-22.20) (from Ch. 122, par. 10-22.20)

10 Sec. 10-22.20. Classes for adults and youths whose
11 schooling has been interrupted; conditions for State
12 reimbursement; use of child care facilities.

13 (a) To establish special classes for the instruction (1)
14 of persons of age 21 years or over, and (2) of persons less
15 than age 21 and not otherwise in attendance in public school,
16 for the purpose of providing adults in the community, and
17 youths whose schooling has been interrupted, with such
18 additional basic education, vocational skill training, and
19 other instruction as may be necessary to increase their
20 qualifications for employment or other means of self-support
21 and their ability to meet their responsibilities as citizens
22 including courses of instruction regularly accepted for
23 graduation from elementary or high schools and for
24 Americanization and General Educational Development Review
25 classes.

26 The board shall pay the necessary expenses of such
27 classes out of school funds of the district, including costs
28 of student transportation and such facilities or provision
29 for child-care as may be necessary in the judgment of the
30 board to permit maximum utilization of the courses by

1 students with children, and other special needs of the
2 students directly related to such instruction. The expenses
3 thus incurred shall be subject to State reimbursement, as
4 provided in this Section. The board may make a tuition
5 charge for persons taking instruction who are not subject to
6 State reimbursement, such tuition charge not to exceed the
7 per capita cost of such classes.

8 The cost of such instruction, including the additional
9 expenses herein authorized, incurred for recipients of
10 financial aid under the Illinois Public Aid Code, or for
11 persons for whom education and training aid has been
12 authorized under Section 9-8 of that Code, shall be assumed
13 in its entirety from funds appropriated by the State to the
14 Illinois Community College Board.

15 (b) The Illinois Community College Board shall establish
16 the standards for the courses of instruction reimbursed under
17 this Section. The Illinois Community College Board shall
18 supervise the administration of the programs. The Illinois
19 Community College Board shall determine the cost of
20 instruction in accordance with standards established by the
21 the Illinois Community College Board, including therein other
22 incidental costs as herein authorized, which shall serve as
23 the basis of State reimbursement in accordance with the
24 provisions of this Section. In the approval of programs and
25 the determination of the cost of instruction, the Illinois
26 Community College Board shall provide for the maximum
27 utilization of federal funds for such programs. The Illinois
28 Community College Board shall also provide for:

29 (1) the development of an index of need for program
30 planning and for area funding allocations, as defined by
31 the Illinois Community College Board;

32 (2) the method for calculating hours of
33 instruction, as defined by the Illinois Community College
34 Board, claimable for reimbursement and a method to phase

1 in the calculation and for adjusting the calculations in
2 cases where the services of a program are interrupted due
3 to circumstances beyond the control of the program
4 provider;

5 (3) a plan for the reallocation of funds to
6 increase the amount allocated for grants based upon
7 program performance as set forth in subsection (d) below;
8 and

9 (4) the development of standards for determining
10 grants based upon performance as set forth in subsection
11 (d) below and a plan for the phased-in implementation of
12 those standards.

13 For instruction provided by school districts and
14 community college districts beginning July 1, 1996 and
15 thereafter, reimbursement provided by the Illinois Community
16 College Board for classes authorized by this Section shall be
17 provided from funds appropriated for the reimbursement
18 criteria set forth in subsection (c) below.

19 (c) Upon the annual approval of the Illinois Community
20 College Board, reimbursement shall be first provided for
21 transportation, child care services, and other special needs
22 of the students directly related to instruction and then from
23 the funds remaining an amount equal to the product of the
24 total credit hours or units of instruction approved by the
25 Illinois Community College Board, multiplied by the
26 following:

27 (1) For adult basic education, the maximum
28 reimbursement per credit hour or per unit of instruction
29 shall be equal to the general state aid per pupil
30 foundation level established in subsection (B) of Section
31 18-8.05, divided by 60;

32 (2) The maximum reimbursement per credit hour or
33 per unit of instruction in subparagraph (1) above shall
34 be weighted for students enrolled in classes defined as

1 vocational skills and approved by the Illinois Community
2 College Board by 1.25;

3 (3) The maximum reimbursement per credit hour or
4 per unit of instruction in subparagraph (1) above shall
5 be multiplied by .90 for students enrolled in classes
6 defined as adult secondary education programs and
7 approved by the Illinois Community College Board;

