

1 AN ACT concerning education.

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

4 ARTICLE 1.

5 Section 1-1. Short title. This Act may be cited as the  
6 FY2007 Budget Implementation (Education) Act.

7 Section 1-5. Purpose. It is the purpose of this Act to make  
8 changes in State programs that are necessary to implement the  
9 Governor's FY2007 budget recommendations concerning education.

10 ARTICLE 90.

11 Section 90-3. The Arts Council Act is amended by adding  
12 Section 4.5 as follows:

13 (20 ILCS 3915/4.5 new)

14 Sec. 4.5. Arts and foreign language education grants. The  
15 Council has the authority as set forth in Section 2-3.65a of  
16 the School Code concerning the administration and award of  
17 grants.

18 Section 90-5. The State Finance Act is amended by changing  
19 Section 6z-67 as follows:

20 (30 ILCS 105/6z-67)

21 Sec. 6z-67. SBE Federal Department of Agriculture Fund. The  
22 SBE Federal Department of Agriculture Fund is created as a  
23 federal trust fund in the State treasury. This fund is  
24 established to receive funds from the federal Department of  
25 Agriculture ~~Education~~, including administrative funds  
26 recovered from federal programs, for the specific purposes

1 established by the terms and conditions of federal awards.  
2 Moneys in the SBE Federal Department of Agriculture Fund shall  
3 be used, subject to appropriation by the General Assembly, for  
4 grants and contracts to local education agencies, colleges and  
5 universities, and other State agencies and for administrative  
6 expenses of the State Board of Education. However,  
7 non-appropriated spending is allowed for the refund of  
8 unexpended grant moneys to the federal government.

9 (Source: P.A. 93-838, eff. 7-30-04; 94-69, eff. 7-1-05.)

10 Section 90-10. The School Code is amended by adding Section  
11 2-3.65a and by changing Sections 2-3.131 (as added by Public  
12 Act 93-21 and amended by Public Acts 93-838 and 94-69) and  
13 18-8.05 as follows:

14 (105 ILCS 5/2-3.65a new)

15 Sec. 2-3.65a. Arts and foreign language education grant  
16 program. There is created an arts and foreign language  
17 education grant program to fund arts education and foreign  
18 language education programs in the public schools, subject to  
19 appropriation to the State Board of Education. The grants shall  
20 be for the purpose of supporting arts and foreign language  
21 education in the schools, with an emphasis on ensuring that art  
22 and foreign language courses are available as part of a  
23 school's core curriculum. The State Board of Education shall  
24 enter into an agreement with the Illinois Arts Council to  
25 cooperate in administering and awarding grants under the  
26 program.

27 (105 ILCS 5/2-3.131)

28 Sec. 2-3.131. Transitional assistance payments.

29 (a) If the amount that the State Board of Education will  
30 pay to a school district from fiscal year 2004 appropriations,  
31 as estimated by the State Board of Education on April 1, 2004,  
32 is less than the amount that the State Board of Education paid  
33 to the school district from fiscal year 2003 appropriations,

1 then, subject to appropriation, the State Board of Education  
2 shall make a fiscal year 2004 transitional assistance payment  
3 to the school district in an amount equal to the difference  
4 between the estimated amount to be paid from fiscal year 2004  
5 appropriations and the amount paid from fiscal year 2003  
6 appropriations.

7 (b) If the amount that the State Board of Education will  
8 pay to a school district from fiscal year 2005 appropriations,  
9 as estimated by the State Board of Education on April 1, 2005,  
10 is less than the amount that the State Board of Education paid  
11 to the school district from fiscal year 2004 appropriations,  
12 then the State Board of Education shall make a fiscal year 2005  
13 transitional assistance payment to the school district in an  
14 amount equal to the difference between the estimated amount to  
15 be paid from fiscal year 2005 appropriations and the amount  
16 paid from fiscal year 2004 appropriations.

17 (c) If the amount that the State Board of Education will  
18 pay to a school district from fiscal year 2006 appropriations,  
19 as estimated by the State Board of Education on April 1, 2006,  
20 is less than the amount that the State Board of Education paid  
21 to the school district from fiscal year 2005 appropriations,  
22 then the State Board of Education shall make a fiscal year 2006  
23 transitional assistance payment to the school district in an  
24 amount equal to the difference between the estimated amount to  
25 be paid from fiscal year 2006 appropriations and the amount  
26 paid from fiscal year 2005 appropriations.

