

1 AN ACT concerning schools.

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

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

6 (105 ILCS 5/18-8.05)

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

10 (A) General Provisions.

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

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

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

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

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

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

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

33 (d) (Blank).

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

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

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

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

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

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

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

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

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

32 (B) Foundation Level.

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

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

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

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

17 (C) Average Daily Attendance.

18 (1) For purposes of calculating general State aid
19 pursuant to subsection (E), an Average Daily Attendance
20 figure shall be utilized. The Average Daily Attendance
21 figure for formula calculation purposes shall be the monthly
22 average of the actual number of pupils in attendance of each
23 school district, as further averaged for the best 3 months of
24 pupil attendance for each school district. In compiling the
25 figures for the number of pupils in attendance, school
26 districts and the State Board of Education shall, for
27 purposes of general State aid funding, conform attendance
28 figures to the requirements of subsection (F).

29 (2) The Average Daily Attendance figures utilized in
30 subsection (E) shall be the requisite attendance data for the
31 school year immediately preceding the school year for which
32 general State aid is being calculated or the average of the
33 attendance data for the 3 preceding school years, whichever
34 is greater. The Average Daily Attendance figures utilized in

1 subsection (H) shall be the requisite attendance data for the
2 school year immediately preceding the school year for which
3 general State aid is being calculated.

4 (D) Available Local Resources.

5 (1) For purposes of calculating general State aid
6 pursuant to subsection (E), a representation of Available
7 Local Resources per pupil, as that term is defined and
8 determined in this subsection, shall be utilized. Available
9 Local Resources per pupil shall include a calculated dollar
10 amount representing local school district revenues from local
11 property taxes and from Corporate Personal Property
12 Replacement Taxes, expressed on the basis of pupils in
13 Average Daily Attendance.

14 (2) In determining a school district's revenue from
15 local property taxes, the State Board of Education shall
16 utilize the equalized assessed valuation of all taxable
17 property of each school district as of September 30 of the
18 previous year. The equalized assessed valuation utilized
19 shall be obtained and determined as provided in subsection
20 (G).

21 (3) For school districts maintaining grades kindergarten
22 through 12, local property tax revenues per pupil shall be
23 calculated as the product of the applicable equalized
24 assessed valuation for the district multiplied by 3.00%, and
25 divided by the district's Average Daily Attendance figure.
26 For school districts maintaining grades kindergarten through
27 8, local property tax revenues per pupil shall be calculated
28 as the product of the applicable equalized assessed valuation
29 for the district multiplied by 2.30%, and divided by the
30 district's Average Daily Attendance figure. For school
31 districts maintaining grades 9 through 12, local property tax
32 revenues per pupil shall be the applicable equalized assessed
33 valuation of the district multiplied by 1.05%, and divided by
34 the district's Average Daily Attendance figure.

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

11 (E) Computation of General State Aid.

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

15 (2) For any school district for which Available Local
16 Resources per pupil is less than the product of 0.93 times
17 the Foundation Level, general State aid for that district
18 shall be calculated as an amount equal to the Foundation
19 Level minus Available Local Resources, multiplied by the
20 Average Daily Attendance of the school district.

21 (3) For any school district for which Available Local
22 Resources per pupil is equal to or greater than the product
23 of 0.93 times the Foundation Level and less than the product
24 of 1.75 times the Foundation Level, the general State aid per
25 pupil shall be a decimal proportion of the Foundation Level
26 derived using a linear algorithm. Under this linear
27 algorithm, the calculated general State aid per pupil shall
28 decline in direct linear fashion from 0.07 times the
29 Foundation Level for a school district with Available Local
30 Resources equal to the product of 0.93 times the Foundation
31 Level, to 0.05 times the Foundation Level for a school
32 district with Available Local Resources equal to the product
33 of 1.75 times the Foundation Level. The allocation of
34 general State aid for school districts subject to this

1 paragraph 3 shall be the calculated general State aid per
2 pupil figure multiplied by the Average Daily Attendance of
3 the school district.

4 (4) For any school district for which Available Local
5 Resources per pupil equals or exceeds the product of 1.75
6 times the Foundation Level, the general State aid for the
7 school district shall be calculated as the product of \$218
8 multiplied by the Average Daily Attendance of the school
9 district.