8 (4) (Blank) For--community--college--districts--the
9 maximum-reimbursement-per-credit--hour--in--subparagraphs
10 (1),--(2),--and--(3)--above--shall--be--reduced--by--the--Adult
11 Basic-Education/Adult-Secondary--Education/English--As--A
12 Second--Language--credit--hour--grant--rate--prescribed--in
13 Section-2-16.02--of--the--Public-Community-College--Act,--as
14 pro-rated-to-the-appropriation-level; and

15 (5) Programs-receiving-funds-under-the-formula-that
16 was--in--effect--during--the-1994-1995-program-year-which
17 continue-to-be-approved-and-which-generate-at--least--80%
18 of--the--hours--claimable--in--1994-95,--or--in--the--case--of
19 programs-not-approved-in-1994-95--at--least--80%--of--the
20 hours--claimable--in--1995-96,--shall--have--funding--for
21 subsequent--years--based-upon-100%--of--the-1995-96-formula
22 funding-level-for-1996-97,--90%--of--the--1995-96--formula
23 funding--level--for--1997-98,--80%--of--the-1995-96-formula
24 funding-level-for-1998-99,--and--70%--of--the-1995-96-formula
25 funding-level-for-1999-2000. For--any--approved--program
26 which--generates--less-than-80%--of--the--claimable-hours--in
27 its-base-year,--the-level--of--funding--pursuant--to--this
28 paragraph--shall--be--reduced--proportionately. Funding for
29 program years after 1999-2000 shall be determined by the
30 Illinois Community College Board.

31 (d) Upon its annual approval, the Illinois Community
32 College Board shall provide grants to eligible programs for
33 supplemental activities to improve or expand services under
34 the Adult Education Act. Eligible programs shall be

1 determined based upon performance outcomes of students in the
2 programs as set by the Illinois Community College Board.

3 (e) Reimbursement under this Section shall not exceed
4 the actual costs of the approved program.

5 If the amount appropriated to the Illinois Community
6 College Board for reimbursement under this Section is less
7 than the amount required under this Act, the apportionment
8 shall be proportionately reduced.

9 School districts and community college districts may
10 assess students up to \$3.00 per credit hour, for classes
11 other than Adult Basic Education level programs, if needed to
12 meet program costs.

13 (f) An education plan shall be established for each
14 adult or youth whose schooling has been interrupted and who
15 is participating in the instructional programs provided under
16 this Section.

17 Each school board and community college shall keep an
18 accurate and detailed account of the students assigned to and
19 receiving instruction under this Section who are subject to
20 State reimbursement and shall submit reports of services
21 provided commencing with fiscal year 1997 as required by the
22 Illinois Community College Board.

23 For classes authorized under this Section, a credit hour
24 or unit of instruction is equal to 15 hours of direct
25 instruction for students enrolled in approved adult education
26 programs at midterm and making satisfactory progress, in
27 accordance with standards established by the Illinois
28 Community College Board.

29 (g) Upon proof submitted to the Illinois Department of
30 Human Services of the payment of all claims submitted under
31 this Section, that Department shall apply for federal funds
32 made available therefor and any federal funds so received
33 shall be paid into the General Revenue Fund in the State
34 Treasury.

1 School districts or community colleges providing classes
2 under this Section shall submit applications to the Illinois
3 Community College Board for preapproval in accordance with
4 the standards established by the Illinois Community College
5 Board. Payments shall be made by the Illinois Community
6 College Board based upon approved programs. Interim
7 expenditure reports may be required by the Illinois Community
8 College Board. Final claims for the school year shall be
9 submitted to the regional superintendents for transmittal to
10 the Illinois Community College Board. Final adjusted
11 payments shall be made by September 30.

12 If a school district or community college district fails
13 to provide, or is providing unsatisfactory or insufficient
14 classes under this Section, the Illinois Community College
15 Board may enter into agreements with public or private
16 educational or other agencies other than the public schools
17 for the establishment of such classes.

18 (h) If a school district or community college district
19 establishes child-care facilities for the children of
20 participants in classes established under this Section, it
21 may extend the use of these facilities to students who have
22 obtained employment and to other persons in the community
23 whose children require care and supervision while the parent
24 or other person in charge of the children is employed or
25 otherwise absent from the home during all or part of the day.
26 It may make the facilities available before and after as well
27 as during regular school hours to school age and preschool
28 age children who may benefit thereby, including children who
29 require care and supervision pending the return of their
30 parent or other person in charge of their care from
31 employment or other activity requiring absence from the home.