27 (d) If the amount that the State Board of Education will  
28 pay to a school district from fiscal year 2007 appropriations,  
29 as estimated by the State Board of Education on April 1, 2007,  
30 is less than the amount that the State Board of Education paid  
31 to the school district from fiscal year 2006 appropriations,  
32 then the State Board of Education, subject to appropriation,  
33 shall make a fiscal year 2007 transitional assistance payment  
34 to the school district in an amount equal to the difference  
35 between the estimated amount to be paid from fiscal year 2007  
36 appropriations and the amount paid from fiscal year 2006

1 appropriations.

2 (Source: P.A. 93-21, eff. 7-1-03; 93-838, eff. 7-30-04; 94-69,  
3 eff. 7-1-05.)

4 (105 ILCS 5/18-8.05)

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

8 (A) General Provisions.

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

25 (2) In addition to general State financial aid, school  
26 districts with specified levels or concentrations of pupils  
27 from low income households are eligible to receive supplemental  
28 general State financial aid grants as provided pursuant to  
29 subsection (H). The supplemental State aid grants provided for  
30 school districts under subsection (H) shall be appropriated for  
31 distribution to school districts as part of the same line item  
32 in which the general State financial aid of school districts is  
33 appropriated under this Section.

34 (3) To receive financial assistance under this Section,

1 school districts are required to file claims with the State  
2 Board of Education, subject to the following requirements:

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

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

22 (c) If a school district operates a full year school  
23 under Section 10-19.1, the general State aid to the school  
24 district shall be determined by the State Board of  
25 Education in accordance with this Section as near as may be  
26 applicable.

27 (d) (Blank).

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

32 School districts are not required to exert a minimum  
33 Operating Tax Rate in order to qualify for assistance under  
34 this Section.

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

1 (a) "Average Daily Attendance": A count of pupil  
2 attendance in school, averaged as provided for in  
3 subsection (C) and utilized in deriving per pupil financial  
4 support levels.

5 (b) "Available Local Resources": A computation of  
6 local financial support, calculated on the basis of Average  
7 Daily Attendance and derived as provided pursuant to  
8 subsection (D).

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

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

18 (e) "Operating Tax Rate": All school district property  
19 taxes extended for all purposes, except Bond and Interest,  
20 Summer School, Rent, Capital Improvement, and Vocational  
21 Education Building purposes.

22 (B) Foundation Level.

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

33 (2) For the 1998-1999 school year, the Foundation Level of  
34 support is \$4,225. For the 1999-2000 school year, the  
35 Foundation Level of support is \$4,325. For the 2000-2001 school

1 year, the Foundation Level of support is \$4,425. For the  
2 2001-2002 school year and 2002-2003 school year, the Foundation  
3 Level of support is \$4,560. For the 2003-2004 school year, the  
4 Foundation Level of support is \$4,810. For the 2004-2005 school  
5 year, the Foundation Level of support is \$4,964. For the  
6 2005-2006 school year, the Foundation Level of support is  
7 \$5,164.

8 (3) For the 2006-2007 ~~2005-2006~~ school year and each school  
9 year thereafter, the Foundation Level of support is \$5,334  
10 ~~\$5,164~~ or such greater amount as may be established by law by  
11 the General Assembly.

12 (C) Average Daily Attendance.

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

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

33 (D) Available Local Resources.

34 (1) For purposes of calculating general State aid pursuant

1 to subsection (E), a representation of Available Local  
2 Resources per pupil, as that term is defined and determined in  
3 this subsection, shall be utilized. Available Local Resources  
4 per pupil shall include a calculated dollar amount representing  
5 local school district revenues from local property taxes and  
6 from Corporate Personal Property Replacement Taxes, expressed  
7 on the basis of pupils in Average Daily Attendance. Calculation  
8 of Available Local Resources shall exclude any tax amnesty  
9 funds received as a result of Public Act 93-26.

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

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

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

1 shall constitute Available Local Resources as that term is  
2 utilized in subsection (E) in the calculation of general State  
3 aid.

4 (E) Computation of General State Aid.

