1 AN ACT concerning finance.

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

- Section 5. The Illinois Administrative Procedure Act is amended by changing Section 5-45 as follows:
- 6 (5 ILCS 100/5-45) (from Ch. 127, par. 1005-45)
- 7 Sec. 5-45. Emergency rulemaking.

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- 8 (a) "Emergency" means the existence of any situation that
 9 any agency finds reasonably constitutes a threat to the public
 10 interest, safety, or welfare.
 - (b) If any agency finds that an emergency exists that requires adoption of a rule upon fewer days than is required by Section 5-40 and states in writing its reasons for that finding, the agency may adopt an emergency rule without prior notice or hearing upon filing a notice of emergency rulemaking with the Secretary of State under Section 5-70. The notice shall include the text of the emergency rule and shall be published in the Illinois Register. Consent orders or other court orders adopting settlements negotiated by an agency may under this Section. Subject to applicable constitutional or statutory provisions, an emergency rule becomes effective immediately upon filing under Section 5-65 or at a stated date less than 10 days thereafter. The agency's

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finding and a statement of the specific reasons for the finding shall be filed with the rule. The agency shall take reasonable and appropriate measures to make emergency rules known to the persons who may be affected by them.

(c) An emergency rule may be effective for a period of not longer than 150 days, but the agency's authority to adopt an identical rule under Section 5-40 is not precluded. No emergency rule may be adopted more than once in any 24 month period, except that this limitation on the number of emergency rules that may be adopted in a 24 month period does not apply to (i) emergency rules that make additions to and deletions from the Drug Manual under Section 5-5.16 of the Illinois Public Aid Code or the generic drug formulary under Section 3.14 of the Illinois Food, Drug and Cosmetic Act, (ii) emergency rules adopted by the Pollution Control Board before July 1, 1997 to implement portions of the Livestock Management Facilities Act, (iii) emergency rules adopted by the Illinois Department of Public Health under subsections (a) through (i) of Section 2 of the Department of Public Health Act when necessary to protect the public's health, (iv) emergency rules adopted pursuant to subsection (n) of this Section, (v) emergency rules adopted pursuant to subsection (o) of this Section, or (vi) emergency rules adopted pursuant to subsection (c-5) of this Section. Two or more emergency rules having substantially the same purpose and effect shall be deemed to be a single rule for purposes of this Section.

(c-5) To facilitate the maintenance of the program of group health benefits provided to annuitants, survivors, and retired employees under the State Employees Group Insurance Act of 1971, rules to alter the contributions to be paid by the State, annuitants, survivors, retired employees, or any combination of those entities, for that program of group health benefits, shall be adopted as emergency rules. The adoption of those rules shall be considered an emergency and necessary for the

public interest, safety, and welfare.

- (d) In order to provide for the expeditious and timely implementation of the State's fiscal year 1999 budget, emergency rules to implement any provision of Public Act 90-587 or 90-588 or any other budget initiative for fiscal year 1999 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (d). The adoption of emergency rules authorized by this subsection (d) shall be deemed to be necessary for the public interest, safety, and welfare.
- (e) In order to provide for the expeditious and timely implementation of the State's fiscal year 2000 budget, emergency rules to implement any provision of this amendatory Act of the 91st General Assembly or any other budget initiative for fiscal year 2000 may be adopted in accordance with this

Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (e). The adoption of emergency rules authorized by this subsection (e) shall be deemed to be necessary for the

public interest, safety, and welfare.

- (f) In order to provide for the expeditious and timely implementation of the State's fiscal year 2001 budget, emergency rules to implement any provision of this amendatory Act of the 91st General Assembly or any other budget initiative for fiscal year 2001 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (f). The adoption of emergency rules authorized by this subsection (f) shall be deemed to be necessary for the public interest, safety, and welfare.
- (g) In order to provide for the expeditious and timely implementation of the State's fiscal year 2002 budget, emergency rules to implement any provision of this amendatory Act of the 92nd General Assembly or any other budget initiative for fiscal year 2002 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on the

- 1 adoption of emergency rules and the provisions of Sections
- 2 5-115 and 5-125 do not apply to rules adopted under this
- 3 subsection (g). The adoption of emergency rules authorized by
- 4 this subsection (g) shall be deemed to be necessary for the
- 5 public interest, safety, and welfare.
- 6 (h) In order to provide for the expeditious and timely
- 7 implementation of the State's fiscal year 2003 budget,
- 8 emergency rules to implement any provision of this amendatory
- 9 Act of the 92nd General Assembly or any other budget initiative
- 10 for fiscal year 2003 may be adopted in accordance with this
- 11 Section by the agency charged with administering that provision
- or initiative, except that the 24-month limitation on the
- adoption of emergency rules and the provisions of Sections
- 14 5-115 and 5-125 do not apply to rules adopted under this
- 15 subsection (h). The adoption of emergency rules authorized by
- 16 this subsection (h) shall be deemed to be necessary for the
- public interest, safety, and welfare.
- 18 (i) In order to provide for the expeditious and timely
- implementation of the State's fiscal year 2004 budget,
- 20 emergency rules to implement any provision of this amendatory
- 21 Act of the 93rd General Assembly or any other budget initiative
- for fiscal year 2004 may be adopted in accordance with this
- 23 Section by the agency charged with administering that provision
- or initiative, except that the 24-month limitation on the
- 25 adoption of emergency rules and the provisions of Sections
- 26 5-115 and 5-125 do not apply to rules adopted under this

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- subsection (i). The adoption of emergency rules authorized by 1 2 this subsection (i) shall be deemed to be necessary for the public interest, safety, and welfare. 3
 - (j) In order to provide for the expeditious and timely implementation of the provisions of the State's fiscal year 2005 budget as provided under the Fiscal Year 2005 Budget Implementation (Human Services) Act, emergency rules implement any provision of the Fiscal Year 2005 Budget Implementation (Human Services) Act may be adopted in accordance with this Section by the agency charged with administering that provision, except that the 24-month limitation on the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (j). The Department of Public Aid may also adopt rules under this subsection (j) necessary to administer the Illinois Public Aid Code and the Children's Health Insurance Program Act. The adoption of emergency rules authorized by this subsection (j) shall be deemed to be necessary for the public interest, safety, and welfare.
 - (k) In order to provide for the expeditious and timely implementation of the provisions of the State's fiscal year 2006 budget, emergency rules to implement any provision of this amendatory Act of the 94th General Assembly or any other budget initiative for fiscal year 2006 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative, except that the 24-month limitation on

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- the adoption of emergency rules and the provisions of Sections 5-115 and 5-125 do not apply to rules adopted under this subsection (k). The Department of Healthcare and Family Services may also adopt rules under this subsection (k) necessary to administer the Illinois Public Aid Code, the Senior Citizens and Disabled Persons Property Tax Relief Act, the Senior Citizens and Disabled Persons Prescription Drug Discount Program Act (now the Illinois Prescription Drug Discount Program Act), and the Children's Health Insurance Program Act. The adoption of emergency rules authorized by this subsection (k) shall be deemed to be necessary for the public interest, safety, and welfare.
- (1) In order to provide for the expeditious and timely implementation of the provisions of the State's fiscal year 2007 budget, the Department of Healthcare and Family Services may adopt emergency rules during fiscal year 2007, including rules effective July 1, 2007, in accordance with this the necessary to administer subsection to extent Department's responsibilities with respect to amendments to the State plans and Illinois waivers approved by the federal Centers for Medicare and Medicaid Services necessitated by the requirements of Title XIX and Title XXI of the federal Social Security Act. The adoption of emergency rules authorized by this subsection (1) shall be deemed to be necessary for the public interest, safety, and welfare.
 - (m) In order to provide for the expeditious and timely

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may adopt emergency rules during fiscal year 2008, including

rules effective July 1, 2008, in accordance with this

subsection to the extent necessary to administer the

Department's responsibilities with respect to amendments to

the State plans and Illinois waivers approved by the federal

Centers for Medicare and Medicaid Services necessitated by the

requirements of Title XIX and Title XXI of the federal Social

Security Act. The adoption of emergency rules authorized by

this subsection (m) shall be deemed to be necessary for the

12 public interest, safety, and welfare.

- In order to provide for the expeditious and timely implementation of the provisions of the State's fiscal year 2010 budget, emergency rules to implement any provision of this amendatory Act of the 96th General Assembly or any other budget initiative authorized by the 96th General Assembly for fiscal year 2010 may be adopted in accordance with this Section by the agency charged with administering that provision initiative. The adoption of emergency rules authorized by this subsection (n) shall be deemed to be necessary for the public interest, safety, and welfare. The rulemaking authority granted in this subsection (n) shall apply only to rules promulgated during Fiscal Year 2010.
- (o) In order to provide for the expeditious and timely implementation of the provisions of the State's fiscal year

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2011 budget, emergency rules to implement any provision of this amendatory Act of the 96th General Assembly or any other budget initiative authorized by the 96th General Assembly for fiscal year 2011 may be adopted in accordance with this Section by the agency charged with administering that provision or initiative. The adoption of emergency rules authorized by this subsection (o) is deemed to be necessary for the public interest, safety, and welfare. The rulemaking authority granted in this subsection (o) applies only to rules promulgated on or after the effective date of this amendatory Act of the 96th General Assembly through June 30, 2011.

- (p) In order to provide for the expeditious and timely implementation of the provisions of Public Act emergency rules to implement any provision of Public Act 97-689 may be adopted in accordance with this subsection (p) by the charged with administering that provision initiative. The 150-day limitation of the effective period of emergency rules does not apply to rules adopted under this subsection (p), and the effective period may continue through June 30, 2013. The 24-month limitation on the adoption of emergency rules does not apply to rules adopted under this subsection (p). The adoption of emergency rules authorized by this subsection (p) is deemed to be necessary for the public interest, safety, and welfare.
- (q) In order to provide for the expeditious and timely implementation of the provisions of Articles 7, 8, 9, 11, and

2 emergency rules to implement any provision of Articles 7, 8, 9,

11, and 12 of this amendatory Act of the 98th General Assembly

may be adopted in accordance with this subsection (q) by the

agency charged with administering that provision or

initiative. The 24-month limitation on the adoption of

emergency rules does not apply to rules adopted under this

subsection (q). The adoption of emergency rules authorized by

this subsection (q) is deemed to be necessary for the public

interest, safety, and welfare.