32 The Illinois Community College Board shall pay to the
33 board the cost of care in the facilities for any child who is
34 a recipient of financial aid under the Illinois Public Aid

1 Code.

2 The board may charge for care of children for whom it
3 cannot make claim under the provisions of this Section. The
4 charge shall not exceed per capita cost, and to the extent
5 feasible, shall be fixed at a level which will permit
6 utilization by employed parents of low or moderate income.
7 It may also permit any other State or local governmental
8 agency or private agency providing care for children to
9 purchase care.

10 After July 1, 1970 when the provisions of Section
11 10-20.20 become operative in the district, children in a
12 child-care facility shall be transferred to the kindergarten
13 established under that Section for such portion of the day as
14 may be required for the kindergarten program, and only the
15 prorated costs of care and training provided in the Center
16 for the remaining period shall be charged to the Illinois
17 Department of Human Services or other persons or agencies
18 paying for such care.

19 (i) The provisions of this Section shall also apply to
20 school districts having a population exceeding 500,000.

21 (j) In addition to claiming reimbursement under this
22 Section, a school district may claim general State aid under
23 Section 18-8.05 for any student under age 21 who is enrolled
24 in courses accepted for graduation from elementary or high
25 school and who otherwise meets the requirements of Section
26 18-8.05.

27 (Source: P.A. 90-14, eff. 7-1-97; 90-548, eff. 1-1-98;
28 90-802, eff. 12-15-98; 91-830, eff. 7-1-01; revised 2-17-03.)

29 Section 10-10. The Adult Education Act is amended by
30 changing Section 3-1 as follows:

31 (105 ILCS 405/3-1) (from Ch. 122, par. 203-1)

32 Sec. 3-1. Apportionment for Adult Education Courses. Any

1 school district ~~or public community college district~~
 2 maintaining adult education classes for the instruction of
 3 persons over 21 years of age and youths under 21 years of age
 4 whose schooling has been interrupted shall be entitled to
 5 claim an apportionment in accordance with the provisions of
 6 Section 10-22.20 of the School Code and Section 2-4 of this
 7 Act. Any public community college district maintaining adult
 8 education classes for the instruction of persons over 21
 9 years of age and youths under 21 years of age whose schooling
 10 has been interrupted shall be entitled to claim an
 11 apportionment in accordance with the provisions of Section
 12 2-16.02 of the Public Community College Act.

13 Reimbursement as herein provided shall be limited to
 14 courses regularly accepted for graduation from elementary or
 15 high schools and for Americanization and General Educational
 16 Development Review classes which are approved by the Board.

17 If the amount appropriated for this purpose is less than
 18 the amount required under the provisions of this Section, the
 19 apportionment for local districts shall be proportionately
 20 reduced.

21 (Source: P.A. 91-830, eff. 7-1-00.)

22 Section 10-15. The Public Community College Act is
 23 amended by changing Section 2-16.02 and adding Section 2-20
 24 as follows:

25 (110 ILCS 805/2-16.02) (from Ch. 122, par. 102-16.02)

26 Sec. 2-16.02. Grants. Any community college district
 27 that maintains a community college recognized by the State
 28 Board shall receive, when eligible, grants enumerated in this
 29 Section. Funded semester credit hours or other measures or
 30 both as specified by the State Board shall be used to
 31 distribute grants to community colleges. Funded semester
 32 credit hours shall be defined, for purposes of this Section,

1 as the greater of (1) the number of semester credit hours, or
2 equivalent, in all funded instructional categories of
3 students who have been certified as being in attendance at
4 midterm during the respective terms of the base fiscal year
5 or (2) the average of semester credit hours, or equivalent,
6 in all funded instructional categories of students who have
7 been certified as being in attendance at midterm during the
8 respective terms of the base fiscal year and the 2 prior
9 fiscal years. For purposes of this Section, "base fiscal
10 year" means the fiscal year 2 years prior to the fiscal year
11 for which the grants are appropriated. Such students shall
12 have been residents of Illinois and shall have been enrolled
13 in courses that are part of instructional program categories
14 approved by the State Board and that are applicable toward an
15 associate degree or certificate. Courses that are eligible
16 for reimbursement are those courses for which the district
17 pays 50% or more of the program costs from unrestricted
18 revenue sources, with the exception of courses offered by
19 contract with the Department of Corrections in correctional
20 institutions. For the purposes of this Section, "unrestricted
21 revenue sources" means those revenues in which the provider
22 of the revenue imposes no financial limitations upon the
23 district as it relates to the expenditure of the funds.
24 ~~Courses-are-not-eligible-for-reimbursement-where-the-district~~
25 ~~receives-federal-or-State-financing-or-both,-except-financing~~
26 ~~through-the-State-Board,-for-50%-or-more-of-the-program-costs~~
27 ~~with-the-exception-of-courses-offered-by--contract--with--the~~
28 ~~Department-of-Corrections-in-correctional-institutions.~~ Base
29 operating grants shall be paid based on rates per funded
30 semester credit hour or equivalent calculated by the State
31 Board for funded instructional categories using cost of
32 instruction, enrollment, inflation, and other relevant
33 factors. A portion of the base operating grant shall be
34 allocated on the basis of non-residential gross square