10 (5) The amount of general State aid allocated to a
11 school district for the 1999-2000 school year meeting the
12 requirements set forth in paragraph (4) of subsection (G)
13 shall be increased by an amount equal to the general State
14 aid that would have been received by the district for the
15 1998-1999 school year by utilizing the Extension Limitation
16 Equalized Assessed Valuation as calculated in paragraph (4)
17 of subsection (G) less the general State aid allotted for the
18 1998-1999 school year. This amount shall be deemed a one
19 time increase, and shall not affect any future general State
20 aid allocations.

21 (F) Compilation of Average Daily Attendance.

22 (1) Each school district shall, by July 1 of each year,
23 submit to the State Board of Education, on forms prescribed
24 by the State Board of Education, attendance figures for the
25 school year that began in the preceding calendar year. The
26 attendance information so transmitted shall identify the
27 average daily attendance figures for each month of the school
28 year. Beginning with the general State aid claim form for
29 the 2002-2003 school year, districts shall calculate Average
30 Daily Attendance as provided in subdivisions (a), (b), and
31 (c) of this paragraph (1).

32 (a) In districts that do not hold year-round
33 classes, days of attendance in August shall be added to
34 the month of September and any days of attendance in June

1 shall be added to the month of May.

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

6 (c) In districts in which some buildings, but not
7 all, hold year-round classes, for the non-year-round
8 buildings, days of attendance in August shall be added to
9 the month of September and any days of attendance in June
10 shall be added to the month of May. The average daily
11 attendance for the year-round buildings shall be computed
12 as provided in subdivision (b) of this paragraph (1). To
13 calculate the Average Daily Attendance for the district,
14 the average daily attendance for the year-round buildings
15 shall be multiplied by the days in session for the
16 non-year-round buildings for each month and added to the
17 monthly attendance of the non-year-round buildings.

18 Except as otherwise provided in this Section, days of
19 attendance by pupils shall be counted only for sessions of
20 not less than 5 clock hours of school work per day under
21 direct supervision of: (i) teachers, or (ii) non-teaching
22 personnel or volunteer personnel when engaging in
23 non-teaching duties and supervising in those instances
24 specified in subsection (a) of Section 10-22.34 and paragraph
25 10 of Section 34-18, with pupils of legal school age and in
26 kindergarten and grades 1 through 12.

27 Days of attendance by tuition pupils shall be accredited
28 only to the districts that pay the tuition to a recognized
29 school.

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

33 (a) Pupils regularly enrolled in a public school
34 for only a part of the school day may be counted on the

1 basis of 1/6 day for every class hour of instruction of
2 40 minutes or more attended pursuant to such enrollment,
3 unless a pupil is enrolled in a block-schedule format of
4 80 minutes or more of instruction, in which case the
5 pupil may be counted on the basis of the proportion of
6 minutes of school work completed each day to the minimum
7 number of minutes that school work is required to be held
8 that day.

9 (b) Days of attendance may be less than 5 clock
10 hours on the opening and closing of the school term, and
11 upon the first day of pupil attendance, if preceded by a
12 day or days utilized as an institute or teachers'
13 workshop.

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

19 (d) A session of 3 or more clock hours may be
20 counted as a day of attendance (1) when the remainder of
21 the school day or at least 2 hours in the evening of that
22 day is utilized for an in-service training program for
23 teachers, up to a maximum of 5 days per school year of
24 which a maximum of 4 days of such 5 days may be used for
25 parent-teacher conferences, provided a district conducts
26 an in-service training program for teachers which has
27 been approved by the State Superintendent of Education;
28 or, in lieu of 4 such days, 2 full days may be used, in
29 which event each such day may be counted as a day of
30 attendance; and (2) when days in addition to those
31 provided in item (1) are scheduled by a school pursuant
32 to its school improvement plan adopted under Article 34
33 or its revised or amended school improvement plan adopted
34 under Article 2, provided that (i) such sessions of 3 or

1 more clock hours are scheduled to occur at regular
2 intervals, (ii) the remainder of the school days in which
3 such sessions occur are utilized for in-service training
4 programs or other staff development activities for
5 teachers, and (iii) a sufficient number of minutes of
6 school work under the direct supervision of teachers are
7 added to the school days between such regularly scheduled
8 sessions to accumulate not less than the number of
9 minutes by which such sessions of 3 or more clock hours
10 fall short of 5 clock hours. Any full days used for the
11 purposes of this paragraph shall not be considered for
12 computing average daily attendance. Days scheduled for
13 in-service training programs, staff development
14 activities, or parent-teacher conferences may be
15 scheduled separately for different grade levels and
16 different attendance centers of the district.

