



**93RD GENERAL ASSEMBLY**  
**State of Illinois**  
**2003 and 2004**

Introduced 2/6/2004, by Pamela J. Althoff

**SYNOPSIS AS INTRODUCED:**

105 ILCS 5/18-8.05

Amends the School Code. Makes a technical change in the State aid formula provisions concerning supplemental general State aid. Effective July 1, 2004.

LRB093 20962 NHT 46947 b

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 Section  
5 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 common  
9 schools for the 1998-1999 and subsequent school years.

10 (A) General Provisions.

11 (1) The provisions of this Section apply to the 1998-1999  
12 and subsequent school years. The system of general State  
13 financial aid provided for in this Section is designed to  
14 assure that, through a combination of State financial aid and  
15 required local resources, the financial support provided each  
16 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 Local  
21 Resources, equals or exceeds the Foundation Level. The amount  
22 of per pupil general State financial aid for school districts,  
23 in general, varies in inverse relation to Available Local  
24 Resources. Per pupil amounts are based upon each school  
25 district's Average Daily Attendance as that term is defined in  
26 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 supplemental  
30 general State financial aid grants as provided pursuant to  
31 subsection (H). The supplemental State aid grants provided for

1 school districts under subsection (H) shall be appropriated for  
2 distribution to school districts as part of the same line item  
3 in which the general State financial aid of school districts is  
4 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. In  
12 case of nonrecognition of one or more attendance centers in  
13 a school district otherwise operating recognized schools,  
14 the claim of the district shall be reduced in the  
15 proportion which the Average Daily Attendance in the  
16 attendance center or centers bear to the Average Daily  
17 Attendance in the school district. A "recognized school"  
18 means any public school which meets the standards as  
19 established for recognition by the State Board of  
20 Education. A school district or attendance center not  
21 having recognition status at the end of a school term is  
22 entitled to receive State aid payments due upon a legal  
23 claim which was filed while it was recognized.

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

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

32 (d) (Blank).

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

1 School districts are not required to exert a minimum  
2 Operating Tax Rate in order to qualify for assistance under  
3 this Section.

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

6 (a) "Average Daily Attendance": A count of pupil  
7 attendance in school, averaged as provided for in  
8 subsection (C) and utilized in deriving per pupil financial  
9 support levels.

10 (b) "Available Local Resources": A computation of  
11 local financial support, calculated on the basis of Average  
12 Daily Attendance and derived as provided pursuant to  
13 subsection (D).

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

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

23 (e) "Operating Tax Rate": All school district property  
24 taxes extended for all purposes, except Bond and Interest,  
25 Summer School, Rent, Capital Improvement, and Vocational  
26 Education Building purposes.

27 (B) Foundation Level.

28 (1) The Foundation Level is a figure established by the  
29 State representing the minimum level of per pupil financial  
30 support that should be available to provide for the basic  
31 education of each pupil in Average Daily Attendance. As set  
32 forth in this Section, each school district is assumed to exert  
33 a sufficient local taxing effort such that, in combination with  
34 the aggregate of general State financial aid provided the  
35 district, an aggregate of State and local resources are

1 available to meet the basic education needs of pupils in the  
2 district.

3 (2) For the 1998-1999 school year, the Foundation Level of  
4 support is \$4,225. For the 1999-2000 school year, the  
5 Foundation Level of support is \$4,325. For the 2000-2001 school  
6 year, the Foundation Level of support is \$4,425.

7 (3) For the 2001-2002 school year and 2002-2003 school  
8 year, the Foundation Level of support is \$4,560.

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

13 (C) Average Daily Attendance.

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

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

34 (D) Available Local Resources.

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

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

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

29           (4) The Corporate Personal Property Replacement Taxes paid  
30 to each school district during the calendar year 2 years before  
31 the calendar year in which a school year begins, divided by the  
32 Average Daily Attendance figure for that district, shall be  
33 added to the local property tax revenues per pupil as derived  
34 by the application of the immediately preceding paragraph (3).  
35 The sum of these per pupil figures for each school district  
36 shall constitute Available Local Resources as that term is

1 utilized in subsection (E) in the calculation of general State  
2 aid.