- (r) In order to provide for the expeditious and timely implementation of the provisions of this amendatory Act of the 98th General Assembly, emergency rules to implement this amendatory Act of the 98th General Assembly may be adopted in accordance with this subsection (r) by the Department of Healthcare and Family Services. The 24-month limitation on the adoption of emergency rules does not apply to rules adopted under this subsection (r). The adoption of emergency rules authorized by this subsection (r) is deemed to be necessary for the public interest, safety, and welfare.
- (s) In order to provide for the expeditious and timely implementation of the provisions of Sections 5-5b.1 and 5A-2 of the Illinois Public Aid Code, emergency rules to implement any provision of Section 5-5b.1 or Section 5A-2 of the Illinois Public Aid Code may be adopted in accordance with this subsection (s) by the Department of Healthcare and Family

- 1 Services. The rulemaking authority granted in this subsection
- 2 (s) shall apply only to those rules adopted prior to July 1,
- 3 2015. Notwithstanding any other provision of this Section, any
- 4 emergency rule adopted under this subsection (s) shall only
- 5 apply to payments made for State fiscal year 2015. The adoption
- 6 of emergency rules authorized by this subsection (s) is deemed
- 7 to be necessary for the public interest, safety, and welfare.
- 8 (Source: P.A. 97-689, eff. 6-14-12; 97-695, eff. 7-1-12;
- 9 98-104, eff. 7-22-13; 98-463, eff. 8-16-13; 98-651, eff.
- 10 6-16-14.)
- 11 Section 10. The Governor's Office of Management and Budget
- 12 Act is amended by changing Section 7.2 as follows:
- 13 (20 ILCS 3005/7.2)
- 14 Sec. 7.2. Quarterly financial reports. The Office shall
- prepare and publish a quarterly financial report to update the
- 16 public and the General Assembly on the status of the State's
- finances. At a minimum, each report shall include the following
- 18 information:
- 19 (1) A review of the State's economic outlook.
- 20 (2) A review of general funds revenue performance, both
- 21 quarterly and year to date, and an evaluation of that
- 22 performance.
- 23 (3) The outlook for future general funds revenue
- 24 performance, including projections of future general funds

venues.

- 2 (4) An assessment of the State's financial position, including a summary of general fund receipts, transfers, 3 expenditures, and liabilities. 4
 - (5) A review of Statewide employment statistics.
- (6) Other information necessary to present the status 6 7 of the State's finances.
- 8 (7) For the report covering the fourth quarter of State 9 fiscal year 2015 only, the report shall also include the 10 information described in subsection (e) of Section 8.50 of 11 the State Finance Act.
- 12 In addition, the fourth quarter report for each fiscal year shall include a summary of fiscal and balanced budget notes 13 issued by the Office to the General Assembly during the prior 14 legislative session. Each report shall be posted on the 15 16 Office's website within 45 days.
- 17 (Source: P.A. 96-555, eff. 8-18-09.)
- 18 Section 15. The State Finance Act is amended by changing Section 13.2 and by adding Section 8.50 as follows: 19
- 20 (30 ILCS 105/8.50 new)
- 21 Sec. 8.50. Special fund transfers.
- 22 (a) In order to maintain the integrity of special funds and 23 improve stability in the General Revenue Fund, the following transfers are authorized from the designated funds into the 24

1	General Revenue Fund:
2	Road Fund \$250,000,000
3	Motor Fuel Tax Fund
4	Food and Drug Safety Fund \$1,000,000
5	Teacher Certificate Fee Revolving Fund \$5,000,000
6	Grade Crossing Protection Fund \$10,000,000
7	Financial Institution Fund
8	General Professions Dedicated Fund \$2,000,000
9	Lobbyist Registration Administration Fund \$1,000,000
10	Agricultural Premium Fund \$5,000,000
11	<u>Fire Prevention Fund</u> \$23,000,000
12	Illinois State Pharmacy Disciplinary Fund \$2,700,000
13	Radiation Protection Fund \$1,500,000
14	<u>Hospital Licensure Fund</u> \$500,000
15	<u>Underground Storage Tank Fund</u> \$20,000,000
16	Solid Waste Management Fund
17	Subtitle D Management Fund \$1,000,000
18	Illinois State Medical Disciplinary Fund \$10,000,000
19	<u>Facility Licensing Fund</u> \$1,000,000
20	Registered Certified Public Accountants'
21	Administration and Disciplinary Fund \$6,100,000
22	Motor Vehicle Theft Prevention Fund \$6,000,000
23	Weights and Measures Fund \$2,000,000
24	State and Local Sales Tax Reform Fund \$40,000,000
25	County and Mass Transit District Fund \$40,000,000
26	Local Government Tax Fund \$200,000,000

1	Illinois Fisheries Management Fund \$500,000
2	Capital Development Board Revolving Fund \$1,500,000
3	<pre>Intercity Passenger Rail Fund \$370,000</pre>
4	Illinois Health Facilities Planning Fund \$3,746,000
5	Emergency Public Health Fund
6	TOMA Consumer Protection Fund \$1,500,000
7	Fair and Exposition Fund
8	State Police Vehicle Fund \$4,000,000
9	Nursing Dedicated and Professional Fund \$5,000,000
10	<u>Underground Resources Conservation Enforcement Fund</u> \$500,000
11	State Rail Freight Loan Repayment Fund \$10,000,000
12	Illinois Affordable Housing Trust Fund \$6,000,000
13	Home Care Services Agency Licensure Fund \$1,000,000
14	<u>Fertilizer Control Fund</u> \$500,000
15	Securities Investors Education Fund \$5,000,000
16	Used Tire Management Fund
17	Natural Areas Acquisition Fund
18	<u>I-FLY Fund</u>
19	Illinois Prescription Drug Discount Program Fund \$257,100
20	ICJIA Violence Prevention Special Projects Fund \$3,000,000
21	Tattoo and Body Piercing
22	Establishment Registration Fund \$250,000
23	Public Health Laboratory Services Revolving Fund \$500,000
24	<u>Provider Inquiry Trust Fund</u>
25	Securities Audit and Enforcement Fund \$4,000,000
26	<u>Drug Treatment Fund</u> \$1,000,000

1	<u>Feed Control Fund</u> \$1,000,000
2	Plumbing Licensure and Program Fund \$200,000
3	Appraisal Administration Fund \$400,000
4	<u>Trauma Center Fund</u>
5	<u>Alternate Fuels Fund</u>
6	<u>Illinois State Fair Fund</u>
7	Agricultural Master Fund \$400,000
8	Human Services Priority Capital Program Fund \$1,680,000
9	State Asset Forfeiture Fund \$250,000
10	Health Facility Plan Review Fund \$1,000,000
11	Illinois Workers' Compensation
12	Commission Operations Fund \$10,000,000
13	Workforce, Technology, and Economic Development Fund \$300,000
14	Downstate Transit Improvement Fund \$70,000,000
15	Renewable Energy Resources Trust Fund \$3,000,000
16	Energy Efficiency Trust Fund \$6,000,000
17	<u>Pesticide Control Fund</u> \$3,000,000
18	Partners for Conservation Fund \$6,000,000
19	Wireless Service Emergency Fund \$7,500,000
20	Death Certificate Surcharge Fund \$1,500,000
21	Illinois Adoption Registry and
22	Medical Information Exchange Fund \$232,000
23	Fund for the Advancement of Education \$25,000,000
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2 1	Commitment to Human Services Fund \$25,000,000
25	Commitment to Human Services Fund

1	Spinal Cord Injury Paralysis
2	<u>Cure Research Trust Fund</u> \$1,100,000
3	Medicaid Buy-In Program Revolving Fund \$1,700,000
4	<pre>Home Inspector Administration Fund \$1,000,000</pre>
5	Real Estate Audit Fund
6	Illinois AgriFIRST Program Fund \$204,000
7	Performance-enhancing Substance Testing Fund \$365,000
8	Bank and Trust Company Fund
9	Natural Resources Restoration Trust Fund \$1,000,000
10	Illinois Power Agency Renewable
11	Energy Resources Fund \$98,000,000
12	Real Estate Research and Education Fund \$500,000
13	Real Estate License Administration Fund \$30,000,000
14	Abandoned Residential Property
15	Municipality Pality Flord
10	Municipality Relief Fund \$700,000
16	State Construction Account Fund
16	State Construction Account Fund
16 17	State Construction Account Fund \$50,000,000 State Police Services Fund \$6,000,000
16 17 18	State Construction Account Fund\$50,000,000State Police Services Fund\$6,000,000Metabolic Screening and Treatment Fund\$5,000,000
16 17 18 19	State Construction Account Fund\$50,000,000State Police Services Fund\$6,000,000Metabolic Screening and Treatment Fund\$5,000,000Insurance Producer Administration Fund\$70,313,800
16 17 18 19 20	State Construction Account Fund\$50,000,000State Police Services Fund\$6,000,000Metabolic Screening and Treatment Fund\$5,000,000Insurance Producer Administration Fund\$70,313,800Coal Technology Development Assistance Fund\$3,000,000
16 17 18 19 20 21	State Construction Account Fund
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16 17 18 19 20 21 22 23	State Construction Account Fund