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

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

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

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

35 (5) The amount of general State aid allocated to a school

1 district for the 1999-2000 school year meeting the requirements  
2 set forth in paragraph (4) of subsection (G) shall be increased  
3 by an amount equal to the general State aid that would have  
4 been received by the district for the 1998-1999 school year by  
5 utilizing the Extension Limitation Equalized Assessed  
6 Valuation as calculated in paragraph (4) of subsection (G) less  
7 the general State aid allotted for the 1998-1999 school year.  
8 This amount shall be deemed a one time increase, and shall not  
9 affect any future general State aid allocations.

10 (F) Compilation of Average Daily Attendance.

11 (1) Each school district shall, by July 1 of each year,  
12 submit to the State Board of Education, on forms prescribed by  
13 the State Board of Education, attendance figures for the school  
14 year that began in the preceding calendar year. The attendance  
15 information so transmitted shall identify the average daily  
16 attendance figures for each month of the school year. Beginning  
17 with the general State aid claim form for the 2002-2003 school  
18 year, districts shall calculate Average Daily Attendance as  
19 provided in subdivisions (a), (b), and (c) of this paragraph  
20 (1).

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

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

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

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

6 Except as otherwise provided in this Section, days of  
7 attendance by pupils shall be counted only for sessions of not  
8 less than 5 clock hours of school work per day under direct  
9 supervision of: (i) teachers, or (ii) non-teaching personnel or  
10 volunteer personnel when engaging in non-teaching duties and  
11 supervising in those instances specified in subsection (a) of  
12 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils  
13 of legal school age and in kindergarten and grades 1 through  
14 12.

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

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

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

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

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

1 of Education to the extent that the district has been  
2 forced to use daily multiple sessions.

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

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

1 attendance, however these pupils must receive 4 or more  
2 clock hours of instruction to be counted for a full day of  
3 attendance.

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

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

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

33 (i) On the days when the Prairie State Achievement  
34 Examination is administered under subsection (c) of  
35 Section 2-3.64 of this Code, the day of attendance for a  
36 pupil whose school day must be shortened to accommodate

1 required testing procedures may be less than 5 clock hours  
2 and shall be counted towards the 176 days of actual pupil  
3 attendance required under Section 10-19 of this Code,  
4 provided that a sufficient number of minutes of school work  
5 in excess of 5 clock hours are first completed on other  
6 school days to compensate for the loss of school work on  
7 the examination days.

8 (G) Equalized Assessed Valuation Data.

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

19 The Department of Revenue shall add to the equalized  
20 assessed value of all taxable property of each school district  
21 situated entirely or partially within a county that is or was  
22 subject to the alternative general homestead exemption  
23 provisions of Section 15-176 of the Property Tax Code (a) an  
24 amount equal to the total amount by which the homestead  
25 exemption allowed under Section 15-176 of the Property Tax Code  
26 for real property situated in that school district exceeds the  
27 total amount that would have been allowed in that school  
28 district if the maximum reduction under Section 15-176 was (i)  
29 \$4,500 in Cook County or \$3,500 in all other counties in tax  
30 year 2003 or (ii) \$5,000 in all counties in tax year 2004 and  
31 thereafter and (b) an amount equal to the aggregate amount for  
32 the taxable year of all additional exemptions under Section  
33 15-175 of the Property Tax Code for owners with a household  
34 income of \$30,000 or less. The county clerk of any county that  
35 is or was subject to the alternative general homestead

1 exemption provisions of Section 15-176 of the Property Tax Code  
2 shall annually calculate and certify to the Department of  
3 Revenue for each school district all homestead exemption  
4 amounts under Section 15-176 of the Property Tax Code and all  
5 amounts of additional exemptions under Section 15-175 of the  
6 Property Tax Code for owners with a household income of \$30,000  
7 or less. It is the intent of this paragraph that if the general  
8 homestead exemption for a parcel of property is determined  
9 under Section 15-176 of the Property Tax Code rather than  
10 Section 15-175, then the calculation of Available Local  
11 Resources shall not be affected by the difference, if any,  
12 between the amount of the general homestead exemption allowed  
13 for that parcel of property under Section 15-176 of the  
14 Property Tax Code and the amount that would have been allowed  
15 had the general homestead exemption for that parcel of property  
16 been determined under Section 15-175 of the Property Tax Code.  
17 It is further the intent of this paragraph that if additional  
18 exemptions are allowed under Section 15-175 of the Property Tax  
19 Code for owners with a household income of less than \$30,000,  
20 then the calculation of Available Local Resources shall not be  
21 affected by the difference, if any, because of those additional  
22 exemptions.

