

1 AN ACT concerning education.

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

4 Section 5. The School Code is amended by changing Sections
5 1C-4 and 1D-1 as follows:

6 (105 ILCS 5/1C-4)

7 Sec. 1C-4. Reports. The State Superintendent of Education,
8 in cooperation with the school districts participating under
9 this Article, shall annually report to the leadership of the
10 General Assembly on the progress made in implementing this
11 Article. By February 1, 1997, the State Board of Education
12 shall submit to the Governor and General Assembly a
13 comprehensive plan for Illinois school districts, including
14 the school district that has been organized under Article 34
15 and is under the jurisdiction of the Chicago Board of
16 Education, to establish and implement a block grant funding
17 system for educational programs that are currently funded
18 through single-program grants. Before submitting its plan to
19 establish and implement a block grant funding system to the
20 Governor and General Assembly as required by this Section, the
21 State Board of Education shall give appropriate notice of and
22 hold statewide public hearings on the subject of funding
23 educational programs through block grants. The plan shall be

1 designed to relieve school districts of the administrative
2 burdens that impede efficiency and accompany single-program
3 funding.

4 A school district that receives an Early Childhood
5 Education Block Grant shall report to the State Board of
6 Education on its use of the block grant in such form and detail
7 as the State Board of Education may specify. In addition, the
8 report must include the following description for the district,
9 which must also be reported to the General Assembly: block
10 grant allocation and expenditures by program; population and
11 service levels by program; and administrative expenditures by
12 program. The State Board of Education shall ensure that the
13 reporting requirements for a district organized under Article
14 34 of this Code are the same as for all other school districts
15 in this State.

16 (Source: P.A. 88-555, eff. 7-27-94; 89-397, eff. 8-20-95;
17 89-610, eff. 8-6-96.)

18 (105 ILCS 5/1D-1)

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

20 (a) For fiscal year 1996 and each fiscal year thereafter,
21 the State Board of Education shall award to a school district
22 having a population exceeding 500,000 inhabitants a general
23 education block grant and an educational services block grant,
24 determined as provided in this Section, in lieu of distributing
25 to the district separate State funding for the programs

1 described in subsections (b) and (c). The provisions of this
2 Section, however, do not apply to any federal funds that the
3 district is entitled to receive. In accordance with Section
4 2-3.32, all block grants are subject to an audit. Therefore,
5 block grant receipts and block grant expenditures shall be
6 recorded to the appropriate fund code for the designated block
7 grant.

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

24 (c) The educational services block grant shall include the
25 following programs: Bilingual, Regular and Vocational
26 Transportation, State Lunch and Free Breakfast Program,

1 Special Education (Personnel, Transportation, Orphanage,
2 Private Tuition), funding for children requiring special
3 education services, Summer School, Educational Service
4 Centers, and Administrator's Academy. This subsection (c) does
5 not relieve the district of its obligation to provide the
6 services required under a program that is included within the
7 educational services block grant. It is the intention of the
8 General Assembly in enacting the provisions of this subsection
9 (c) to relieve the district of the administrative burdens that
10 impede efficiency and accompany single-program funding. The
11 General Assembly encourages the board to pursue mandate waivers
12 pursuant to Section 2-3.25g.

13 The funding program included in the educational services
14 block grant for funding for children requiring special
15 education services in each fiscal year shall be treated in that
16 fiscal year as a payment to the school district in respect of
17 services provided or costs incurred in the prior fiscal year,
18 calculated in each case as provided in this Section. Nothing in
19 this Section shall change the nature of payments for any
20 program that, apart from this Section, would be or, prior to
21 adoption or amendment of this Section, was on the basis of a
22 payment in a fiscal year in respect of services provided or
23 costs incurred in the prior fiscal year, calculated in each
24 case as provided in this Section.

25 (d) For fiscal year 1996 and each fiscal year thereafter,
26 the amount of the district's block grants shall be determined

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

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

22 (f) A school district to which this Section applies shall
23 report to the State Board of Education on its use of the block
24 grants in such form and detail as the State Board of Education
25 may specify. In addition, the report must include the following
26 description for the district, which must also be reported to

1 the General Assembly: block grant allocation and expenditures
2 by program; population and service levels by program; and
3 administrative expenditures by program. The State Board of
4 Education shall ensure that the reporting requirements for the
5 district are the same as for all other school districts in this
6 State.

7 (g) This paragraph provides for the treatment of block
8 grants under Article 1C for purposes of calculating the amount
9 of block grants for a district under this Section. Those block
10 grants under Article 1C are, for this purpose, treated as
11 included in the amount of appropriation for the various
12 programs set forth in paragraph (b) above. The appropriation in
13 each current fiscal year for each block grant under Article 1C
14 shall be treated for these purposes as appropriations for the
15 individual program included in that block grant. The proportion
16 of each block grant so allocated to each such program included
17 in it shall be the proportion which the appropriation for that
18 program was of all appropriations for such purposes now in that
19 block grant, in fiscal 1995.

20 Payments to the school district under this Section with
21 respect to each program for which payments to school districts
22 generally, as of the date of this amendatory Act of the 92nd
23 General Assembly, are on a reimbursement basis shall continue
24 to be made to the district on a reimbursement basis, pursuant
25 to the provisions of this Code governing those programs.

26 (h) Notwithstanding any other provision of law, any school

1 district receiving a block grant under this Section may
2 classify all or a portion of the funds that it receives in a
3 particular fiscal year from any block grant authorized under
4 this Code or from general State aid pursuant to Section 18-8.05
5 of this Code (other than supplemental general State aid) as
6 funds received in connection with any funding program for which
7 it is entitled to receive funds from the State in that fiscal
8 year (including, without limitation, any funding program
9 referred to in subsection (c) of this Section), regardless of
10 the source or timing of the receipt. The district may not
11 classify more funds as funds received in connection with the
12 funding program than the district is entitled to receive in
13 that fiscal year for that program. Any classification by a
14 district must be made by a resolution of its board of
15 education. The resolution must identify the amount of any block
16 grant or general State aid to be classified under this
17 subsection (h) and must specify the funding program to which
18 the funds are to be treated as received in connection
19 therewith. This resolution is controlling as to the
20 classification of funds referenced therein. A certified copy of
21 the resolution must be sent to the State Superintendent of
22 Education. The resolution shall still take effect even though a
23 copy of the resolution has not been sent to the State
24 Superintendent of Education in a timely manner. No
25 classification under this subsection (h) by a district shall
26 affect the total amount or timing of money the district is

1 entitled to receive under this Code. No classification under
2 this subsection (h) by a district shall in any way relieve the
3 district from or affect any requirements that otherwise would
4 apply with respect to the block grant as provided in this
5 Section, including any accounting of funds by source, reporting
6 expenditures by original source and purpose, reporting
7 requirements, or requirements of provision of services.

8 (Source: P.A. 92-568, eff. 6-26-02; 92-651, eff. 7-11-02;
9 93-21, eff. 7-1-03; 93-53, eff. 7-1-03; 93-1022, eff. 8-24-04.)

10 Section 99. Effective date. This Act takes effect July 1,
11 2011.