1	Vehicle Inspection Fund	\$8,000,000
2	Local Tourism Fund	\$308 , 000
3	Illinois Capital Revolving Loan Fund	\$5,000,000
4	Illinois Equity Fund	<u></u> \$500,000
5	Public Infrastructure Construction	
6	Loan Revolving Fund	\$9,000,000
7	Insurance Financial Regulation Fund §	\$23 , 598 , 000
8	Dram Shop Fund	\$1,000,000
9	Illinois State Dental Disciplinary Fund	\$1,500,000
10	ISBE Teacher Certificate Institute Fund	\$1,800,000
11	Mental Health Fund	\$3,000,000
12	Tobacco Settlement Recovery Fund	\$4,000,000
13	Public Health Special State Projects Fund	\$5,000,000
14	<u>Total</u> \$1,3	318,396,100
15	(b) In order to maintain the integrity of special	l funds and
16	improve stability in the General Obligation Bond Retain	irement and
17	Interest Fund, the following transfer is authorize	d from the
18	designated fund into the General Obligation Bond Retain	irement and
19	<pre>Interest Fund:</pre>	
20	Federal High Speed Rail Trust Fund S	\$48,000,000
21	(c) On and after the effective date of this amer	ndatory Act
22	of the 99th General Assembly through the end of St	ate fiscal
23	year 2015, when any of the funds listed in subsecti	on (a) has
24	insufficient cash from which the State Comptrolle:	r may make
25	expenditures properly supported by appropriations	from the
26	fund, then, at the direction of the Director of the	Governor's

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Office of Management and Budget, the State Treasurer and State Comptroller shall transfer from the General Revenue Fund to the fund only such amount as is immediately necessary to satisfy outstanding expenditure obligations on a timely basis, subject to the provisions of the State Prompt Payment Act. All or a portion of the amounts transferred from the General Revenue Fund to a fund pursuant to this subsection (c) from time to time may be re-transferred by the State Comptroller and the State Treasurer from the receiving fund into the General Revenue Fund as soon as and to the extent that deposits are made into or receipts are collected by the receiving fund. (d) The State Treasurer and State Comptroller shall transfer the amounts designated under subsections (a) and (b) of this Section as soon as may be practicable after receiving the direction to transfer from the Director of the Governor's Office of Management and Budget. If the Director of the Governor's Office of Management and Budget determines that any transfer authorized by this Section from a special fund under subsection (a) or (b) either (i) jeopardizes federal funding based on a written communication from a federal official or (ii) violates an order of a court of competent jurisdiction, then the Director may order the State Treasurer and State Comptroller, in writing, to (i) transfer from the General Revenue Fund to that listed special fund all or part of the amounts transferred from that special fund under subsection

(a), or (ii) transfer from the General Obligation Bond

- 1 Retirement and Interest Fund to that listed special fund all or
- 2 part of the amounts transferred from that special fund under
- 3 subsection (b).
- 4 (e) For the fourth quarter of State fiscal year 2015, the
- 5 report filed under Section 7.2 of the Governor's Office of
- Management and Budget Act shall contain, in addition to the 6
- 7 information otherwise required, information on all transfers
- made pursuant to this Section, including all of the following: 8
- 9 (1) The date each transfer was made.
- 10 (2) The amount of each transfer.
- 11 (3) In the case of a transfer from the General Revenue
- 12 Fund to a fund of origin pursuant to subsection (c) or (d)
- 13 of this Section, the amount of such transfer and the date
- 14 such transfer was made.
- (4) The end of day balance of both the fund of origin 15
- 16 and the General Revenue Fund on the date the transfer was
- 17 made.
- (f) Notwithstanding any provision of law to the contrary, 18
- 19 the transfers in this Section shall be made through the end of
- 20 State fiscal year 2015.
- 21 (30 ILCS 105/13.2) (from Ch. 127, par. 149.2)
- 22 Sec. 13.2. Transfers among line item appropriations.
- 23 (a) Transfers among line item appropriations from the same
- 24 treasury fund for the objects specified in this Section may be
- 25 made in the manner provided in this Section when the balance

- 1 remaining in one or more such line item appropriations is
- 2 insufficient for the purpose for which the appropriation was
- 3 made.
- 4 (a-1) No transfers may be made from one agency to another
- 5 agency, nor may transfers be made from one institution of
- 6 higher education to another institution of higher education
- 7 except as provided by subsection (a-4).
- 8 (a-2) Except as otherwise provided in this Section,
- 9 transfers may be made only among the objects of expenditure
- 10 enumerated in this Section, except that no funds may be
- 11 transferred from any appropriation for personal services, from
- 12 any appropriation for State contributions to the State
- 13 Employees' Retirement System, from any separate appropriation
- for employee retirement contributions paid by the employer, nor
- 15 from any appropriation for State contribution for employee
- 16 group insurance. During State fiscal year 2005, an agency may
- 17 transfer amounts among its appropriations within the same
- 18 treasury fund for personal services, employee retirement
- 19 contributions paid by employer, and State Contributions to
- 20 retirement systems; notwithstanding and in addition to the
- 21 transfers authorized in subsection (c) of this Section, the
- 22 fiscal year 2005 transfers authorized in this sentence may be
- 23 made in an amount not to exceed 2% of the aggregate amount
- appropriated to an agency within the same treasury fund. During
- 25 State fiscal year 2007, the Departments of Children and Family
- 26 Services, Corrections, Human Services, and Juvenile Justice

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may transfer amounts among their respective appropriations within the same treasury fund for personal services, employee retirement contributions paid by employer, and contributions to retirement systems. During State fiscal year 2010, the Department of Transportation may transfer amounts among their respective appropriations within the same treasury fund for personal services, employee retirement contributions paid by employer, and State contributions to retirement systems. During State fiscal years 2010 and 2014 only, an agency mav transfer amounts among its respective appropriations within the same treasury fund for personal services, employee retirement contributions paid by employer, contributions to systems. and State retirement Notwithstanding, and in addition to, the transfers authorized in subsection (c) of this Section, these transfers may be made in an amount not to exceed 2% of the aggregate amount appropriated to an agency within the same treasury fund.

(a-2.5) During State fiscal year 2015 only, the State's Attorneys Appellate Prosecutor may transfer amounts among its respective appropriations contained in operational line items within the same treasury fund. Notwithstanding, and in addition to, the transfers authorized in subsection (c) of this Section, these transfers may be made in an amount not to exceed 4% of the aggregate amount appropriated to the State's Attorneys Appellate Prosecutor within the same treasury fund.

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appropriation for employee retirement contributions paid by the employer, any transfer by that agency into an appropriation for personal services must be accompanied by a corresponding transfer into the appropriation for employee retirement contributions paid by the employer, in an amount sufficient to meet the employer share of the employee contributions required to be remitted to the retirement system.

Long-Term Care Rebalancing. The Governor may amounts set aside for institutional designate services appropriated from the General Revenue Fund or any other State fund that receives monies for long-term care services to be transferred to all State agencies responsible for administration of community-based long-term care programs, including, but not limited to, community-based long-term care programs administered by the Department of Healthcare and Family Services, the Department of Human Services, and the Department on Aging, provided that the Director of Healthcare and Family Services first certifies that the amounts being transferred are necessary for the purpose of assisting persons in or at risk of being in institutional care to transition to community-based settings, including the financial data needed to prove the need for the transfer of funds. The total amounts transferred shall not exceed 4% in total of the amounts appropriated from the General Revenue Fund or any other State fund that receives monies for long-term care services for each fiscal year. A notice of the fund transfer must be made to the

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- General Assembly and posted at a minimum on the Department of 1 2 Healthcare and Family Services website, the Governor's Office 3 of Management and Budget website, and any other website the
- Governor sees fit. These postings shall serve as notice to the
- 5 General Assembly of the amounts to be transferred. Notice shall
- be given at least 30 days prior to transfer. 6
 - (b) In addition to the general transfer authority provided under subsection (c), the following agencies have the specific transfer authority granted in this subsection:
 - Department of Healthcare and Family Services is authorized to make transfers representing savings attributable to not increasing grants due to the births of additional children from line items for payments of cash grants to line items for payments for employment and social services for the purposes outlined in subsection (f) of Section 4-2 of the Illinois Public Aid Code.
 - Department of Children and Family Services The authorized to make transfers not exceeding 2% of the aggregate amount appropriated to it within the same treasury fund for the following line items among these same line items: Foster Home and Specialized Foster Care and Prevention, Institutions and Group Homes and Prevention, and Purchase of Adoption and Guardianship Services.
 - The Department on Aging is authorized to make transfers not exceeding 2% of the aggregate amount appropriated to it within the same treasury fund for the following Community Care Program

- line items among these same line items: purchase of services
- 2 covered by the Community Care Program and Comprehensive Case
- 3 Coordination.
- 4 The State Treasurer is authorized to make transfers among
- 5 line item appropriations from the Capital Litigation Trust
- 6 Fund, with respect to costs incurred in fiscal years 2002 and
- 7 2003 only, when the balance remaining in one or more such line
- 8 item appropriations is insufficient for the purpose for which
- 9 the appropriation was made, provided that no such transfer may
- 10 be made unless the amount transferred is no longer required for
- 11 the purpose for which that appropriation was made.
- 12 The State Board of Education is authorized to make
- 13 transfers from line item appropriations within the same
- 14 treasury fund for General State Aid and General State Aid -
- 15 Hold Harmless, provided that no such transfer may be made
- unless the amount transferred is no longer required for the
- purpose for which that appropriation was made, to the line item
- 18 appropriation for Transitional Assistance when the balance
- 19 remaining in such line item appropriation is insufficient for
- the purpose for which the appropriation was made.
- 21 The State Board of Education is authorized to make
- transfers between the following line item appropriations
- 23 within the same treasury fund: Disabled Student
- 24 Services/Materials (Section 14-13.01 of the School Code),
- 25 Disabled Student Transportation Reimbursement (Section
- 26 14-13.01 of the School Code), Disabled Student Tuition -

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1 Tuition (Section 14-7.02 of School Private the 2 Extraordinary Special Education (Section 14-7.02b of the 3 School Code), Reimbursement for Free Lunch/Breakfast Program, Summer School Payments (Section 18-4.3 of the School Code), and 5 Transportation - Regular/Vocational Reimbursement (Section 6 29-5 of the School Code). Such transfers shall be made only when the balance remaining in one or more such line item 7 8 appropriations is insufficient for the purpose for which the 9 appropriation was made and provided that no such transfer may 10 be made unless the amount transferred is no longer required for 11 the purpose for which that appropriation was made.

The Department of Healthcare and Family Services is authorized to make transfers not exceeding 4% of the aggregate amount appropriated to it, within the same treasury fund, among the various line items appropriated for Medical Assistance.