23 This equalized assessed valuation, as adjusted further by  
24 the requirements of this subsection, shall be utilized in the  
25 calculation of Available Local Resources.

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

28 (a) For the purposes of calculating State aid under  
29 this Section, with respect to any part of a school district  
30 within a redevelopment project area in respect to which a  
31 municipality has adopted tax increment allocation  
32 financing pursuant to the Tax Increment Allocation  
33 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11  
34 of the Illinois Municipal Code or the Industrial Jobs  
35 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the  
36 Illinois Municipal Code, no part of the current equalized

1 assessed valuation of real property located in any such  
2 project area which is attributable to an increase above the  
3 total initial equalized assessed valuation of such  
4 property shall be used as part of the equalized assessed  
5 valuation of the district, until such time as all  
6 redevelopment project costs have been paid, as provided in  
7 Section 11-74.4-8 of the Tax Increment Allocation  
8 Redevelopment Act or in Section 11-74.6-35 of the  
9 Industrial Jobs Recovery Law. For the purpose of the  
10 equalized assessed valuation of the district, the total  
11 initial equalized assessed valuation or the current  
12 equalized assessed valuation, whichever is lower, shall be  
13 used until such time as all redevelopment project costs  
14 have been paid.

15 (b) The real property equalized assessed valuation for  
16 a school district shall be adjusted by subtracting from the  
17 real property value as equalized or assessed by the  
18 Department of Revenue for the district an amount computed  
19 by dividing the amount of any abatement of taxes under  
20 Section 18-170 of the Property Tax Code by 3.00% for a  
21 district maintaining grades kindergarten through 12, by  
22 2.30% for a district maintaining grades kindergarten  
23 through 8, or by 1.05% for a district maintaining grades 9  
24 through 12 and adjusted by an amount computed by dividing  
25 the amount of any abatement of taxes under subsection (a)  
26 of Section 18-165 of the Property Tax Code by the same  
27 percentage rates for district type as specified in this  
28 subparagraph (b).

29 (3) For the 1999-2000 school year and each school year  
30 thereafter, if a school district meets all of the criteria of  
31 this subsection (G) (3), the school district's Available Local  
32 Resources shall be calculated under subsection (D) using the  
33 district's Extension Limitation Equalized Assessed Valuation  
34 as calculated under this subsection (G) (3).

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

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

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

5 "Preceding Tax Year": The property tax levy year  
6 immediately preceding the Base Tax Year.

7 "Base Tax Year's Tax Extension": The product of the  
8 equalized assessed valuation utilized by the County Clerk  
9 in the Base Tax Year multiplied by the limiting rate as  
10 calculated by the County Clerk and defined in the Property  
11 Tax Extension Limitation Law.

12 "Preceding Tax Year's Tax Extension": The product of  
13 the equalized assessed valuation utilized by the County  
14 Clerk in the Preceding Tax Year multiplied by the Operating  
15 Tax Rate as defined in subsection (A).

16 "Extension Limitation Ratio": A numerical ratio,  
17 certified by the County Clerk, in which the numerator is  
18 the Base Tax Year's Tax Extension and the denominator is  
19 the Preceding Tax Year's Tax Extension.

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

22 If a school district is subject to property tax extension  
23 limitations as imposed under the Property Tax Extension  
24 Limitation Law, the State Board of Education shall calculate  
25 the Extension Limitation Equalized Assessed Valuation of that  
26 district. For the 1999-2000 school year, the Extension  
27 Limitation Equalized Assessed Valuation of a school district as  
28 calculated by the State Board of Education shall be equal to  
29 the product of the district's 1996 Equalized Assessed Valuation  
30 and the district's Extension Limitation Ratio. For the  
31 2000-2001 school year and each school year thereafter, the  
32 Extension Limitation Equalized Assessed Valuation of a school  
33 district as calculated by the State Board of Education shall be  
34 equal to the product of the Equalized Assessed Valuation last  
35 used in the calculation of general State aid and the district's  
36 Extension Limitation Ratio. If the Extension Limitation

1 Equalized Assessed Valuation of a school district as calculated  
2 under this subsection (G)(3) is less than the district's  
3 equalized assessed valuation as calculated pursuant to  
4 subsections (G)(1) and (G)(2), then for purposes of calculating  
5 the district's general State aid for the Budget Year pursuant  
6 to subsection (E), that Extension Limitation Equalized  
7 Assessed Valuation shall be utilized to calculate the  
8 district's Available Local Resources under subsection (D).