17 (e) A session of not less than one clock hour of
18 teaching hospitalized or homebound pupils on-site or by
19 telephone to the classroom may be counted as 1/2 day of
20 attendance, however these pupils must receive 4 or more
21 clock hours of instruction to be counted for a full day
22 of attendance.

23 (f) A session of at least 4 clock hours may be
24 counted as a day of attendance for first grade pupils,
25 and pupils in full day kindergartens, and a session of 2
26 or more hours may be counted as 1/2 day of attendance by
27 pupils in kindergartens which provide only 1/2 day of
28 attendance.

29 (g) For children with disabilities who are below
30 the age of 6 years and who cannot attend 2 or more clock
31 hours because of their disability or immaturity, a
32 session of not less than one clock hour may be counted as
33 1/2 day of attendance; however for such children whose
34 educational needs so require a session of 4 or more clock

1 hours may be counted as a full day of attendance.

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

20 (i) On the days when the Prairie State Achievement
21 Examination is administered under subsection (c) of
22 Section 2-3.64 of this Code, the day of attendance for a
23 pupil who is taking the examination or whose school day
24 must be shortened to accommodate required testing
25 procedures may be less than 5 clock hours, provided that
26 a sufficient number of minutes of school work in excess
27 of 5 clock hours are completed on other school days to
28 compensate for the loss of school work on the examination
29 days. If such pupils are required to miss one or more
30 entire days of attendance in order to accommodate
31 required testing procedures, those days may be counted
32 toward the pupils' 176 days of actual attendance required
33 under Section 10-19 of this Code; however, the school
34 district may not count these pupils in the district's

1 Average Daily Attendance computation for those days.

2 (G) Equalized Assessed Valuation Data.

3 (1) For purposes of the calculation of Available Local
4 Resources required pursuant to subsection (D), the State
5 Board of Education shall secure from the Department of
6 Revenue the value as equalized or assessed by the Department
7 of Revenue of all taxable property of every school district,
8 together with (i) the applicable tax rate used in extending
9 taxes for the funds of the district as of September 30 of the
10 previous year and (ii) the limiting rate for all school
11 districts subject to property tax extension limitations as
12 imposed under the Property Tax Extension Limitation Law.

13 This equalized assessed valuation, as adjusted further by
14 the requirements of this subsection, shall be utilized in the
15 calculation of Available Local Resources.

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

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

1 the Industrial Jobs Recovery Law. For the purpose of the
2 equalized assessed valuation of the district, the total
3 initial equalized assessed valuation or the current
4 equalized assessed valuation, whichever is lower, shall
5 be used until such time as all redevelopment project
6 costs have been paid.

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

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

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

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

31 "Base Tax Year": The property tax levy year used to
32 calculate the Budget Year allocation of general State
33 aid.

34 "Preceding Tax Year": The property tax levy year

1 immediately preceding the Base Tax Year.

2 "Base Tax Year's Tax Extension": The product of the
3 equalized assessed valuation utilized by the County Clerk
4 in the Base Tax Year multiplied by the limiting rate as
5 calculated by the County Clerk and defined in the
6 Property Tax Extension Limitation Law.

7 "Preceding Tax Year's Tax Extension": The product of
8 the equalized assessed valuation utilized by the County
9 Clerk in the Preceding Tax Year multiplied by the
10 Operating Tax Rate as defined in subsection (A).

11 "Extension Limitation Ratio": A numerical ratio,
12 certified by the County Clerk, in which the numerator is
13 the Base Tax Year's Tax Extension and the denominator is
14 the Preceding Tax Year's Tax Extension.

