



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB3692

by Rep. Sandra M. Pihos

SYNOPSIS AS INTRODUCED:

105 ILCS 5/1C-4
105 ILCS 5/1D-1

Amends the School Code. With respect to the report that a school district submits to the State Board of Education if the district receives an Early Childhood Education Block Grant and the report that the Chicago school district submits to the State Board on the use of its general education and educational services block grants, provides that if the district does not submit the report to the State Board in a timely manner then the State Board shall withhold all payments owed to the district until the report is submitted, reviewed, and made public by the State Board. Effective July 1, 2014.

LRB098 14083 NHT 48651 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-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. If the school district does not submit the
16 report to the State Board of Education in a timely manner, as
17 prescribed by the State Board of Education, then the State
18 Board of Education shall withhold all payments owed to the
19 district until the report is submitted, reviewed, and made
20 public by the State Board of Education.

21 (Source: P.A. 97-238, eff. 8-2-11.)

22 (105 ILCS 5/1D-1)

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

24 (a) For fiscal year 1996 and each fiscal year thereafter,
25 the State Board of Education shall award to a school district

1 having a population exceeding 500,000 inhabitants a general
2 education block grant and an educational services block grant,
3 determined as provided in this Section, in lieu of distributing
4 to the district separate State funding for the programs
5 described in subsections (b) and (c). The provisions of this
6 Section, however, do not apply to any federal funds that the
7 district is entitled to receive. In accordance with Section
8 2-3.32, all block grants are subject to an audit. Therefore,
9 block grant receipts and block grant expenditures shall be
10 recorded to the appropriate fund code for the designated block
11 grant.

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

1 lawful purposes.

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

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

1 costs incurred in the prior fiscal year, calculated in each
2 case as provided in this Section.

3 (d) For fiscal year 1996 and each fiscal year thereafter,
4 the amount of the district's block grants shall be determined
5 as follows: (i) with respect to each program that is included
6 within each block grant, the district shall receive an amount
7 equal to the same percentage of the current fiscal year
8 appropriation made for that program as the percentage of the
9 appropriation received by the district from the 1995 fiscal
10 year appropriation made for that program, and (ii) the total
11 amount that is due the district under the block grant shall be
12 the aggregate of the amounts that the district is entitled to
13 receive for the fiscal year with respect to each program that
14 is included within the block grant that the State Board of
15 Education shall award the district under this Section for that
16 fiscal year. In the case of the Summer Bridges program, the
17 amount of the district's block grant shall be equal to 44% of
18 the amount of the current fiscal year appropriation made for
19 that program.

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

26 (f) A school district to which this Section applies shall

1 report to the State Board of Education on its use of the block
2 grants in such form and detail as the State Board of Education
3 may specify. In addition, the report must include the following
4 description for the district, which must also be reported to
5 the General Assembly: block grant allocation and expenditures
6 by program; population and service levels by program; and
7 administrative expenditures by program. The State Board of
8 Education shall ensure that the reporting requirements for the
9 district are the same as for all other school districts in this
10 State. If the school district does not submit the report to the
11 State Board of Education in a timely manner, as prescribed by
12 the State Board of Education, then the State Board of Education
13 shall withhold all payments owed to the district until the
14 report is submitted, reviewed, and made public by the State
15 Board of Education.

16 (g) This paragraph provides for the treatment of block
17 grants under Article 1C for purposes of calculating the amount
18 of block grants for a district under this Section. Those block
19 grants under Article 1C are, for this purpose, treated as
20 included in the amount of appropriation for the various
21 programs set forth in paragraph (b) above. The appropriation in
22 each current fiscal year for each block grant under Article 1C
23 shall be treated for these purposes as appropriations for the
24 individual program included in that block grant. The proportion
25 of each block grant so allocated to each such program included
26 in it shall be the proportion which the appropriation for that

1 program was of all appropriations for such purposes now in that
2 block grant, in fiscal 1995.

3 Payments to the school district under this Section with
4 respect to each program for which payments to school districts
5 generally, as of the date of this amendatory Act of the 92nd
6 General Assembly, are on a reimbursement basis shall continue
7 to be made to the district on a reimbursement basis, pursuant
8 to the provisions of this Code governing those programs.

9 (h) Notwithstanding any other provision of law, any school
10 district receiving a block grant under this Section may
11 classify all or a portion of the funds that it receives in a
12 particular fiscal year from any block grant authorized under
13 this Code or from general State aid pursuant to Section 18-8.05
14 of this Code (other than supplemental general State aid) as
15 funds received in connection with any funding program for which
16 it is entitled to receive funds from the State in that fiscal
17 year (including, without limitation, any funding program
18 referred to in subsection (c) of this Section), regardless of
19 the source or timing of the receipt. The district may not
20 classify more funds as funds received in connection with the
21 funding program than the district is entitled to receive in
22 that fiscal year for that program. Any classification by a
23 district must be made by a resolution of its board of
24 education. The resolution must identify the amount of any block
25 grant or general State aid to be classified under this
26 subsection (h) and must specify the funding program to which

1 the funds are to be treated as received in connection
2 therewith. This resolution is controlling as to the
3 classification of funds referenced therein. A certified copy of
4 the resolution must be sent to the State Superintendent of
5 Education. The resolution shall still take effect even though a
6 copy of the resolution has not been sent to the State
7 Superintendent of Education in a timely manner. No
8 classification under this subsection (h) by a district shall
9 affect the total amount or timing of money the district is
10 entitled to receive under this Code. No classification under
11 this subsection (h) by a district shall in any way relieve the
12 district from or affect any requirements that otherwise would
13 apply with respect to the block grant as provided in this
14 Section, including any accounting of funds by source, reporting
15 expenditures by original source and purpose, reporting
16 requirements, or requirements of provision of services.

17 (Source: P.A. 97-238, eff. 8-2-11; 97-324, eff. 8-12-11;
18 97-813, eff. 7-13-12.)

19 Section 99. Effective date. This Act takes effect July 1,
20 2014.