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

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

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

5 (H) Supplemental General State Aid.

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

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

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

25 (1.10) This paragraph (1.10) applies to the 2003-2004  
26 school year and each school year thereafter. For purposes of  
27 this subsection (H), the term "Low-Income Concentration Level"  
28 shall, for each fiscal year, be the low-income eligible pupil  
29 count as of July 1 of the immediately preceding fiscal year (as  
30 determined by the Department of Human Services based on the  
31 number of pupils who are eligible for at least one of the  
32 following low income programs: Medicaid, KidCare, TANF, or Food  
33 Stamps, excluding pupils who are eligible for services provided  
34 by the Department of Children and Family Services, averaged  
35 over the 2 immediately preceding fiscal years for fiscal year  
36 2004 and over the 3 immediately preceding fiscal years for each

1 fiscal year thereafter) divided by the Average Daily Attendance  
2 of the school district.

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

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

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

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

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

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

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

30 (2.5) Supplemental general State aid pursuant to this  
31 subsection (H) shall be provided as follows for the 2002-2003  
32 school year:

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

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

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

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

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

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

21 (2.10) Except as otherwise provided, supplemental general  
22 State aid pursuant to this subsection (H) shall be provided as  
23 follows for the 2003-2004 school year and each school year  
24 thereafter:

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

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

34 For the 2003-2004 school year, 2004-2005 school year, ~~and~~  
35 2005-2006 school year, and 2006-2007 school year only, the  
36 grant shall be no less than the grant for the 2002-2003 school

1 year. For the 2007-2008 ~~2006-2007~~ school year only, the grant  
2 shall be no less than the grant for the 2002-2003 school year  
3 multiplied by 0.66. For the 2008-2009 ~~2007-2008~~ school year  
4 only, the grant shall be no less than the grant for the  
5 2002-2003 school year multiplied by 0.33. Notwithstanding the  
6 provisions of this paragraph to the contrary, if for any school  
7 year supplemental general State aid grants are prorated as  
8 provided in paragraph (1) of this subsection (H), then the  
9 grants under this paragraph shall be prorated.

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

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

1 regulations promulgated by the State Board of Education.

2 (4) School districts with an Average Daily Attendance of  
3 50,000 or more that qualify for supplemental general State aid  
4 pursuant to this subsection shall be required to distribute  
5 from funds available pursuant to this Section, no less than  
6 \$261,000,000 in accordance with the following requirements:

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

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

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

30 (d) Any funds made available under this subsection that  
31 by reason of the provisions of this subsection are not  
32 required to be allocated and provided to attendance centers  
33 may be used and appropriated by the board of the district  
34 for any lawful school purpose.

35 (e) Funds received by an attendance center pursuant to  
36 this subsection shall be used by the attendance center at

1 the discretion of the principal and local school council  
2 for programs to improve educational opportunities at  
3 qualifying schools through the following programs and  
4 services: early childhood education, reduced class size or  
5 improved adult to student classroom ratio, enrichment  
6 programs, remedial assistance, attendance improvement, and  
7 other educationally beneficial expenditures which  
8 supplement the regular and basic programs as determined by  
9 the State Board of Education. Funds provided shall not be  
10 expended for any political or lobbying purposes as defined  
11 by board rule.

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

28 Upon notification by the State Board of Education that  
29 the district has not submitted a plan prior to July 15 or a  
30 modified plan within the time period specified herein, the  
31 State aid funds affected by that plan or modified plan  
32 shall be withheld by the State Board of Education until a  
33 plan or modified plan is submitted.