1 footage of space maintained by the district.

2 Equalization grants shall be calculated by the State
3 Board by determining a local revenue factor for each district
4 by: (A) adding (1) each district's Corporate Personal
5 Property Replacement Fund allocations from the base fiscal
6 year or the average of the base fiscal year and prior year,
7 whichever is less, divided by the applicable statewide
8 average tax rate to (2) the district's most recently audited
9 year's equalized assessed valuation or the average of the
10 most recently audited year and prior year, whichever is less,
11 (B) then dividing by the district's audited full-time
12 equivalent resident students for the base fiscal year or the
13 average for the base fiscal year and the 2 prior fiscal
14 years, whichever is greater, and (C) then multiplying by the
15 applicable statewide average tax rate. The State Board shall
16 calculate a statewide weighted average threshold by applying
17 the same methodology to the totals of all districts'
18 Corporate Personal Property Tax Replacement Fund allocations,
19 equalized assessed valuations, and audited full-time
20 equivalent district resident students and multiplying by the
21 applicable statewide average tax rate. The difference
22 between the statewide weighted average threshold and the
23 local revenue factor, multiplied by the number of full-time
24 equivalent resident students, shall determine the amount of
25 equalization funding that each district is eligible to
26 receive. A percentage factor, as determined by the State
27 Board, may be applied to the statewide threshold as a method
28 for allocating equalization funding. A minimum equalization
29 grant of an amount per district as determined by the State
30 Board shall be established for any community college district
31 which qualifies for an equalization grant based upon the
32 preceding criteria, but becomes ineligible for equalization
33 funding, or would have received a grant of less than the
34 minimum equalization grant, due to threshold prorations

1 applied to reduce equalization funding. As of July 1, 2004, a
 2 community college district must maintain a minimum required
 3 combined in-district tuition and universal fee rate per
 4 semester credit hour equal to 85% of the State-average
 5 combined rate, as determined by the State Board, for
 6 equalization funding. As of July 1, 2004, a community college
 7 district must maintain a minimum required operating tax rate
 8 equal to at least 95% of its maximum authorized tax rate to
 9 qualify for equalization funding. This 95% minimum tax rate
 10 requirement shall be based upon the maximum operating tax
 11 rate as limited by the Property Tax Extension Limitation Law.
 12 ~~As of July 1, 1997, community college districts must maintain~~
 13 ~~a minimum required in-district tuition rate per semester~~
 14 ~~credit hour as determined by the State Board. For each~~
 15 ~~fiscal year between July 1, 1997 and June 30, 2001, districts~~
 16 ~~not meeting the minimum required rate will be subject to a~~
 17 ~~percent reduction of equalization funding as determined by~~
 18 ~~the State Board. As of July 1, 2001, districts must meet the~~
 19 ~~required minimum in-district tuition rate to qualify for~~
 20 ~~equalization funding.~~

21 The State Board shall distribute such other grants as may
 22 be authorized or appropriated by the General Assembly.

23 Each community college district entitled to State grants
 24 under this Section must submit a report of its enrollment to
 25 the State Board not later than 30 days following the end of
 26 each semester, quarter, or term in a format prescribed by the
 27 State Board. These semester credit hours, or equivalent,
 28 shall be certified by each district on forms provided by the
 29 State Board. Each district's certified semester credit
 30 hours, or equivalent, are subject to audit pursuant to
 31 Section 3-22.1.