(c) The sum of such transfers for an agency in a fiscal year shall not exceed 2% of the aggregate amount appropriated to it within the same treasury fund for the following objects: Personal Services: Extra Help; Student Inmate and Compensation; State Contributions to Retirement Systems; State Contributions to Social Security; State Contribution for Emplovee Group Insurance; Contractual Services; Commodities; Printing; Equipment; Electronic Data Processing; Operation of Automotive Equipment; Telecommunications Services; Travel and Allowance for Committed, Paroled and Discharged Prisoners; Library Books; Federal Matching Grants

Occupational Disease, and Tort Claims; and, in appropriations

to institutions of higher education, Awards and Grants.

Notwithstanding the above, any amounts appropriated for

payment of workers' compensation claims to an agency to which

6 the authority to evaluate, administer and pay such claims has

been delegated by the Department of Central Management Services

may be transferred to any other expenditure object where such

amounts exceed the amount necessary for the payment of such

10 claims.

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Special provisions for State fiscal year 2003. Notwithstanding any other provision of this Section to the contrary, for State fiscal year 2003 only, transfers among line item appropriations to an agency from the same treasury fund may be made provided that the sum of such transfers for an agency in State fiscal year 2003 shall not exceed 3% of the aggregate amount appropriated to that State agency for State fiscal year 2003 for the following objects: personal services, except that no transfer may be approved which reduces the aggregate appropriations for personal services within an agency; extra help; student and inmate compensation; State contributions to retirement systems; State contributions to social security; State contributions for employee group contractual insurance; services; travel; commodities; printing; equipment; electronic data processing; operation of automotive equipment; telecommunications services; travel and

- allowance for committed, paroled, and discharged prisoners; 1
- 2 library books; federal matching grants for student loans;
- refunds; workers' compensation, occupational disease, and tort 3
- 4 claims; and, in appropriations to institutions of higher
- education, awards and grants. 5
- 6 Special provisions for State fiscal year 2005.
- Notwithstanding subsections (a), (a-2), and (c), for State 7
- 8 fiscal year 2005 only, transfers may be made among any line
- 9 item appropriations from the same or any other treasury fund
- 10 for any objects or purposes, without limitation, when the
- 11 balance remaining in one or more such line item appropriations
- 12 is insufficient for the purpose for which the appropriation was
- made, provided that the sum of those transfers by a State 13
- 14 agency shall not exceed 4% of the aggregate amount appropriated
- 15 to that State agency for fiscal year 2005.
- 16 (c-3) Special provisions for State fiscal year 2015.
- 17 Notwithstanding any other provision of this Section, for State
- fiscal year 2015, transfers among line item appropriations to a 18
- 19 State agency from the same State treasury fund may be made for
- 20 operational or lump sum expenses only, provided that the sum of
- such transfers for a State agency in State fiscal year 2015 21
- shall not exceed 4% of the aggregate amount appropriated to 22
- 23 that State agency for operational or lump sum expenses for
- State fiscal year 2015. For the purpose of this subsection, 24
- 25 "operational or lump sum expenses" includes the following
- objects: personal services; extra help; student and inmate 26

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compensation; State contributions to retirement systems; State contributions to social security; State contributions for employee group insurance; contractual services; travel; commodities; printing; equipment; electronic data processing; operation of automotive equipment; telecommunications services; travel and allowance for committed, paroled, and discharged prisoners; library books; federal matching grants for student loans; refunds; workers' compensation, occupational disease, and tort claims; lump sum and other purposes; and lump sum operations. For the purpose of this subsection (c-3), "State agency" does not include the Attorney General, the Secretary of State, the Comptroller, the Treasurer, or the legislative or judicial branches.

(d) Transfers among appropriations made to agencies of the and Judicial departments and constitutionally elected officers in the Executive branch require the approval of the officer authorized in Section 10 of this Act to approve and certify vouchers. Transfers among appropriations made to the University of Illinois, Southern Illinois University, Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Western Illinois University, the Illinois Mathematics and Science Academy and the Board of Higher Education require the approval of the Board of Higher Education and the Governor. Transfers among appropriations to all other

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agencies require the approval of the Governor.

The officer responsible for approval shall certify that the transfer is necessary to carry out the programs and purposes for which the appropriations were made by the General Assembly and shall transmit to the State Comptroller a certified copy of the approval which shall set forth the specific amounts transferred so that the Comptroller may change his records accordingly. The Comptroller shall furnish the Governor with information copies of all transfers approved for agencies of Legislative and Judicial departments and transfers approved by the constitutionally elected officials of the Executive branch other than the Governor, showing the amounts transferred and indicating the dates such changes were entered on the Comptroller's records.

- (e) The State Board of Education, in consultation with the State Comptroller, may transfer line item appropriations for General State Aid between the Common School Fund and the Education Assistance Fund. With the advice and consent of the Governor's Office of Management and Budget, the State Board of Education, in consultation with the State Comptroller, may transfer line item appropriations between the General Revenue Fund and the Education Assistance Fund for the following programs:
- (1) Disabled Student Personnel Reimbursement (Section 24 25 14-13.01 of the School Code);
 - (2) Disabled Student Transportation Reimbursement

- (subsection (b) of Section 14-13.01 of the School Code); 1
- 2 Disabled Student Tuition - Private Tuition (3)
- (Section 14-7.02 of the School Code); 3
- (4) Extraordinary Special Education (Section 14-7.02b of the School Code);
 - (5) Reimbursement for Free Lunch/Breakfast Programs;
- (6) Summer School Payments (Section 18-4.3 of the 7 School Code); 8
- 9 (7) Transportation - Regular/Vocational Reimbursement 10 (Section 29-5 of the School Code);
- 11 (8) Regular Education Reimbursement (Section 18-3 of 12 the School Code); and
- 13 (9) Special Education Reimbursement (Section 14-7.03 14 of the School Code).
- (Source: P.A. 97-689, eff. 7-1-12; 98-24, eff. 6-19-13; 98-674, 15 16 eff. 6-30-14.)
- 17 Section 20. The School Code is amended by changing Section 18-8.05 as follows: 18
- 19 (105 ILCS 5/18-8.05)
- 20 Sec. 18-8.05. Basis for apportionment of general State 21 financial aid and supplemental general State aid to the common schools for the 1998-1999 and subsequent school years.
- 23 (A) General Provisions.

(1) The provisions of this Section apply to the 1998-1999 1 2 and subsequent school years. The system of general State 3 5 6 7 8

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this Section.

financial aid provided for in this Section is designed to assure that, through a combination of State financial aid and required local resources, the financial support provided each pupil in Average Daily Attendance equals or prescribed per pupil Foundation Level. This formula approach imputes a level of per pupil Available Local Resources and provides for the basis to calculate a per pupil level of general State financial aid that, when added to Available Local Resources, equals or exceeds the Foundation Level. The amount of per pupil general State financial aid for school districts,

in general, varies in inverse relation to Available Local

Resources. Per pupil amounts are based upon each school

district's Average Daily Attendance as that term is defined in

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

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

- (a) Any school district which fails for any given school year to maintain school as required by law, or to maintain a recognized school is not eligible to file for such school year any claim upon the Common School Fund. In case of nonrecognition of one or more attendance centers in a school district otherwise operating recognized schools, claim of the district shall be reduced in proportion which the Average Daily Attendance in the attendance center or centers bear to the Average Daily Attendance in the school district. A "recognized school" means any public school which meets the standards as established for recognition by the State Board Education. A school district or attendance center not having recognition status at the end of a school term is entitled to receive State aid payments due upon a legal claim which was filed while it was recognized.
- (b) School district claims filed under this Section are subject to Sections 18-9 and 18-12, except as otherwise provided in this Section.
- (c) If a school district operates a full year school under Section 10-19.1, the general State aid to the school district shall be determined by the State Board of Education in accordance with this Section as near as may be applicable.

1 (d) (Blank).

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- (4) Except as provided in subsections (H) and (L), the board of any district receiving any of the grants provided for in this Section may apply those funds to any fund so received for which that board is authorized to make expenditures by law.
- School districts are not required to exert a minimum 6 7 Operating Tax Rate in order to qualify for assistance under 8 this Section.
 - (5) As used in this Section the following terms, when capitalized, shall have the meaning ascribed herein:
 - "Average Daily Attendance": A count of pupil in school, averaged as provided for attendance subsection (C) and utilized in deriving per pupil financial support levels.
 - (b) "Available Local Resources": A computation of local financial support, calculated on the basis of Average Daily Attendance and derived as provided pursuant to subsection (D).
 - (c) "Corporate Personal Property Replacement Taxes": Funds paid to local school districts pursuant to "An Act in relation to the abolition of ad valorem personal property tax and the replacement of revenues lost thereby, and amending and repealing certain Acts and parts of Acts in connection therewith", certified August 14, 1979, as amended (Public Act 81-1st S.S.-1).
 - (d) "Foundation Level": A prescribed level of per pupil

- financial support as provided for in subsection (B).
- 2 (e) "Operating Tax Rate": All school district property
- 3 taxes extended for all purposes, except Bond and Interest,
- 4 Summer School, Rent, Capital Improvement, and Vocational
- 5 Education Building purposes.
- 6 (B) Foundation Level.
- 7 (1) The Foundation Level is a figure established by the
- 8 State representing the minimum level of per pupil financial
- 9 support that should be available to provide for the basic
- 10 education of each pupil in Average Daily Attendance. As set
- 11 forth in this Section, each school district is assumed to exert
- 12 a sufficient local taxing effort such that, in combination with
- 13 the aggregate of general State financial aid provided the
- 14 district, an aggregate of State and local resources are
- available to meet the basic education needs of pupils in the
- 16 district.
- 17 (2) For the 1998-1999 school year, the Foundation Level of
- 18 support is \$4,225. For the 1999-2000 school year, the
- 19 Foundation Level of support is \$4,325. For the 2000-2001 school
- 20 year, the Foundation Level of support is \$4,425. For the
- 21 2001-2002 school year and 2002-2003 school year, the Foundation
- Level of support is \$4,560. For the 2003-2004 school year, the
- 23 Foundation Level of support is \$4,810. For the 2004-2005 school
- 24 year, the Foundation Level of support is \$4,964. For the
- 25 2005-2006 school year, the Foundation Level of support is