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

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

1 calculated pursuant to subsections (G)(1) and (G)(2), then
2 for purposes of calculating the district's general State aid
3 for the Budget Year pursuant to subsection (E), that
4 Extension Limitation Equalized Assessed Valuation shall be
5 utilized to calculate the district's Available Local
6 Resources under subsection (D).

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

27 (5) For school districts having a majority of their
28 equalized assessed valuation in any county except Cook,
29 DuPage, Kane, Lake, McHenry, or Will, if the amount of
30 general State aid allocated to the school district for the
31 1999-2000 school year under the provisions of subsection (E),
32 (H), and (J) of this Section is less than the amount of
33 general State aid allocated to the district for the 1998-1999
34 school year under these subsections, then the general State

1 aid of the district for the 1999-2000 school year only shall
2 be increased by the difference between these amounts. The
3 total payments made under this paragraph (5) shall not exceed
4 \$14,000,000. Claims shall be prorated if they exceed
5 \$14,000,000.

6 (H) Supplemental General State Aid.

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

1 recent federal censuses, then the high school district's
2 low-income eligible pupil count from the earlier federal
3 census shall be the number used as the low-income eligible
4 pupil count for the high school district, for purposes of
5 this subsection (H). The changes made to this paragraph (1)
6 by Public Act 92-28 shall apply to supplemental general State
7 aid grants paid in fiscal year 1999 and in each fiscal year
8 thereafter and to any State aid payments made in fiscal year
9 1994 through fiscal year 1998 pursuant to subsection 1(n) of
10 Section 18-8 of this Code (which was repealed on July 1,
11 1998), and any high school district that is affected by
12 Public Act 92-28 is entitled to a recomputation of its
13 supplemental general State aid grant or State aid paid in any
14 of those fiscal years. This recomputation shall not be
15 affected by any other funding.

16 (2) Supplemental general State aid pursuant to this
17 subsection (H) shall be provided as follows for the
18 1998-1999, 1999-2000, and 2000-2001 school years only:

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

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

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

31 (d) For any school district with a Low Income
32 Concentration Level of 60% or more, the grant for the
33 1998-99 school year shall be \$1,900 multiplied by the low
34 income eligible pupil count.

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

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

9 (2.5) Supplemental general State aid pursuant to this
10 subsection (H) shall be provided as follows for the 2002-2003
11 school year and each school year thereafter:

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

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

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

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

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

32 (f) For any school district with a Low Income
33 Concentration Level of 60% or more, the grant for each
34 school year shall be \$2,080 multiplied by the low income

1 eligible pupil count.

2 (3) School districts with an Average Daily Attendance of
3 more than 1,000 and less than 50,000 that qualify for
4 supplemental general State aid pursuant to this subsection
5 shall submit a plan to the State Board of Education prior to
6 October 30 of each year for the use of the funds resulting
7 from this grant of supplemental general State aid for the
8 improvement of instruction in which priority is given to
9 meeting the education needs of disadvantaged children. Such
10 plan shall be submitted in accordance with rules and
11 regulations promulgated by the State Board of Education.

12 (4) School districts with an Average Daily Attendance of
13 50,000 or more that qualify for supplemental general State
14 aid pursuant to this subsection shall be required to
15 distribute from funds available pursuant to this Section, no
16 less than \$261,000,000 in accordance with the following
17 requirements:

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

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

33 (c) Each attendance center shall be provided by the
34 school district a distribution of noncategorical funds

1 and other categorical funds to which an attendance center
2 is entitled under law in order that the general State aid
3 and supplemental general State aid provided by
4 application of this subsection supplements rather than
5 supplants the noncategorical funds and other categorical
6 funds provided by the school district to the attendance
7 centers.

8 (d) Any funds made available under this subsection
9 that by reason of the provisions of this subsection are
10 not required to be allocated and provided to attendance
11 centers may be used and appropriated by the board of the
12 district for any lawful school purpose.