32 The State Board shall certify, prepare, and submit to the
 33 State Comptroller during August, November, February, and May
 34 of each fiscal year vouchers setting forth an amount equal to

1 25% of the grants approved by the State Board for base
2 operating grants and equalization grants. The State Board
3 shall prepare and submit to the State Comptroller vouchers
4 for payments of other grants as appropriated by the General
5 Assembly. If the amount appropriated for grants is different
6 from the amount provided for such grants under this Act, the
7 grants shall be proportionately reduced or increased
8 accordingly.

9 For the purposes of this Section, "resident student"
10 means a student in a community college district who maintains
11 residency in that district or meets other residency
12 definitions established by the State Board, and who was
13 enrolled either in one of the approved instructional program
14 categories in that district, or in another community college
15 district to which the resident's district is paying tuition
16 under Section 6-2 or with which the resident's district has
17 entered into a cooperative agreement in lieu of such tuition.

18 For the purposes of this Section, a "full-time
19 equivalent" student is equal to 30 semester credit hours.

20 The Illinois Community College Board Contracts and Grants
21 Fund is hereby created in the State Treasury. Items of
22 income to this fund shall include any grants, awards,
23 endowments, or like proceeds, and where appropriate, other
24 funds made available through contracts with governmental,
25 public, and private agencies or persons. The General
26 Assembly shall from time to time make appropriations payable
27 from such fund for the support, improvement, and expenses of
28 the State Board and Illinois community college districts.

29 (Source: P.A. 89-141, eff. 7-14-95; 89-281, eff. 8-10-95;
30 89-473, eff. 6-18-96; 89-626, eff. 8-9-96; 90-468, eff.
31 8-17-97; 90-486, eff. 8-17-97; 90-497, eff. 8-18-97; 90-587,
32 eff. 8-7-98 (contingent upon 90-720); 90-655, eff. 7-30-98;
33 90-720, eff. 8-7-98.)

1 (110 ILCS 805/2-20 new)

2 Sec. 2-20. Deferred maintenance grants. For fiscal year
3 2004 only, the State Board shall award a deferred maintenance
4 grant only to a district to which Article VII of this Act
5 applies, for that district's general purposes. This grant
6 shall be awarded under a formula determined by the State
7 Board.

8 Section 10-20. The Higher Education Student Assistance
9 Act is amended by changing Section 52 as follows:

10 (110 ILCS 947/52)

11 Sec. 52. Illinois Future Teacher Corps ~~IFTEACH-Teacher~~
12 ~~Shertage-Scholarship~~ Program.

13 (a) In order to encourage academically talented Illinois
14 students, especially minority students, to pursue teaching
15 careers, especially in teacher shortage disciplines (which
16 shall be defined to include early childhood education) or at
17 hard-to-staff schools (as defined by the Commission in
18 consultation with the State Board of Education), the
19 Commission shall, each year, receive and consider
20 applications for scholarship assistance under this Section.
21 An applicant is eligible for a scholarship under this Section
22 when the Commission finds that the applicant is:

- 23 (1) a United States citizen or eligible noncitizen;
- 24 (2) a resident of Illinois;
- 25 (3) a high school graduate or a person who has
26 received a General Educational Development Certificate;
- 27 (4) enrolled or accepted for enrollment at or above
28 the junior level, on at least a half-time basis, at an
29 Illinois institution of higher learning; and
- 30 (5) pursuing a postsecondary course of study
31 leading to initial certification ~~in--a--teacher--shortage~~
32 ~~discipline~~ or pursuing additional course work needed to

1 gain State Board of Education approval to teach,
2 including alternative teacher certification, ~~in an~~
3 ~~approved-specialized-area-in-which-a-teacher-shortage~~
4 exists.

5 (b) Recipients shall be selected from among applicants
6 qualified pursuant to subsection (a) based on a combination
7 of the following criteria as set forth by the Commission: (1)
8 academic excellence; (2) status as a minority student as
9 defined in Section 50; and (3) financial need. Preference
10 may be given to previous recipients of assistance under this
11 Section, provided they continue to maintain eligibility and
12 maintain satisfactory academic progress as determined by the
13 institution of higher learning at which they enroll.
14 ~~Preference may also be given to qualified applicants enrolled~~
15 ~~at or above the junior level.~~