3 (E) Computation of General State Aid.

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

7 (2) For any school district for which Available Local  
8 Resources per pupil is less than the product of 0.93 times the  
9 Foundation Level, general State aid for that district shall be  
10 calculated as an amount equal to the Foundation Level minus  
11 Available Local Resources, multiplied by the Average Daily  
12 Attendance of the school district.

13 (3) For any school district for which Available Local  
14 Resources per pupil is equal to or greater than the product of  
15 0.93 times the Foundation Level and less than the product of  
16 1.75 times the Foundation Level, the general State aid per  
17 pupil shall be a decimal proportion of the Foundation Level  
18 derived using a linear algorithm. Under this linear algorithm,  
19 the calculated general State aid per pupil shall decline in  
20 direct linear fashion from 0.07 times the Foundation Level for  
21 a school district with Available Local Resources equal to the  
22 product of 0.93 times the Foundation Level, to 0.05 times the  
23 Foundation Level for a school district with Available Local  
24 Resources equal to the product of 1.75 times the Foundation  
25 Level. The allocation of general State aid for school districts  
26 subject to this paragraph 3 shall be the calculated general  
27 State aid per pupil figure multiplied by the Average Daily  
28 Attendance of the school district.

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

34 (5) The amount of general State aid allocated to a school  
35 district for the 1999-2000 school year meeting the requirements

1 set forth in paragraph (4) of subsection (G) shall be increased  
2 by an amount equal to the general State aid that would have  
3 been received by the district for the 1998-1999 school year by  
4 utilizing the Extension Limitation Equalized Assessed  
5 Valuation as calculated in paragraph (4) of subsection (G) less  
6 the general State aid allotted for the 1998-1999 school year.  
7 This amount shall be deemed a one time increase, and shall not  
8 affect any future general State aid allocations.

9 (F) Compilation of Average Daily Attendance.

10 (1) Each school district shall, by July 1 of each year,  
11 submit to the State Board of Education, on forms prescribed by  
12 the State Board of Education, attendance figures for the school  
13 year that began in the preceding calendar year. The attendance  
14 information so transmitted shall identify the average daily  
15 attendance figures for each month of the school year. Beginning  
16 with the general State aid claim form for the 2002-2003 school  
17 year, districts shall calculate Average Daily Attendance as  
18 provided in subdivisions (a), (b), and (c) of this paragraph  
19 (1).

20 (a) In districts that do not hold year-round classes,  
21 days of attendance in August shall be added to the month of  
22 September and any days of attendance in June shall be added  
23 to the month of May.

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

28 (c) In districts in which some buildings, but not all,  
29 hold year-round classes, for the non-year-round buildings,  
30 days of attendance in August shall be added to the month of  
31 September and any days of attendance in June shall be added  
32 to the month of May. The average daily attendance for the  
33 year-round buildings shall be computed as provided in  
34 subdivision (b) of this paragraph (1). To calculate the  
35 Average Daily Attendance for the district, the average



1 daily attendance for the year-round buildings shall be  
2 multiplied by the days in session for the non-year-round  
3 buildings for each month and added to the monthly  
4 attendance of the non-year-round buildings.

5 Except as otherwise provided in this Section, days of  
6 attendance by pupils shall be counted only for sessions of not  
7 less than 5 clock hours of school work per day under direct  
8 supervision of: (i) teachers, or (ii) non-teaching personnel or  
9 volunteer personnel when engaging in non-teaching duties and  
10 supervising in those instances specified in subsection (a) of  
11 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils  
12 of legal school age and in kindergarten and grades 1 through  
13 12.

14 Days of attendance by tuition pupils shall be accredited  
15 only to the districts that pay the tuition to a recognized  
16 school.