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

26 (f) Each district subject to the provisions of this
27 subdivision (H)(4) shall submit an acceptable plan to
28 meet the educational needs of disadvantaged children, in
29 compliance with the requirements of this paragraph, to
30 the State Board of Education prior to July 15 of each
31 year. This plan shall be consistent with the decisions of
32 local school councils concerning the school expenditure
33 plans developed in accordance with part 4 of Section
34 34-2.3. The State Board shall approve or reject the plan

1 within 60 days after its submission. If the plan is
2 rejected, the district shall give written notice of
3 intent to modify the plan within 15 days of the
4 notification of rejection and then submit a modified plan
5 within 30 days after the date of the written notice of
6 intent to modify. Districts may amend approved plans
7 pursuant to rules promulgated by the State Board of
8 Education.

9 Upon notification by the State Board of Education
10 that the district has not submitted a plan prior to July
11 15 or a modified plan within the time period specified
12 herein, the State aid funds affected by that plan or
13 modified plan shall be withheld by the State Board of
14 Education until a plan or modified plan is submitted.

15 If the district fails to distribute State aid to
16 attendance centers in accordance with an approved plan,
17 the plan for the following year shall allocate funds, in
18 addition to the funds otherwise required by this
19 subsection, to those attendance centers which were
20 underfunded during the previous year in amounts equal to
21 such underfunding.

22 For purposes of determining compliance with this
23 subsection in relation to the requirements of attendance
24 center funding, each district subject to the provisions
25 of this subsection shall submit as a separate document by
26 December 1 of each year a report of expenditure data for
27 the prior year in addition to any modification of its
28 current plan. If it is determined that there has been a
29 failure to comply with the expenditure provisions of this
30 subsection regarding contravention or supplanting, the
31 State Superintendent of Education shall, within 60 days
32 of receipt of the report, notify the district and any
33 affected local school council. The district shall within
34 45 days of receipt of that notification inform the State

1 Superintendent of Education of the remedial or corrective
2 action to be taken, whether by amendment of the current
3 plan, if feasible, or by adjustment in the plan for the
4 following year. Failure to provide the expenditure
5 report or the notification of remedial or corrective
6 action in a timely manner shall result in a withholding
7 of the affected funds.

8 The State Board of Education shall promulgate rules
9 and regulations to implement the provisions of this
10 subsection. No funds shall be released under this
11 subdivision (H)(4) to any district that has not submitted
12 a plan that has been approved by the State Board of
13 Education.

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

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

26 (2) For a school district which annexes all of the
27 territory of one or more entire other school districts, for
28 the first year during which the change of boundaries
29 attributable to such annexation becomes effective for all
30 purposes as determined under Section 7-9 or 7A-8, the general
31 State aid and supplemental general State aid calculated under
32 this Section shall be computed for the annexing district as
33 constituted after the annexation and for the annexing and
34 each annexed district as constituted prior to the annexation;

1 and if the computation on the basis of the annexing and
2 annexed districts as constituted prior to the annexation is
3 greater, a supplementary payment equal to the difference
4 shall be made for the first 4 years of existence of the
5 annexing school district as constituted upon such annexation.

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

1 same ratio as the pupil enrollment from that portion of the
2 annexed or divided district or districts which is annexed to
3 or included in each such annexing or resulting district bears
4 to the total pupil enrollment from the entire annexed or
5 divided district or districts, as such pupil enrollment is
6 determined for the school year last ending prior to the date
7 when the change of boundaries attributable to the annexation
8 or division becomes effective for all purposes. The amount
9 of the total difference payment and the amount thereof to be
10 allocated to the annexing or resulting districts shall be
11 computed by the State Board of Education on the basis of
12 pupil enrollment and other data which shall be certified to
13 the State Board of Education, on forms which it shall provide
14 for that purpose, by the regional superintendent of schools
15 for each educational service region in which the annexing and
16 annexed districts, or resulting and divided districts are
17 located.

18 (3.5) Claims for financial assistance under this
19 subsection (I) shall not be recomputed except as expressly
20 provided under this Section.

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

24 (J) Supplementary Grants in Aid.

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

1 supplementary payment made under this subsection (J), the
2 amount of the aggregate general State aid in combination with
3 supplemental general State aid under this Section which that
4 district is eligible to receive for each school year shall be
5 no less than the amount of the aggregate general State aid
6 entitlement that was received by the district under Section
7 18-8 (exclusive of amounts received under subsections 5(p)
8 and 5(p-5) of that Section) for the 1997-1998 school year,
9 pursuant to the provisions of that Section as it was then in
10 effect.