16 (c) Each scholarship awarded under this Section shall be
17 in an amount sufficient to pay the tuition and fees and room
18 and board costs of the Illinois institution of higher
19 learning at which the recipient is enrolled, up to an annual
20 maximum of \$5,000; except that in the case of a recipient who
21 does not reside on-campus at the institution of higher
22 learning at which he or she is enrolled, the amount of the
23 scholarship shall be sufficient to pay tuition and fee
24 expenses and a commuter allowance, up to an annual maximum of
25 \$5,000. For recipients who agree to teach in a teacher
26 shortage discipline or at a hard-to-staff school under
27 subsection (i) of this Section, the Commission may, by rule
28 and subject to appropriation, increase the annual maximum
29 amount to \$10,000. If a recipient agrees to teach in both a
30 teacher shortage discipline and at a hard-to-staff school
31 under subsection (i) of this Section, the Commission may
32 increase the amount of the scholarship awarded by up to an
33 additional \$5,000.

34 (d) The total amount of scholarship assistance awarded

1 by the Commission under this Section to an individual in any
2 given fiscal year, when added to other financial assistance
3 awarded to that individual for that year, shall not exceed
4 the cost of attendance at the institution of higher learning
5 at which the student is enrolled.

6 (e) A recipient may receive up to 4 8 semesters or 6 12
7 quarters of scholarship assistance under this Section.

8 (f) All applications for scholarship assistance to be
9 awarded under this Section shall be made to the Commission in
10 a form as set forth by the Commission. The form of
11 application and the information required to be set forth
12 therein shall be determined by the Commission, and the
13 Commission shall require eligible applicants to submit with
14 their applications such supporting documents as the
15 Commission deems necessary.

16 (g) Subject to a separate appropriation made for such
17 purposes, payment of any scholarship awarded under this
18 Section shall be determined by the Commission. There shall be
19 a separate appropriation made for scholarships awarded to
20 recipients who agree to teach in a teacher shortage
21 discipline or at a hard-to-staff school under subsection (i)
22 of this Section. The Commission may use for scholarship
23 assistance under this Section (i) all funds appropriated for
24 scholarships under this Section that were formerly known as
25 ITEACH Teacher Shortage Scholarships and (ii) all funds
26 appropriated for scholarships under Section 65.65 of this Act
27 (repealed by this amendatory Act of the 93rd General
28 Assembly), formerly known as Illinois Future Teacher Corps
29 Scholarships.

30 All scholarship funds distributed in accordance with this
31 Section shall be paid to the institution on behalf of the
32 recipients. Scholarship funds are applicable toward 2
33 semesters or 3 quarters of enrollment within an academic
34 year.

1 (h) The Commission shall administer the ~~ITEACH--Teacher~~
2 ~~Shertage~~ scholarship program established by this Section and
3 shall make all necessary and proper rules not inconsistent
4 with this Section for its effective implementation.

5 (i) Prior to receiving scholarship assistance for any
6 academic year, each recipient of a scholarship awarded under
7 this Section shall be required by the Commission to sign an
8 agreement under which the recipient pledges that, within the
9 one-year period following the termination of the academic
10 program for which the recipient was awarded a scholarship,
11 the recipient: (i) shall begin teaching ~~in-a-teacher-shortage~~
12 ~~discipline~~ for a period of not less than 5 years ~~one-year-for~~
13 ~~each--year--of--scholarship--assistance--awarded--under--this~~
14 ~~Section~~, (ii) shall fulfill this teaching obligation at a
15 nonprofit Illinois public, private, or parochial preschool or
16 an Illinois public elementary or secondary school, and (iii)
17 shall, upon request of the Commission, provide the Commission
18 with evidence that he or she is fulfilling or has fulfilled
19 the terms of the teaching agreement provided for in this
20 subsection.

21 (j) If a recipient of a scholarship awarded under this
22 Section fails to fulfill the teaching obligation set forth in
23 subsection (i) of this Section, the Commission shall require
24 the recipient to repay the amount of the scholarships
25 received, prorated according to the fraction of the teaching
26 obligation not completed, plus interest at a rate of 5% and
27 if applicable, reasonable collection fees. The Commission is
28 authorized to establish rules relating to its collection
29 activities for repayment of scholarships under this Section.
30 Payments received by the Commission under this subsection (j)
31 shall be remitted to the State Comptroller for deposit into
32 the General Revenue Fund, except that that portion of a
33 recipient's repayment that equals the amount in expenses that
34 the Commission has reasonably incurred in attempting

1 collection from that recipient shall be remitted to the State
2 Comptroller for deposit into the Commission's Accounts
3 Receivable Fund.