- 1 \$5,164. For the 2006-2007 school year, the Foundation Level of
- 2 support is \$5,334. For the 2007-2008 school year, the
- Foundation Level of support is \$5,734. For the 2008-2009 school
- 4 year, the Foundation Level of support is \$5,959.
- 5 (3) For the 2009-2010 school year and each school year
- 6 thereafter, the Foundation Level of support is \$6,119 or such
- 7 greater amount as may be established by law by the General
- 8 Assembly.
- 9 (C) Average Daily Attendance.
- 10 (1) For purposes of calculating general State aid pursuant
- 11 to subsection (E), an Average Daily Attendance figure shall be
- 12 utilized. The Average Daily Attendance figure for formula
- 13 calculation purposes shall be the monthly average of the actual
- 14 number of pupils in attendance of each school district, as
- further averaged for the best 3 months of pupil attendance for
- 16 each school district. In compiling the figures for the number
- 17 of pupils in attendance, school districts and the State Board
- of Education shall, for purposes of general State aid funding,
- 19 conform attendance figures to the requirements of subsection
- 20 (F).
- 21 (2) The Average Daily Attendance figures utilized in
- 22 subsection (E) shall be the requisite attendance data for the
- 23 school year immediately preceding the school year for which
- 24 general State aid is being calculated or the average of the
- 25 attendance data for the 3 preceding school years, whichever is

- 1 greater. The Average Daily Attendance figures utilized in
- 2 subsection (H) shall be the requisite attendance data for the
- 3 school year immediately preceding the school year for which
- 4 general State aid is being calculated.
 - (D) Available Local Resources.
- 6 (1) For purposes of calculating general State aid pursuant
- 7 to subsection (E), a representation of Available Local
- 8 Resources per pupil, as that term is defined and determined in
- 9 this subsection, shall be utilized. Available Local Resources
- 10 per pupil shall include a calculated dollar amount representing
- 11 local school district revenues from local property taxes and
- 12 from Corporate Personal Property Replacement Taxes, expressed
- on the basis of pupils in Average Daily Attendance. Calculation
- 14 of Available Local Resources shall exclude any tax amnesty
- funds received as a result of Public Act 93-26.
- 16 (2) In determining a school district's revenue from local
- 17 property taxes, the State Board of Education shall utilize the
- 18 equalized assessed valuation of all taxable property of each
- 19 school district as of September 30 of the previous year. The
- 20 equalized assessed valuation utilized shall be obtained and
- 21 determined as provided in subsection (G).
- 22 (3) For school districts maintaining grades kindergarten
- through 12, local property tax revenues per pupil shall be
- 24 calculated as the product of the applicable equalized assessed
- 25 valuation for the district multiplied by 3.00%, and divided by

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the district's Average Daily Attendance figure. For school districts maintaining grades kindergarten through 8, local property tax revenues per pupil shall be calculated as the product of the applicable equalized assessed valuation for the district multiplied by 2.30%, and divided by the district's Daily Attendance figure. For school maintaining grades 9 through 12, local property tax revenues per pupil shall be the applicable equalized assessed valuation of the district multiplied by 1.05%, and divided by the district's Average Daily Attendance figure.

For partial elementary unit districts created pursuant to Article 11E of this Code, local property tax revenues per pupil shall be calculated as the product of the equalized assessed valuation for property within the partial elementary unit district for elementary purposes, as defined in Article 11E of this Code, multiplied by 2.06% and divided by the district's Average Daily Attendance figure, plus the product of the equalized assessed valuation for property within the partial elementary unit district for high school purposes, as defined in Article 11E of this Code, multiplied by 0.94% and divided by the district's Average Daily Attendance figure.

(4) The Corporate Personal Property Replacement Taxes paid to each school district during the calendar year one year before the calendar year in which a school year begins, divided by the Average Daily Attendance figure for that district, shall be added to the local property tax revenues per pupil as

- 1 derived by the application of the immediately preceding
- 2 paragraph (3). The sum of these per pupil figures for each
- 3 school district shall constitute Available Local Resources as
- 4 that term is utilized in subsection (E) in the calculation of
- 5 general State aid.
- 6 (E) Computation of General State Aid.
- 7 (1) For each school year, the amount of general State aid
- 8 allotted to a school district shall be computed by the State
- 9 Board of Education as provided in this subsection.
- 10 (2) For any school district for which Available Local
- Resources per pupil is less than the product of 0.93 times the
- 12 Foundation Level, general State aid for that district shall be
- 13 calculated as an amount equal to the Foundation Level minus
- 14 Available Local Resources, multiplied by the Average Daily
- 15 Attendance of the school district.
- 16 (3) For any school district for which Available Local
- 17 Resources per pupil is equal to or greater than the product of
- 18 0.93 times the Foundation Level and less than the product of
- 19 1.75 times the Foundation Level, the general State aid per
- 20 pupil shall be a decimal proportion of the Foundation Level
- 21 derived using a linear algorithm. Under this linear algorithm,
- 22 the calculated general State aid per pupil shall decline in
- 23 direct linear fashion from 0.07 times the Foundation Level for
- 24 a school district with Available Local Resources equal to the
- 25 product of 0.93 times the Foundation Level, to 0.05 times the

- 1 Foundation Level for a school district with Available Local
- 2 Resources equal to the product of 1.75 times the Foundation
- 3 Level. The allocation of general State aid for school districts
- 4 subject to this paragraph 3 shall be the calculated general
- 5 State aid per pupil figure multiplied by the Average Daily
- 6 Attendance of the school district.
- 7 (4) For any school district for which Available Local
- 8 Resources per pupil equals or exceeds the product of 1.75 times
- 9 the Foundation Level, the general State aid for the school
- 10 district shall be calculated as the product of \$218 multiplied
- 11 by the Average Daily Attendance of the school district.
- 12 (5) The amount of general State aid allocated to a school
- district for the 1999-2000 school year meeting the requirements
- 14 set forth in paragraph (4) of subsection (G) shall be increased
- by an amount equal to the general State aid that would have
- been received by the district for the 1998-1999 school year by
- 17 utilizing the Extension Limitation Equalized Assessed
- Valuation as calculated in paragraph (4) of subsection (G) less
- the general State aid allotted for the 1998-1999 school year.
- This amount shall be deemed a one time increase, and shall not
- 21 affect any future general State aid allocations.
- 22 (F) Compilation of Average Daily Attendance.
- 23 (1) Each school district shall, by July 1 of each year,
- submit to the State Board of Education, on forms prescribed by
- 25 the State Board of Education, attendance figures for the school

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year that began in the preceding calendar year. The attendance information so transmitted shall identify the average daily attendance figures for each month of the school year. Beginning with the general State aid claim form for the 2002-2003 school year, districts shall calculate Average Daily Attendance as provided in subdivisions (a), (b), and (c) of this paragraph (1).

- (a) In districts that do not hold year-round classes, days of attendance in August shall be added to the month of September and any days of attendance in June shall be added to the month of May.
- (b) In districts in which all buildings hold year-round classes, days of attendance in July and August shall be added to the month of September and any days of attendance in June shall be added to the month of May.
- (c) In districts in which some buildings, but not all, hold year-round classes, for the non-year-round buildings, days of attendance in August shall be added to the month of September and any days of attendance in June shall be added to the month of May. The average daily attendance for the year-round buildings shall be computed as provided in subdivision (b) of this paragraph (1). To calculate the Average Daily Attendance for the district, the average daily attendance for the year-round buildings shall be multiplied by the days in session for the non-year-round buildings for each month and added to the monthly

1 attendance of the non-year-round buildings.

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

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

- (2) Days of attendance by pupils of less than 5 clock hours of school shall be subject to the following provisions in the compilation of Average Daily Attendance.
 - (a) Pupils regularly enrolled in a public school for only a part of the school day may be counted on the basis of 1/6 day for every class hour of instruction of 40 minutes or more attended pursuant to such enrollment, unless a pupil is enrolled in a block-schedule format of 80 minutes or more of instruction, in which case the pupil may be counted on the basis of the proportion of minutes of school work completed each day to the minimum number of minutes that school work is required to be held that day.
 - (b) (Blank).

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- (c) A session of 4 or more clock hours may be counted as a day of attendance upon certification by the regional superintendent, and approved by the State Superintendent of Education to the extent that the district has been forced to use daily multiple sessions.
- (d) A session of 3 or more clock hours may be counted as a day of attendance (1) when the remainder of the school day or at least 2 hours in the evening of that day is utilized for an in-service training program for teachers, up to a maximum of 5 days per school year, provided a district conducts an in-service training program for teachers in accordance with Section 10-22.39 of this Code; or, in lieu of 4 such days, 2 full days may be used, in which event each such day may be counted as a day required for a legal school calendar pursuant to Section 10-19 of this Code; (1.5) when, of the 5 days allowed under item (1), a maximum of 4 days are used for parent-teacher conferences, or, in lieu of 4 such days, 2 full days are used, in which case each such day may be counted as a calendar day required under Section 10-19 of this Code, provided that the full-day, parent-teacher conference consists of (i) а minimum of 5 clock hours parent-teacher conferences, (ii) both a minimum of 2 clock hours of parent-teacher conferences held in the evening following a full day of student attendance, as specified in subsection (F)(1)(c), and a minimum of 3 clock hours of

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parent-teacher conferences held on the day immediately following evening parent-teacher conferences, or (iii) multiple parent-teacher conferences held in the evenings following full days of student attendance, as specified in subsection (F)(1)(c), in which the time used for the parent-teacher conferences is equivalent to a minimum of 5 clock hours; and (2) when days in addition to those provided in items (1) and (1.5) are scheduled by a school pursuant to its school improvement plan adopted under Article 34 or its revised or amended school improvement plan adopted under Article 2, provided that (i) sessions of 3 or more clock hours are scheduled to occur at regular intervals, (ii) the remainder of the school days in which such sessions occur are utilized for in-service training programs or other staff development activities for teachers, and (iii) a sufficient number of minutes of school work under the direct supervision of teachers are added to the school days between such regularly scheduled sessions to accumulate not less than the number of minutes by which such sessions of 3 or more clock hours fall short of 5 clock hours. Any full days used for the purposes of this paragraph shall not be considered for computing average daily attendance. Days scheduled for in-service training programs, staff development activities, parent-teacher conferences may be scheduled separately for different grade levels and different attendance centers of

the district.