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

20 (a) Pupils regularly enrolled in a public school for  
21 only a part of the school day may be counted on the basis  
22 of 1/6 day for every class hour of instruction of 40  
23 minutes or more attended pursuant to such enrollment,  
24 unless a pupil is enrolled in a block-schedule format of 80  
25 minutes or more of instruction, in which case the pupil may  
26 be counted on the basis of the proportion of minutes of  
27 school work completed each day to the minimum number of  
28 minutes that school work is required to be held that day.

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

33 (c) A session of 4 or more clock hours may be counted  
34 as a day of attendance upon certification by the regional  
35 superintendent, and approved by the State Superintendent  
36 of Education to the extent that the district has been

1 forced to use daily multiple sessions.

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

33 (e) A session of not less than one clock hour of  
34 teaching hospitalized or homebound pupils on-site or by  
35 telephone to the classroom may be counted as 1/2 day of  
36 attendance, however these pupils must receive 4 or more

1 clock hours of instruction to be counted for a full day of  
2 attendance.

3 (f) A session of at least 4 clock hours may be counted  
4 as a day of attendance for first grade pupils, and pupils  
5 in full day kindergartens, and a session of 2 or more hours  
6 may be counted as 1/2 day of attendance by pupils in  
7 kindergartens which provide only 1/2 day of attendance.

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

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

32 (G) Equalized Assessed Valuation Data.

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

1 value as equalized or assessed by the Department of Revenue of  
2 all taxable property of every school district, together with  
3 (i) the applicable tax rate used in extending taxes for the  
4 funds of the district as of September 30 of the previous year  
5 and (ii) the limiting rate for all school districts subject to  
6 property tax extension limitations as imposed under the  
7 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) shall  
12 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 district  
15 within a redevelopment project area in respect to which a  
16 municipality has adopted tax increment allocation  
17 financing pursuant to the Tax Increment Allocation  
18 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11  
19 of the Illinois Municipal Code or the Industrial Jobs  
20 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the  
21 Illinois Municipal Code, no part of the current equalized  
22 assessed valuation of real property located in any such  
23 project area which is attributable to an increase above the  
24 total initial equalized assessed valuation of such  
25 property shall be used as part of the equalized assessed  
26 valuation of the district, until such time as all  
27 redevelopment project costs have been paid, as provided in  
28 Section 11-74.4-8 of the Tax Increment Allocation  
29 Redevelopment Act or in Section 11-74.6-35 of the  
30 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 be  
34 used until such time as all redevelopment project costs  
35 have been paid.

36 (b) The real property equalized assessed valuation for

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

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

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

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

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

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

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

33 "Preceding Tax Year's Tax Extension": The product of  
34 the equalized assessed valuation utilized by the County  
35 Clerk in the Preceding Tax Year multiplied by the Operating  
36 Tax Rate as defined in subsection (A).

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

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

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

30 (4) For the purposes of calculating general State aid for  
31 the 1999-2000 school year only, if a school district  
32 experienced a triennial reassessment on the equalized assessed  
33 valuation used in calculating its general State financial aid  
34 apportionment for the 1998-1999 school year, the State Board of  
35 Education shall calculate the Extension Limitation Equalized  
36 Assessed Valuation that would have been used to calculate the

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

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

26 (H) Supplemental General State Aid.

27 (1) In addition to the general State aid a school district  
28 is allotted pursuant to subsection (E), qualifying school  
29 districts shall receive a grant, paid in conjunction with a  
30 district's payments of general State aid, for supplemental  
31 general State aid based upon the concentration level of  
32 children from low-income households within the school  
33 district. Supplemental State aid grants provided for school  
34 districts under this subsection shall be appropriated for  
35 distribution to school districts as part of the same line item

1 in which the general State financial aid of school districts is  
2 appropriated under this Section. If the appropriation in any  
3 fiscal year for general State aid and supplemental general  
4 State aid is insufficient to pay the amounts required under the  
5 general State aid and supplemental general State aid  
6 calculations, then the State Board of Education shall ensure  
7 that each school district receives the full amount due for  
8 general State aid and the remainder of the appropriation shall  
9 be used for supplemental general State aid, which the State  
10 Board of Education shall calculate and pay to eligible  
11 districts on a prorated basis.