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

22 (3) (Blank).

23 (K) Grants to Laboratory and Alternative Schools.

24 In calculating the amount to be paid to the governing
25 board of a public university that operates a laboratory
26 school under this Section or to any alternative school that
27 is operated by a regional superintendent of schools, the
28 State Board of Education shall require by rule such reporting
29 requirements as it deems necessary.

30 As used in this Section, "laboratory school" means a
31 public school which is created and operated by a public
32 university and approved by the State Board of Education. The
33 governing board of a public university which receives funds
34 from the State Board under this subsection (K) may not

1 increase the number of students enrolled in its laboratory
2 school from a single district, if that district is already
3 sending 50 or more students, except under a mutual agreement
4 between the school board of a student's district of residence
5 and the university which operates the laboratory school. A
6 laboratory school may not have more than 1,000 students,
7 excluding students with disabilities in a special education
8 program.

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

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

33 (L) Payments, Additional Grants in Aid and Other
34 Requirements.

1 (1) For a school district operating under the financial
2 supervision of an Authority created under Article 34A, the
3 general State aid otherwise payable to that district under
4 this Section, but not the supplemental general State aid,
5 shall be reduced by an amount equal to the budget for the
6 operations of the Authority as certified by the Authority to
7 the State Board of Education, and an amount equal to such
8 reduction shall be paid to the Authority created for such
9 district for its operating expenses in the manner provided in
10 Section 18-11. The remainder of general State school aid for
11 any such district shall be paid in accordance with Article
12 34A when that Article provides for a disposition other than
13 that provided by this Article.

14 (2) (Blank).

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

17 (M) Education Funding Advisory Board.

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

1 and the remaining 4 members, by lots drawn at the first
2 meeting of the Board that is held after all 5 members are
3 appointed, shall determine 2 of their number to serve for
4 terms that commence on the date of their respective
5 appointments and expire on the third Monday of January, 2001,
6 and 2 of their number to serve for terms that commence on the
7 date of their respective appointments and expire on the third
8 Monday of January, 2000. All members appointed to serve on
9 the Board shall serve until their respective successors are
10 appointed and confirmed. Vacancies shall be filled in the
11 same manner as original appointments. If a vacancy in
12 membership occurs at a time when the Senate is not in
13 session, the Governor shall make a temporary appointment
14 until the next meeting of the Senate, when he or she shall
15 appoint, by and with the advice and consent of the Senate, a
16 person to fill that membership for the unexpired term. If
17 the Senate is not in session when the initial appointments
18 are made, those appointments shall be made as in the case of
19 vacancies.

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

28 The State Board of Education shall provide such staff
29 assistance to the Education Funding Advisory Board as is
30 reasonably required for the proper performance by the Board
31 of its responsibilities.

32 For school years after the 2000-2001 school year, the
33 Education Funding Advisory Board, in consultation with the
34 State Board of Education, shall make recommendations as

1 provided in this subsection (M) to the General Assembly for
2 the foundation level under subdivision (B)(3) of this Section
3 and for the supplemental general State aid grant level under
4 subsection (H) of this Section for districts with high
5 concentrations of children from poverty. The recommended
6 foundation level shall be determined based on a methodology
7 which incorporates the basic education expenditures of
8 low-spending schools exhibiting high academic performance.
9 The Education Funding Advisory Board shall make such
10 recommendations to the General Assembly on January 1 of odd
11 numbered years, beginning January 1, 2001.

12 (N) (Blank).

13 (O) References.

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

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

22 (Source: P.A. 91-24, eff. 7-1-99; 91-93, eff. 7-9-99; 91-96,
23 eff. 7-9-99; 91-111, eff. 7-14-99; 91-357, eff. 7-29-99;
24 91-533, eff. 8-13-99; 92-7, eff. 6-29-01; 92-16, eff.
25 6-28-01; 92-28, eff. 7-1-01; 92-29, eff. 7-1-01; 92-269, eff.
26 8-7-01; 92-604, eff. 7-1-02; 92-636, eff. 7-11-02; 92-651,
27 eff. 7-11-02; revised 7-26-02.)

28 Section 99. Effective date. This Act takes effect on
29 July 1, 2003.