- (e) A session of not less than one clock hour of teaching hospitalized or homebound pupils on-site or by telephone to the classroom may be counted as 1/2 day of attendance, however these pupils must receive 4 or more clock hours of instruction to be counted for a full day of attendance.
- (f) A session of at least 4 clock hours may be counted as a day of attendance for first grade pupils, and pupils in full day kindergartens, and a session of 2 or more hours may be counted as 1/2 day of attendance by pupils in kindergartens which provide only 1/2 day of attendance.
- (g) For children with disabilities who are below the age of 6 years and who cannot attend 2 or more clock hours because of their disability or immaturity, a session of not less than one clock hour may be counted as 1/2 day of attendance; however for such children whose educational needs so require a session of 4 or more clock hours may be counted as a full day of attendance.
- (h) A recognized kindergarten which provides for only 1/2 day of attendance by each pupil shall not have more than 1/2 day of attendance counted in any one day. However, kindergartens may count 2 1/2 days of attendance in any 5 consecutive school days. When a pupil attends such a kindergarten for 2 half days on any one school day, the pupil shall have the following day as a day absent from

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school, unless the school district obtains permission in writing from the State Superintendent of Education. Attendance at kindergartens which provide for a full day of attendance by each pupil shall be counted the same as attendance by first grade pupils. Only the first year of attendance in one kindergarten shall be counted, except in case of children who entered the kindergarten in their fifth year whose educational development requires a second year of kindergarten as determined under the rules and regulations of the State Board of Education.

- (i) On the days when the assessment that includes a college and career ready determination is administered under subsection (c) of Section 2-3.64a-5 of this Code, the day of attendance for a pupil whose school day must be shortened to accommodate required testing procedures may be less than 5 clock hours and shall be counted towards the 176 days of actual pupil attendance required under Section 10-19 of this Code, provided that a sufficient number of minutes of school work in excess of 5 clock hours are first completed on other school days to compensate for the loss of school work on the examination days.
- (j) Pupils enrolled in a remote educational program established under Section 10-29 of this Code may be counted on the basis of one-fifth day of attendance for every clock hour of instruction attended in the remote educational program, provided that, in any month, the school district

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may not claim for a student enrolled in a remote educational program more days of attendance than the maximum number of days of attendance the district can claim (i) for students enrolled in a building holding year-round classes if the student is classified as participating in the remote educational program on a year-round schedule or (ii) for students enrolled in a building not holding year-round classes if the student is not classified as participating in the remote educational program on a year-round schedule.

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

The Department of Revenue shall add to the equalized assessed value of all taxable property of each school district situated entirely or partially within a county that is or was subject to the provisions of Section 15-176 or 15-177 of the

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Property Tax Code (a) an amount equal to the total amount by which the homestead exemption allowed under Section 15-176 or 15-177 of the Property Tax Code for real property situated in that school district exceeds the total amount that would have been allowed in that school district if the maximum reduction under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in all other counties in tax year 2003 or (ii) \$5,000 in all counties in tax year 2004 and thereafter and (b) an amount equal to the aggregate amount for the taxable year of all additional exemptions under Section 15-175 of the Property Tax Code for owners with a household income of \$30,000 or less. The county clerk of any county that is or was subject to the provisions of Section 15-176 or 15-177 of the Property Tax Code shall annually calculate and certify to the Department of Revenue for each school district all homestead exemption amounts under Section 15-176 or 15-177 of the Property Tax Code and all amounts of additional exemptions under Section 15-175 of the Property Tax Code for owners with a household income of \$30,000 or less. It is the intent of this paragraph that if the general homestead exemption for a parcel of property is determined under Section 15-176 or 15-177 of the Property Tax Code rather than Section 15-175, then the calculation of Available Local Resources shall not be affected by the difference, if any, between the amount of the general homestead exemption allowed for that parcel of property under Section 15-176 or 15-177 of the Property Tax Code and the amount that

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would have been allowed had the general homestead exemption for that parcel of property been determined under Section 15-175 of the Property Tax Code. It is further the intent of this paragraph that if additional exemptions are allowed under Section 15-175 of the Property Tax Code for owners with a household income of less than \$30,000, then the calculation of Available Local Resources shall not be affected by the difference, if any, because of those additional exemptions.

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

- (2) The equalized assessed valuation in paragraph (1) shall be adjusted, as applicable, in the following manner:
 - (a) For the purposes of calculating State aid under this Section, with respect to any part of a school district within a redevelopment project area in respect to which a increment municipality has adopted tax allocation financing pursuant to the Tax Increment Allocation Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11 of the Illinois Municipal Code or the Industrial Jobs Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the Illinois Municipal Code, no part of the current equalized assessed valuation of real property located in any such project area which is attributable to an increase above the initial equalized assessed valuation of such property shall be used as part of the equalized assessed

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valuation of the district, until such time all redevelopment project costs have been paid, as provided in 11-74.4-8 Tax Section of the Increment Allocation or Redevelopment Act in Section 11-74.6-35 Industrial Jobs Recovery Law. For the purpose of the equalized assessed valuation of the district, the total initial equalized assessed valuation or the current equalized assessed valuation, whichever is lower, shall be used until such time as all redevelopment project costs have been paid.

- (b) The real property equalized assessed valuation for a school district shall be adjusted by subtracting from the real property value as equalized or assessed by the Department of Revenue for the district an amount computed by dividing the amount of any abatement of taxes under Section 18-170 of the Property Tax Code by 3.00% for a district maintaining grades kindergarten through 12, by 2.30% for a district maintaining grades kindergarten through 8, or by 1.05% for a district maintaining grades 9 through 12 and adjusted by an amount computed by dividing the amount of any abatement of taxes under subsection (a) of Section 18-165 of the Property Tax Code by the same percentage rates for district type as specified in this subparagraph (b).
- (3) For the 1999-2000 school year and each school year thereafter, if a school district meets all of the criteria of

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- this subsection (G)(3), the school district's Available Local 1
- 2 Resources shall be calculated under subsection (D) using the
- district's Extension Limitation Equalized Assessed Valuation 3
- as calculated under this subsection (G)(3).
- For purposes of this subsection (G)(3) the following terms
- 6 shall have the following meanings:
- 7 "Budget Year": The school year for which general State aid is calculated and awarded under subsection (E). 8
- 9 "Base Tax Year": The property tax levy year used to
- 10 calculate the Budget Year allocation of general State aid.
- 11 "Preceding Tax Year": The property tax levy year 12 immediately preceding the Base Tax Year.
 - "Base Tax Year's Tax Extension": The product of the equalized assessed valuation utilized by the County Clerk in the Base Tax Year multiplied by the limiting rate as calculated by the County Clerk and defined in the Property Tax Extension Limitation Law.
 - "Preceding Tax Year's Tax Extension": The product of the equalized assessed valuation utilized by the County Clerk in the Preceding Tax Year multiplied by the Operating Tax Rate as defined in subsection (A).
 - "Extension Limitation Ratio": A numerical certified by the County Clerk, in which the numerator is the Base Tax Year's Tax Extension and the denominator is the Preceding Tax Year's Tax Extension.
 - "Operating Tax Rate": The operating tax rate as defined

in subsection (A).

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If a school district is subject to property tax extension limitations as imposed under the Property Tax Extension Limitation Law, the State Board of Education shall calculate the Extension Limitation Equalized Assessed Valuation of that district. For the 1999-2000 school year, the Extension Limitation Equalized Assessed Valuation of a school district as calculated by the State Board of Education shall be equal to the product of the district's 1996 Equalized Assessed Valuation and the district's Extension Limitation Ratio. Except as otherwise provided in this paragraph for a school district that has approved or does approve an increase in its limiting rate, for the 2000-2001 school year and each school year thereafter, the Extension Limitation Equalized Assessed Valuation of a school district as calculated by the State Board of Education shall be equal to the product of the Equalized Assessed Valuation last used in the calculation of general State aid and the district's Extension Limitation Ratio. If the Extension Limitation Equalized Assessed Valuation of a school district as calculated under this subsection (G)(3) is less than the district's equalized assessed valuation as calculated pursuant to subsections (G)(1) and (G)(2), then for purposes of calculating the district's general State aid for the Budget Year pursuant to subsection (E), that Extension Limitation Equalized Assessed Valuation shall be utilized to calculate the district's Available Local Resources under subsection (D). For

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the 2009-2010 school year and each school year thereafter, if a school district has approved or does approve an increase in its limiting rate, pursuant to Section 18-190 of the Property Tax Code, affecting the Base Tax Year, the Extension Limitation Equalized Assessed Valuation of the school district, as calculated by the State Board of Education, shall be equal to the product of the Equalized Assessed Valuation last used in the calculation of general State aid times an amount equal to one plus the percentage increase, if any, in the Consumer Price Index for all Urban Consumers for all items published by the United States Department of Labor for the 12-month calendar year preceding the Base Tax Year, plus the Equalized Assessed Valuation of new property, annexed property, and recovered tax increment value and minus the Equalized Assessed Valuation of disconnected property. New property and recovered increment value shall have the meanings set forth in the Property Tax Extension Limitation Law.

Partial elementary unit districts created in accordance with Article 11E of this Code shall not be eligible for the adjustment in this subsection (G)(3) until the fifth year following the effective date of the reorganization.

(3.5) For the 2010-2011 school year and each school year thereafter, if a school district's boundaries span multiple counties, then the Department of Revenue shall send to the State Board of Education, for the purpose of calculating general State aid, the limiting rate and individual rates by

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1 purpose for the county that contains the majority of the school

2 district's Equalized Assessed Valuation.