12 (1.5) This paragraph (1.5) applies only to those school  
13 years preceding the 2003-2004 school year. In ~~For purposes of~~  
14 this subsection (H), the term "Low-Income Concentration Level"  
15 shall be the low-income eligible pupil count from the most  
16 recently available federal census divided by the Average Daily  
17 Attendance of the school district. If, however, (i) the  
18 percentage decrease from the 2 most recent federal censuses in  
19 the low-income eligible pupil count of a high school district  
20 with fewer than 400 students exceeds by 75% or more the  
21 percentage change in the total low-income eligible pupil count  
22 of contiguous elementary school districts, whose boundaries  
23 are coterminous with the high school district, or (ii) a high  
24 school district within 2 counties and serving 5 elementary  
25 school districts, whose boundaries are coterminous with the  
26 high school district, has a percentage decrease from the 2 most  
27 recent federal censuses in the low-income eligible pupil count  
28 and there is a percentage increase in the total low-income  
29 eligible pupil count of a majority of the elementary school  
30 districts in excess of 50% from the 2 most recent federal  
31 censuses, then the high school district's low-income eligible  
32 pupil count from the earlier federal census shall be the number  
33 used as the low-income eligible pupil count for the high school  
34 district, for purposes of this subsection (H). The changes made  
35 to this paragraph (1) by Public Act 92-28 shall apply to  
36 supplemental general State aid grants for school years



1 preceding the 2003-2004 school year that are paid in fiscal  
2 year 1999 or thereafter and to any State aid payments made in  
3 fiscal year 1994 through fiscal year 1998 pursuant to  
4 subsection 1(n) of Section 18-8 of this Code (which was  
5 repealed on July 1, 1998), and any high school district that is  
6 affected by Public Act 92-28 is entitled to a recomputation of  
7 its supplemental general State aid grant or State aid paid in  
8 any of those fiscal years. This recomputation shall not be  
9 affected by any other funding.

10 (1.10) This paragraph (1.10) applies to the 2003-2004  
11 school year and each school year thereafter. For purposes of  
12 this subsection (H), the term "Low-Income Concentration Level"  
13 shall, for each fiscal year, be the low-income eligible pupil  
14 count as of July 1 of the immediately preceding fiscal year (as  
15 determined by the Department of Human Services based on the  
16 number of pupils who are eligible for at least one of the  
17 following low income programs: Medicaid, KidCare, TANF, or Food  
18 Stamps, excluding pupils who are eligible for services provided  
19 by the Department of Children and Family Services, averaged  
20 over the 2 immediately preceding fiscal years for fiscal year  
21 2004 and over the 3 immediately preceding fiscal years for each  
22 fiscal year thereafter) divided by the Average Daily Attendance  
23 of the school district.

24 (2) Supplemental general State aid pursuant to this  
25 subsection (H) shall be provided as follows for the 1998-1999,  
26 1999-2000, and 2000-2001 school years only:

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

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

35 (c) For any school district with a Low Income  
36 Concentration Level of at least 50% and less than 60%, the

1 grant for the 1998-99 school year shall be \$1,500  
2 multiplied by the low income eligible pupil count.

3 (d) For any school district with a Low Income  
4 Concentration Level of 60% or more, the grant for the  
5 1998-99 school year shall be \$1,900 multiplied by the low  
6 income eligible pupil count.

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

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

15 (2.5) Supplemental general State aid pursuant to this  
16 subsection (H) shall be provided as follows for the 2002-2003  
17 school year:

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

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

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

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

34 (e) For any school district with a Low Income  
35 Concentration Level of at least 50% and less than 60%, the  
36 grant for each school year shall be \$1,680 multiplied by

1 the low income eligible pupil count.

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

6 (2.10) Except as otherwise provided, supplemental general  
7 State aid pursuant to this subsection (H) shall be provided as  
8 follows for the 2003-2004 school year and each school year  
9 thereafter:

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

14 (b) For any school district with a Low Income  
15 Concentration Level greater than 15%, the grant for each  
16 school year shall be \$294.25 added to the product of \$2,700  
17 and the square of the Low Income Concentration Level, all  
18 multiplied by the low income eligible pupil count.

