



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

**HB2441**

by Rep. Ed Sullivan, Jr.

#### SYNOPSIS AS INTRODUCED:

105 ILCS 5/1C-1  
105 ILCS 5/1D-1

Amends the School Code. Removes language that provides that the Block Grants Article does not apply to the Chicago school district. Amends the Block Grants for Chicago Article. Removes provisions concerning the treatment of block grants under the Block Grants Article for purposes of calculating the amount of block grants for the Chicago school district under the Block Grants for Chicago Article. Removes language that provides that payments to the Chicago school district with respect to each program for which payments to school districts generally, as of June 26, 2002, are on a reimbursement basis shall continue to be made to the district on a reimbursement basis, pursuant to the provisions of the Code governing those programs. Effective immediately.

LRB098 10291 NHT 40476 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

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-1 and 1D-1 as follows:

6 (105 ILCS 5/1C-1)

7 Sec. 1C-1. Purpose. The purpose of this Article is to  
8 permit greater flexibility and efficiency in the distribution  
9 and use of certain State funds available to local education  
10 agencies for the improvement of the quality of educational  
11 services pursuant to locally established priorities.

12 ~~This Article does not apply to school districts having a~~  
13 ~~population in excess of 500,000 inhabitants.~~

14 (Source: P.A. 88-555, eff. 7-27-94; 89-15, eff. 5-30-95;  
15 89-397, eff. 8-20-95; 89-626, eff. 8-9-96.)

16 (105 ILCS 5/1D-1)

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

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

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

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

25 (c) The educational services block grant shall include the  
26 following programs: Regular and Vocational Transportation,

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

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

26 (d) For fiscal year 1996 and each fiscal year thereafter,

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

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

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

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

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

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

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

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

9 (Source: P.A. 97-238, eff. 8-2-11; 97-324, eff. 8-12-11;  
10 97-813, eff. 7-13-12.)

11 Section 99. Effective date. This Act takes effect upon  
12 becoming law.