- (4) For the purposes of calculating general State aid for 1999-2000 school year only, if a school district experienced a triennial reassessment on the equalized assessed valuation used in calculating its general State financial aid apportionment for the 1998-1999 school year, the State Board of Education shall calculate the Extension Limitation Equalized Assessed Valuation that would have been used to calculate the district's 1998-1999 general State aid. This amount shall equal the product of the equalized assessed valuation used to calculate general State aid for the 1997-1998 school year and the district's Extension Limitation Ratio. If the Extension Limitation Equalized Assessed Valuation of the school district as calculated under this paragraph (4) is less than the district's equalized assessed valuation utilized in the district's 1998-1999 general calculating State aid allocation, then for purposes of calculating the district's general State aid pursuant to paragraph (5) of subsection (E), that Extension Limitation Equalized Assessed Valuation shall be utilized to calculate the district's Available Local Resources.
- (5) For school districts having a majority of their equalized assessed valuation in any county except Cook, DuPage, Kane, Lake, McHenry, or Will, if the amount of general State aid allocated to the school district for the 1999-2000 school

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year under the provisions of subsection (E), (H), and (J) of this Section is less than the amount of general State aid allocated to the district for the 1998-1999 school year under these subsections, then the general State aid of the district for the 1999-2000 school year only shall be increased by the difference between these amounts. The total payments made under this paragraph (5) shall not exceed \$14,000,000. Claims shall be prorated if they exceed \$14,000,000.

(H) Supplemental General State Aid.

- (1) In addition to the general State aid a school district is allotted pursuant to subsection (E), qualifying school districts shall receive a grant, paid in conjunction with a district's payments of general State aid, for supplemental general State aid based upon the concentration level of children from low-income households within the school district. Supplemental State aid grants provided for school districts under this subsection shall be appropriated for distribution to school districts as part of the same line item in which the general State financial aid of school districts is appropriated under this Section.
- (1.5) This paragraph (1.5) applies only to those school years preceding the 2003-2004 school year. For purposes of this subsection (H), the term "Low-Income Concentration Level" shall be the low-income eligible pupil count from the most recently available federal census divided by the Average Daily

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Attendance of the school district. If, however, (i) percentage decrease from the 2 most recent federal censuses in the low-income eligible pupil count of a high school district with fewer than 400 students exceeds by 75% or more the percentage change in the total low-income eligible pupil count of contiguous elementary school districts, whose boundaries are coterminous with the high school district, or (ii) a high school district within 2 counties and serving 5 elementary school districts, whose boundaries are coterminous with the high school district, has a percentage decrease from the 2 most recent federal censuses in the low-income eligible pupil count and there is a percentage increase in the total low-income eligible pupil count of a majority of the elementary school districts in excess of 50% from the 2 most recent federal censuses, then the high school district's low-income eligible pupil count from the earlier federal census shall be the number used as the low-income eligible pupil count for the high school district, for purposes of this subsection (H). The changes made to this paragraph (1) by Public Act 92-28 shall apply to supplemental general State aid grants for school years preceding the 2003-2004 school year that are paid in fiscal year 1999 or thereafter and to any State aid payments made in fiscal year 1994 through fiscal year 1998 pursuant subsection 1(n) of Section 18-8 of this Code (which was repealed on July 1, 1998), and any high school district that is affected by Public Act 92-28 is entitled to a recomputation of

- its supplemental general State aid grant or State aid paid in 1
- 2 any of those fiscal years. This recomputation shall not be
- 3 affected by any other funding.
- (1.10) This paragraph (1.10) applies to the 2003-2004 4
- 5 school year and each school year thereafter. For purposes of
- this subsection (H), the term "Low-Income Concentration Level" 6
- 7 shall, for each fiscal year, be the low-income eligible pupil
- 8 count as of July 1 of the immediately preceding fiscal year (as
- 9 determined by the Department of Human Services based on the
- 10 number of pupils who are eligible for at least one of the
- 11 following low income programs: Medicaid, the Children's Health
- 12 Insurance Program, TANF, or Food Stamps, excluding pupils who
- are eligible for services provided by the Department of 13
- 14 Children and Family Services, averaged over the 2 immediately
- preceding fiscal years for fiscal year 2004 and over the 3 15
- 16 immediately preceding fiscal years for each fiscal year
- 17 thereafter) divided by the Average Daily Attendance of the
- school district. 18
- 19 Supplemental general State aid pursuant to this
- 20 subsection (H) shall be provided as follows for the 1998-1999,
- 1999-2000, and 2000-2001 school years only: 21
- 22 (a) For any school district with a Low
- 23 Concentration Level of at least 20% and less than 35%, the
- grant for any school year shall be \$800 multiplied by the 24
- 25 low income eligible pupil count.
- 26 (b) For any school district with a Low Income

- Concentration Level of at least 35% and less than 50%, the grant for the 1998-1999 school year shall be \$1,100 multiplied by the low income eligible pupil count.
 - (c) For any school district with a Low Income Concentration Level of at least 50% and less than 60%, the grant for the 1998-99 school year shall be \$1,500 multiplied by the low income eligible pupil count.
 - (d) For any school district with a Low Income Concentration Level of 60% or more, the grant for the 1998-99 school year shall be \$1,900 multiplied by the low income eligible pupil count.
 - (e) For the 1999-2000 school year, the per pupil amount specified in subparagraphs (b), (c), and (d) immediately above shall be increased to \$1,243, \$1,600, and \$2,000, respectively.
 - (f) For the 2000-2001 school year, the per pupil amounts specified in subparagraphs (b), (c), and (d) immediately above shall be \$1,273, \$1,640, and \$2,050, respectively.
- (2.5) Supplemental general State aid pursuant to this subsection (H) shall be provided as follows for the 2002-2003 school year:
- 23 (a) For any school district with a Low Income 24 Concentration Level of less than 10%, the grant for each 25 school year shall be \$355 multiplied by the low income 26 eligible pupil count.

- (b) For any school district with a Low Income Concentration Level of at least 10% and less than 20%, the grant for each school year shall be \$675 multiplied by the low income eligible pupil count.
 - (c) For any school district with a Low Income Concentration Level of at least 20% and less than 35%, the grant for each school year shall be \$1,330 multiplied by the low income eligible pupil count.
 - (d) For any school district with a Low Income Concentration Level of at least 35% and less than 50%, the grant for each school year shall be \$1,362 multiplied by the low income eligible pupil count.
 - (e) For any school district with a Low Income Concentration Level of at least 50% and less than 60%, the grant for each school year shall be \$1,680 multiplied by the low income eligible pupil count.
 - (f) For any school district with a Low Income Concentration Level of 60% or more, the grant for each school year shall be \$2,080 multiplied by the low income eligible pupil count.
- (2.10) Except as otherwise provided, supplemental general State aid pursuant to this subsection (H) shall be provided as follows for the 2003-2004 school year and each school year thereafter:
- 25 (a) For any school district with a Low Income 26 Concentration Level of 15% or less, the grant for each

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school year shall be \$355 multiplied by the low income eligible pupil count.

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

the 2003-2004 school year and each school year thereafter through the 2008-2009 school year only, the grant shall be no less than the grant for the 2002-2003 school year. For the 2009-2010 school year only, the grant shall be no less than the grant for the 2002-2003 school year multiplied by 0.66. For the 2010-2011 school year only, the grant shall be no less than the grant for the 2002-2003 school year multiplied by 0.33. Notwithstanding the provisions of this paragraph to the contrary, if for any school year supplemental general State aid grants are prorated as provided in paragraph (1) of this subsection (H), then the grants under this paragraph shall be prorated.

For the 2003-2004 school year only, the grant shall be no greater than the grant received during the 2002-2003 school year added to the product of 0.25 multiplied by the difference between the grant amount calculated under subsection (a) or (b) of this paragraph (2.10), whichever is applicable, and the grant received during the 2002-2003 school year. For the 2004-2005 school year only, the grant shall be no greater than

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the grant received during the 2002-2003 school year added to the product of 0.50 multiplied by the difference between the grant amount calculated under subsection (a) or (b) of this paragraph (2.10), whichever is applicable, and the grant received during the 2002-2003 school year. For the 2005-2006 school year only, the grant shall be no greater than the grant received during the 2002-2003 school year added to the product of 0.75 multiplied by the difference between the grant amount calculated under subsection (a) or (b) of this paragraph (2.10), whichever is applicable, and the grant received during the 2002-2003 school year.

- (3) School districts with an Average Daily Attendance of more than 1,000 and less than 50,000 that qualify for supplemental general State aid pursuant to this subsection shall submit a plan to the State Board of Education prior to October 30 of each year for the use of the funds resulting from grant of supplemental general State aid for the improvement of instruction in which priority is given to meeting the education needs of disadvantaged children. Such plan shall be submitted in accordance with rules and regulations promulgated by the State Board of Education.
- (4) School districts with an Average Daily Attendance of 50,000 or more that qualify for supplemental general State aid pursuant to this subsection shall be required to distribute from funds available pursuant to this Section, no less than \$261,000,000 in accordance with the following requirements:

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attendance centers within the district in proportion to the number of pupils enrolled at each attendance center who are eligible to receive free or reduced-price lunches or breakfasts under the federal Child Nutrition Act of 1966

(a) The required amounts shall be distributed to the

- and under the National School Lunch Act during the
- immediately preceding school year.
- (b) The distribution of these portions of supplemental and general State aid among attendance centers according to these requirements shall not be compensated for or contravened by adjustments of the total of other funds appropriated to any attendance centers, and the Board of Education shall utilize funding from one or several sources in order to fully implement this provision annually prior to the opening of school.
- (c) Each attendance center shall be provided by the school district a distribution of noncategorical funds and other categorical funds to which an attendance center is entitled under law in order that the general State aid and supplemental general State aid provided by application of this subsection supplements rather than supplants the noncategorical funds and other categorical funds provided by the school district to the attendance centers.
- (d) Any funds made available under this subsection that by reason of the provisions of this subsection are not required to be allocated and provided to attendance centers

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may be used and appropriated by the board of the district for any lawful school purpose.