4 (k) A recipient of a scholarship awarded by the
5 Commission under this Section shall not be in violation of
6 the agreement entered into pursuant to subsection (i) if the
7 recipient (i) enrolls on a full-time basis as a graduate
8 student in a course of study related to the field of teaching
9 at an institution of higher learning; (ii) is serving as a
10 member of the armed services of the United States; (iii) is
11 temporarily totally disabled, as established by sworn
12 affidavit of a qualified physician; or (iv) is seeking and
13 unable to find full-time employment as a teacher at a school
14 that satisfies the criteria set forth in subsection (i) and
15 is able to provide evidence of that fact. Any such extension
16 of the period during which the teaching requirement must be
17 fulfilled shall be subject to limitations of duration as
18 established by the Commission.

19 (Source: P.A. 91-670, eff. 12-22-99; 92-845, eff. 1-1-03.)

20 Section 10-25. The Illinois Vehicle Code is amended by
21 changing Section 3-648 as follows:

22 (625 ILCS 5/3-648)

23 Sec. 3-648. Education license plates.

24 (a) The Secretary, upon receipt of an application made
25 in the form prescribed by the Secretary, may issue special
26 registration plates designated as Education license plates.
27 The special plates issued under this Section shall be affixed
28 only to passenger vehicles of the first division and motor
29 vehicles of the second division weighing not more than 8,000
30 pounds. Plates issued under this Section shall expire
31 according to the multi-year procedure established by Section
32 3-414.1 of this Code.

1 (b) The design and color of the plates shall be
2 determined by a contest that every elementary school pupil in
3 the State of Illinois is eligible to enter. The designs
4 submitted for the contest shall be judged on September 30,
5 2002, and the winning design shall be selected by a committee
6 composed of the Secretary, the Director of State Police, 2
7 members of the Senate, one member chosen by the President of
8 the Senate and one member chosen by the Senate Minority
9 Leader, and 2 members of the House of Representatives, one
10 member chosen by the Speaker of the House and one member
11 chosen by the House Minority Leader. The Secretary may allow
12 the plates to be issued as vanity or personalized plates
13 under Section 3-405.1 of the Code. The Secretary shall
14 prescribe stickers or decals as provided under Section 3-412
15 of this Code.

16 (c) An applicant for the special plate shall be charged
17 a \$40 fee for original issuance, in addition to the
18 appropriate registration fee. Of this \$40 additional original
19 issuance fee, \$15 shall be deposited into the Secretary of
20 State Special License Plate Fund, to be used by the Secretary
21 to help defray the administrative processing costs, and \$25
22 shall be deposited into the Illinois Future Teacher Corps
23 Scholarship Fund. For each registration renewal period, a
24 \$40 fee, in addition to the appropriate registration fee,
25 shall be charged. Of this \$40 additional renewal fee, \$2
26 shall be deposited into the Secretary of State Special
27 License Plate Fund and \$38 shall be deposited into the
28 Illinois Future Teacher Corps Scholarship Fund. Each fiscal
29 year, once deposits from the additional original issuance and
30 renewal fees into the Secretary of State Special License
31 Plate Fund have reached \$500,000, all the amounts received
32 for the additional fees for the balance of the fiscal year
33 shall be deposited into the Illinois Future Teacher Corps
34 Scholarship Fund.

1 (d) The Illinois Future Teacher Corps Scholarship Fund
2 is created as a special fund in the State treasury.
3 Ninety-five percent of the moneys in the Illinois Future
4 Teacher Corps Scholarship Fund shall be appropriated to the
5 Illinois Student Assistance Commission for scholarships under
6 Section 52 ~~of~~ ~~65.65~~ of the Higher Education Student
7 Assistance Act, and 5% of the moneys in the Illinois Future
8 Teacher Corps Scholarship Fund shall be appropriated to the
9 State Board of Education for grants to the Golden Apple
10 Foundation for Excellence in Teaching, a recognized
11 charitable organization that meets the requirements of Title
12 26, Section 501(c)(3) of the United States Code.

13 (Source: P.A. 92-445, eff. 8-17-01; 92-651, eff. 7-11-02;
14 92-845, eff. 1-1-03.)

15 (110 ILCS 947/65.65 rep.)

16 Section 10-30. The Higher Education Student Assistance
17 Act is amended by repealing Section 65.65.

18 Article 99

19 Section 99-99. Effective date. This Act takes effect on
20 July 1, 2003.