19 For the 2003-2004 school year only, the grant shall be no  
20 less than the grant for the 2002-2003 school year. For the  
21 2004-2005 school year only, the grant shall be no less than the  
22 grant for the 2002-2003 school year multiplied by 0.66. For the  
23 2005-2006 school year only, the grant shall be no less than the  
24 grant for the 2002-2003 school year multiplied by 0.33.

25 For the 2003-2004 school year only, the grant shall be no  
26 greater than the grant received during the 2002-2003 school  
27 year added to the product of 0.25 multiplied by the difference  
28 between the grant amount calculated under subsection (a) or (b)  
29 of this paragraph (2.10), whichever is applicable, and the  
30 grant received during the 2002-2003 school year. For the  
31 2004-2005 school year only, the grant shall be no greater than  
32 the grant received during the 2002-2003 school year added to  
33 the product of 0.50 multiplied by the difference between the  
34 grant amount calculated under subsection (a) or (b) of this  
35 paragraph (2.10), whichever is applicable, and the grant  
36 received during the 2002-2003 school year. For the 2005-2006

1 school year only, the grant shall be no greater than the grant  
2 received during the 2002-2003 school year added to the product  
3 of 0.75 multiplied by the difference between the grant amount  
4 calculated under subsection (a) or (b) of this paragraph  
5 (2.10), whichever is applicable, and the grant received during  
6 the 2002-2003 school year.

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

17 (4) School districts with an Average Daily Attendance of  
18 50,000 or more that qualify for supplemental general State aid  
19 pursuant to this subsection shall be required to distribute  
20 from funds available pursuant to this Section, no less than  
21 \$261,000,000 in accordance with the following requirements:

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

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

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

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

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

27 (f) Each district subject to the provisions of this  
28 subdivision (H) (4) shall submit an acceptable plan to meet  
29 the educational needs of disadvantaged children, in  
30 compliance with the requirements of this paragraph, to the  
31 State Board of Education prior to July 15 of each year.  
32 This plan shall be consistent with the decisions of local  
33 school councils concerning the school expenditure plans  
34 developed in accordance with part 4 of Section 34-2.3. The  
35 State Board shall approve or reject the plan within 60 days  
36 after its submission. If the plan is rejected, the district

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

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

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

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

1 or the notification of remedial or corrective action in a  
2 timely manner shall result in a withholding of the affected  
3 funds.

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

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

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

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

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

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



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

8 (3.5) Claims for financial assistance under this  
9 subsection (I) shall not be recomputed except as expressly  
10 provided under this Section.

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

14 (J) Supplementary Grants in Aid.

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

34 (2) If, as provided in paragraph (1) of this subsection  
35 (J), a school district is to receive aggregate general State

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

10 (3) (Blank).

11 (K) Grants to Laboratory and Alternative Schools.

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

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

30 As used in this Section, "alternative school" means a  
31 public school which is created and operated by a Regional  
32 Superintendent of Schools and approved by the State Board of  
33 Education. Such alternative schools may offer courses of  
34 instruction for which credit is given in regular school  
35 programs, courses to prepare students for the high school

1 equivalency testing program or vocational and occupational  
2 training. A regional superintendent of schools may contract  
3 with a school district or a public community college district  
4 to operate an alternative school. An alternative school serving  
5 more than one educational service region may be established by  
6 the regional superintendents of schools of the affected  
7 educational service regions. An alternative school serving  
8 more than one educational service region may be operated under  
9 such terms as the regional superintendents of schools of those  
10 educational service regions may agree.

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

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

20 (1) For a school district operating under the financial  
21 supervision of an Authority created under Article 34A, the  
22 general State aid otherwise payable to that district under this  
23 Section, but not the supplemental general State aid, shall be  
24 reduced by an amount equal to the budget for the operations of  
25 the Authority as certified by the Authority to the State Board  
26 of Education, and an amount equal to such reduction shall be  
27 paid to the Authority created for such district for its  
28 operating expenses in the manner provided in Section 18-11. The  
29 remainder of general State school aid for any such district  
30 shall be paid in accordance with Article 34A when that Article  
31 provides for a disposition other than that provided by this  
32 Article.