34 If the district fails to distribute State aid to  
35 attendance centers in accordance with an approved plan, the  
36 plan for the following year shall allocate funds, in

1 addition to the funds otherwise required by this  
2 subsection, to those attendance centers which were  
3 underfunded during the previous year in amounts equal to  
4 such underfunding.

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

25 The State Board of Education shall promulgate rules and  
26 regulations to implement the provisions of this  
27 subsection. No funds shall be released under this  
28 subdivision (H) (4) to any district that has not submitted a  
29 plan that has been approved by the State Board of  
30 Education.

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

32 (1) For a new school district formed by combining property  
33 included totally within 2 or more previously existing school  
34 districts, for its first year of existence the general State  
35 aid and supplemental general State aid calculated under this

1 Section shall be computed for the new district and for the  
2 previously existing districts for which property is totally  
3 included within the new district. If the computation on the  
4 basis of the previously existing districts is greater, a  
5 supplementary payment equal to the difference shall be made for  
6 the first 4 years of existence of the new district.

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

21 (3) For 2 or more school districts which annex all of the  
22 territory of one or more entire other school districts, and for  
23 2 or more community unit districts which result upon the  
24 division (pursuant to petition under Section 11A-2) of one or  
25 more other unit school districts into 2 or more parts and which  
26 together include all of the parts into which such other unit  
27 school district or districts are so divided, for the first year  
28 during which the change of boundaries attributable to such  
29 annexation or division becomes effective for all purposes as  
30 determined under Section 7-9 or 11A-10, as the case may be, the  
31 general State aid and supplemental general State aid calculated  
32 under this Section shall be computed for each annexing or  
33 resulting district as constituted after the annexation or  
34 division and for each annexing and annexed district, or for  
35 each resulting and divided district, as constituted prior to  
36 the annexation or division; and if the aggregate of the general

1 State aid and supplemental general State aid as so computed for  
2 the annexing or resulting districts as constituted after the  
3 annexation or division is less than the aggregate of the  
4 general State aid and supplemental general State aid as so  
5 computed for the annexing and annexed districts, or for the  
6 resulting and divided districts, as constituted prior to the  
7 annexation or division, then a supplementary payment equal to  
8 the difference shall be made and allocated between or among the  
9 annexing or resulting districts, as constituted upon such  
10 annexation or division, for the first 4 years of their  
11 existence. The total difference payment shall be allocated  
12 between or among the annexing or resulting districts in the  
13 same ratio as the pupil enrollment from that portion of the  
14 annexed or divided district or districts which is annexed to or  
15 included in each such annexing or resulting district bears to  
16 the total pupil enrollment from the entire annexed or divided  
17 district or districts, as such pupil enrollment is determined  
18 for the school year last ending prior to the date when the  
19 change of boundaries attributable to the annexation or division  
20 becomes effective for all purposes. The amount of the total  
21 difference payment and the amount thereof to be allocated to  
22 the annexing or resulting districts shall be computed by the  
23 State Board of Education on the basis of pupil enrollment and  
24 other data which shall be certified to the State Board of  
25 Education, on forms which it shall provide for that purpose, by  
26 the regional superintendent of schools for each educational  
27 service region in which the annexing and annexed districts, or  
28 resulting and divided districts are located.

29 (3.5) Claims for financial assistance under this  
30 subsection (I) shall not be recomputed except as expressly  
31 provided under this Section.

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

35 (J) Supplementary Grants in Aid.

1           (1) Notwithstanding any other provisions of this Section,  
2 the amount of the aggregate general State aid in combination  
3 with supplemental general State aid under this Section for  
4 which each school district is eligible shall be no less than  
5 the amount of the aggregate general State aid entitlement that  
6 was received by the district under Section 18-8 (exclusive of  
7 amounts received under subsections 5(p) and 5(p-5) of that  
8 Section) for the 1997-98 school year, pursuant to the  
9 provisions of that Section as it was then in effect. If a  
10 school district qualifies to receive a supplementary payment  
11 made under this subsection (J), the amount of the aggregate  
12 general State aid in combination with supplemental general  
13 State aid under this Section which that district is eligible to  
14 receive for each school year shall be no less than the amount  
15 of the aggregate general State aid entitlement that was  
16 received by the district under Section 18-8 (exclusive of  
17 amounts received under subsections 5(p) and 5(p-5) of that  
18 Section) for the 1997-1998 school year, pursuant to the  
19 provisions of that Section as it was then in effect.