33 (2) (Blank).

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

1 (M) Education Funding Advisory Board.

2 The Education Funding Advisory Board, hereinafter in this  
3 subsection (M) referred to as the "Board", is hereby created.  
4 The Board shall consist of 5 members who are appointed by the  
5 Governor, by and with the advice and consent of the Senate. The  
6 members appointed shall include representatives of education,  
7 business, and the general public. One of the members so  
8 appointed shall be designated by the Governor at the time the  
9 appointment is made as the chairperson of the Board. The  
10 initial members of the Board may be appointed any time after  
11 the effective date of this amendatory Act of 1997. The regular  
12 term of each member of the Board shall be for 4 years from the  
13 third Monday of January of the year in which the term of the  
14 member's appointment is to commence, except that of the 5  
15 initial members appointed to serve on the Board, the member who  
16 is appointed as the chairperson shall serve for a term that  
17 commences on the date of his or her appointment and expires on  
18 the third Monday of January, 2002, and the remaining 4 members,  
19 by lots drawn at the first meeting of the Board that is held  
20 after all 5 members are appointed, shall determine 2 of their  
21 number to serve for terms that commence on the date of their  
22 respective appointments and expire on the third Monday of  
23 January, 2001, and 2 of their number to serve for terms that  
24 commence on the date of their respective appointments and  
25 expire on the third Monday of January, 2000. All members  
26 appointed to serve on the Board shall serve until their  
27 respective successors are appointed and confirmed. Vacancies  
28 shall be filled in the same manner as original appointments. If  
29 a vacancy in membership occurs at a time when the Senate is not  
30 in session, the Governor shall make a temporary appointment  
31 until the next meeting of the Senate, when he or she shall  
32 appoint, by and with the advice and consent of the Senate, a  
33 person to fill that membership for the unexpired term. If the  
34 Senate is not in session when the initial appointments are  
35 made, those appointments shall be made as in the case of

1 vacancies.

2 The Education Funding Advisory Board shall be deemed  
3 established, and the initial members appointed by the Governor  
4 to serve as members of the Board shall take office, on the date  
5 that the Governor makes his or her appointment of the fifth  
6 initial member of the Board, whether those initial members are  
7 then serving pursuant to appointment and confirmation or  
8 pursuant to temporary appointments that are made by the  
9 Governor as in the case of vacancies.

10 The State Board of Education shall provide such staff  
11 assistance to the Education Funding Advisory Board as is  
12 reasonably required for the proper performance by the Board of  
13 its responsibilities.

14 For school years after the 2000-2001 school year, the  
15 Education Funding Advisory Board, in consultation with the  
16 State Board of Education, shall make recommendations as  
17 provided in this subsection (M) to the General Assembly for the  
18 foundation level under subdivision (B)(3) of this Section and  
19 for the supplemental general State aid grant level under  
20 subsection (H) of this Section for districts with high  
21 concentrations of children from poverty. The recommended  
22 foundation level shall be determined based on a methodology  
23 which incorporates the basic education expenditures of  
24 low-spending schools exhibiting high academic performance. The  
25 Education Funding Advisory Board shall make such  
26 recommendations to the General Assembly on January 1 of odd  
27 numbered years, beginning January 1, 2001.

28 (N) (Blank).

29 (O) References.

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

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

4           (Source: P.A. 92-16, eff. 6-28-01; 92-28, eff. 7-1-01; 92-29,  
5 eff. 7-1-01; 92-269, eff. 8-7-01; 92-604, eff. 7-1-02; 92-636,  
6 eff. 7-11-02; 92-651, eff. 7-11-02; 93-21, eff. 7-1-03.)

7           Section 99. Effective date. This Act takes effect July 1,  
8 2004.