20           (2) If, as provided in paragraph (1) of this subsection  
21 (J), a school district is to receive aggregate general State  
22 aid in combination with supplemental general State aid under  
23 this Section for the 1998-99 school year and any subsequent  
24 school year that in any such school year is less than the  
25 amount of the aggregate general State aid entitlement that the  
26 district received for the 1997-98 school year, the school  
27 district shall also receive, from a separate appropriation made  
28 for purposes of this subsection (J), a supplementary payment  
29 that is equal to the amount of the difference in the aggregate  
30 State aid figures as described in paragraph (1).

31           (3) (Blank).

32           (K) Grants to Laboratory and Alternative Schools.

33           In calculating the amount to be paid to the governing board  
34 of a public university that operates a laboratory school under  
35 this Section or to any alternative school that is operated by a

1 regional superintendent of schools, the State Board of  
2 Education shall require by rule such reporting requirements as  
3 it deems necessary.

4 As used in this Section, "laboratory school" means a public  
5 school which is created and operated by a public university and  
6 approved by the State Board of Education. The governing board  
7 of a public university which receives funds from the State  
8 Board under this subsection (K) may not increase the number of  
9 students enrolled in its laboratory school from a single  
10 district, if that district is already sending 50 or more  
11 students, except under a mutual agreement between the school  
12 board of a student's district of residence and the university  
13 which operates the laboratory school. A laboratory school may  
14 not have more than 1,000 students, excluding students with  
15 disabilities in a special education program.

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

32 Each laboratory and alternative school shall file, on forms  
33 provided by the State Superintendent of Education, an annual  
34 State aid claim which states the Average Daily Attendance of  
35 the school's students by month. The best 3 months' Average  
36 Daily Attendance shall be computed for each school. The general

1 State aid entitlement shall be computed by multiplying the  
2 applicable Average Daily Attendance by the Foundation Level as  
3 determined under this Section.

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

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

18 (2) (Blank).

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

21 (M) Education Funding Advisory Board.

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

1 initial members appointed to serve on the Board, the member who  
2 is appointed as the chairperson shall serve for a term that  
3 commences on the date of his or her appointment and expires on  
4 the third Monday of January, 2002, and the remaining 4 members,  
5 by lots drawn at the first meeting of the Board that is held  
6 after all 5 members are appointed, shall determine 2 of their  
7 number to serve for terms that commence on the date of their  
8 respective appointments and expire on the third Monday of  
9 January, 2001, and 2 of their number to serve for terms that  
10 commence on the date of their respective appointments and  
11 expire on the third Monday of January, 2000. All members  
12 appointed to serve on the Board shall serve until their  
13 respective successors are appointed and confirmed. Vacancies  
14 shall be filled in the same manner as original appointments. If  
15 a vacancy in membership occurs at a time when the Senate is not  
16 in session, the Governor shall make a temporary appointment  
17 until the next meeting of the Senate, when he or she shall  
18 appoint, by and with the advice and consent of the Senate, a  
19 person to fill that membership for the unexpired term. If the  
20 Senate is not in session when the initial appointments are  
21 made, those appointments shall be made as in the case of  
22 vacancies.

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

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

35 For school years after the 2000-2001 school year, the  
36 Education Funding Advisory Board, in consultation with the

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

13 (N) (Blank).

14 (O) References.

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

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

23 (P) Public Act 93-838 and Public Act 93-808 make inconsistent  
24 changes to this Section. Under Section 6 of the Statute on  
25 Statutes there is an irreconcilable conflict between Public Act  
26 93-808 and Public Act 93-838. Public Act 93-838, being the last  
27 acted upon, is controlling. The text of Public Act 93-838 is  
28 the law regardless of the text of Public Act 93-808.

29 (Source: P.A. 93-21, eff. 7-1-03; 93-715, eff. 7-12-04; 93-808,  
30 eff. 7-26-04; 93-838, eff. 7-30-04; 93-875, eff. 8-6-04; 94-69,  
31 eff. 7-1-05; 94-438, eff. 8-4-05; revised 8-22-05.)

1           Section 99-99. Effective date. This Act takes effect upon  
2    becoming law.