- (e) Funds received by an attendance center pursuant to this subsection shall be used by the attendance center at the discretion of the principal and local school council programs to improve educational opportunities at qualifying schools through the following programs and services: early childhood education, reduced class size or improved adult to student classroom ratio, enrichment programs, remedial assistance, attendance improvement, and other educationally beneficial expenditures which supplement the regular and basic programs as determined by the State Board of Education. Funds provided shall not be expended for any political or lobbying purposes as defined by board rule.
- (f) Each district subject to the provisions of this subdivision (H)(4) shall submit an acceptable plan to meet educational needs of disadvantaged children, the compliance with the requirements of this paragraph, to the State Board of Education prior to July 15 of each year. This plan shall be consistent with the decisions of local school councils concerning the school expenditure plans developed in accordance with part 4 of Section 34-2.3. The State Board shall approve or reject the plan within 60 days after its submission. If the plan is rejected, the district shall give written notice of intent to modify the plan

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

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

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

For purposes of determining compliance with this subsection in relation to the requirements of attendance center funding, each district subject to the provisions of this subsection shall submit as a separate document by December 1 of each year a report of expenditure data for the prior year in addition to any modification of its current plan. If it is determined that there has been a failure to comply with the expenditure provisions of this

subsection regarding contravention or supplanting, the State Superintendent of Education shall, within 60 days of receipt of the report, notify the district and any affected local school council. The district shall within 45 days of receipt of that notification inform the State Superintendent of Education of the remedial or corrective action to be taken, whether by amendment of the current plan, if feasible, or by adjustment in the plan for the following year. Failure to provide the expenditure report or the notification of remedial or corrective action in a timely manner shall result in a withholding of the affected funds.

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

- 19 (I) (Blank).
- 20 (J) (Blank).
- 21 (K) Grants to Laboratory and Alternative Schools.
- In calculating the amount to be paid to the governing board of a public university that operates a laboratory school under

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this Section or to any alternative school that is operated by a 1 2 regional superintendent of schools, the State Board of Education shall require by rule such reporting requirements as 3 it deems necessary.

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

As used in this Section, "alternative school" means a public school which is created and operated by a Regional Superintendent of Schools and approved by the State Board of Education. Such alternative schools may offer courses of instruction for which credit is given in regular programs, courses to prepare students for the high school equivalency testing program or vocational and occupational training. A regional superintendent of schools may contract with a school district or a public community college district to operate an alternative school. An alternative school serving

more than one educational service region may be established by the regional superintendents of schools of the affected educational service regions. An alternative school serving more than one educational service region may be operated under such terms as the regional superintendents of schools of those educational service regions may agree.

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

- (L) Payments, Additional Grants in Aid and Other Requirements.
- (1) For a school district operating under the financial supervision of an Authority created under Article 34A, the general State aid otherwise payable to that district under this Section, but not the supplemental general State aid, shall be reduced by an amount equal to the budget for the operations of the Authority as certified by the Authority to the State Board of Education, and an amount equal to such reduction shall be paid to the Authority created for such district for its operating expenses in the manner provided in Section 18-11. The remainder of general State school aid for any such district

- shall be paid in accordance with Article 34A when that Article 1
- 2 provides for a disposition other than that provided by this
- Article. 3

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- (2) (Blank).
- (3) Summer school. Summer school payments shall be made as
- 6 provided in Section 18-4.3.
- 7 (M) Education Funding Advisory Board.

8 The Education Funding Advisory Board, hereinafter in this

9 subsection (M) referred to as the "Board", is hereby created.

10 The Board shall consist of 5 members who are appointed by the

Governor, by and with the advice and consent of the Senate. The

members appointed shall include representatives of education,

business, and the general public. One of the members so

appointed shall be designated by the Governor at the time the

appointment is made as the chairperson of the Board. The

initial members of the Board may be appointed any time after

the effective date of this amendatory Act of 1997. The regular

term of each member of the Board shall be for 4 years from the 18

third Monday of January of the year in which the term of the

member's appointment is to commence, except that of the 5

initial members appointed to serve on the Board, the member who

is appointed as the chairperson shall serve for a term that

commences on the date of his or her appointment and expires on

the third Monday of January, 2002, and the remaining 4 members,

by lots drawn at the first meeting of the Board that is held

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after all 5 members are appointed, shall determine 2 of their number to serve for terms that commence on the date of their respective appointments and expire on the third Monday of January, 2001, and 2 of their number to serve for terms that commence on the date of their respective appointments and expire on the third Monday of January, 2000. All members appointed to serve on the Board shall serve until their respective successors are appointed and confirmed. Vacancies shall be filled in the same manner as original appointments. If a vacancy in membership occurs at a time when the Senate is not in session, the Governor shall make a temporary appointment until the next meeting of the Senate, when he or she shall appoint, by and with the advice and consent of the Senate, a person to fill that membership for the unexpired term. If the Senate is not in session when the initial appointments are made, those appointments shall be made as in the case of vacancies.

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

The State Board of Education shall provide such staff

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assistance to the Education Funding Advisory Board as is 1 reasonably required for the proper performance by the Board of 2 3 its responsibilities.

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

- 18 (N) (Blank).
- (O) References. 19
- 20 (1) References in other laws to the various subdivisions of 21 Section 18-8 as that Section existed before its repeal and replacement by this Section 18-8.05 shall be deemed to refer to 22 23 the corresponding provisions of this Section 18-8.05, to the 24 extent that those references remain applicable.

- (2) References in other laws to State Chapter 1 funds shall 1
- 2 be deemed to refer to the supplemental general State aid
- provided under subsection (H) of this Section. 3
- (P) Public Act 93-838 and Public Act 93-808 make inconsistent 4
- 5 changes to this Section. Under Section 6 of the Statute on
- 6 Statutes there is an irreconcilable conflict between Public Act
- 7 93-808 and Public Act 93-838. Public Act 93-838, being the last
- 8 acted upon, is controlling. The text of Public Act 93-838 is
- 9 the law regardless of the text of Public Act 93-808.

10 (Q) State Fiscal Year 2015 Payments.

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11 For payments made for State fiscal year 2015, the State Board of Education shall, for each school district, calculate 12 that district's pro-rata share of a minimum sum of \$13,600,000 13 14 or additional amounts as needed from the total net General 15 State Aid funding as calculated under this Section that shall be deemed attributable to the provision of special educational 16 17 facilities and services, as defined in Section 14-1.08 of this Code, in a manner that ensures compliance with maintenance of 18 State financial support requirements under the federal 19 20 Individuals with Disabilities Education Act. Each school 21 district must use such funds only for the provision of special 22 educational facilities and services, as defined in Section 23 14-1.08 of this Code, and must comply with any expenditure

verification procedures adopted by the State Board of

- 1 Education.
- 2 (Source: P.A. 97-339, eff. 8-12-11; 97-351, eff. 8-12-11;
- 97-742, eff. 6-30-13; 97-813, eff. 7-13-12; 98-972, eff. 3
- 4 8-15-14.
- 5 Section 25. The Illinois Public Aid Code is amended by
- 6 adding Section 5-5b.1 and by changing Sections 5-5e, 5A-2,
- 7 5A-10, and 14-12 as follows:
- 8 (305 ILCS 5/5-5b.1 new)
- 9 Sec. 5-5b.1. Reimbursement rates; Fiscal Year 2015
- 10 reductions.
- 11 (a) Except as provided in subsection (b), notwithstanding
- 12 any other provision of this Code to the contrary, and subject
- to rescission if not federally approved, providers of the 13
- 14 following services shall have their reimbursement rates or
- 15 dispensing fees reduced for the remainder of State fiscal year
- 2015 by an amount equivalent to a 2.25% reduction in 16
- 17 appropriations from the General Revenue Fund for the medical
- 18 assistance program for the full fiscal year:
- 19 (1) Nursing facility services delivered by a nursing
- 20 facility licensed under the Nursing Home Care Act.
- 21 (2) Home health services.
- (3) Services delivered by a facility designated as a 22
- 23 Children's Habilitation Center.
- 24 (4) Services delivered by a supportive living facility

1	as defined in Section 5-5.01a.
2	(5) Services delivered by a specialized mental health
3	rehabilitation facility licensed under the Specialized
4	Mental Health Rehabilitation Act of 2013.
5	(6) Ambulance services.
6	(7) Pharmacy services.
7	(8) Services delivered by a federally qualified health
8	center as defined in Section 1905 (1)(2)(B) of the federal
9	Social Security Act.
10	(9) Services delivered by a Managed Care Entity, with
11	the exception of the rate paid to Managed Care Entities for
12	services attributed to hospitals.
13	(10) Services for the treatment of hemophilia.
14	(11) Primary care physician services.
15	(12) Dental services.
16	(13) Optometric services.
17	(14) Podiatry services.
18	(15) Hospice care, including routine home care,
19	continuous home care, inpatient respite care, and general
20	inpatient care.
21	(16) Laboratory services or services provided by
22	independent laboratories.
23	(17) Durable medical equipment and supplies.
24	(18) Renal dialysis services.
25	(19) Birth Center Services.

(20) Emergency services other than those offered by or

- in a hospital.
- 2 (b) No provider shall be exempt from the rate reductions
- 3 authorized under this Section, except that, rates or payments,
- or the portion thereof, paid to a provider that is operated by 4
- a unit of local government that provides the non-federal share 5
- of such services shall not be reduced as provided in this 6
- 7 Section.

- (c) To the extent practical and subject to rescission if 8
- 9 not federally approved, the reductions required under this
- 10 Section must be applied uniformly among and within each group,
- 11 class, subgroup, or category of providers listed in this
- 12 Section.
- 13 (d) In order to provide for the expeditious and timely
- implementation of the provisions of this Section, emergency 14
- rules to implement any provision of this Section may be adopted 15
- 16 by the Department in accordance with subsection (s) of Section
- 17 5-45 of the Illinois Administrative Procedure Act.
- (305 ILCS 5/5-5e) 18
- (Text of Section before amendment by P.A. 98-1166) 19
- 20 Sec. 5-5e. Adjusted rates of reimbursement.
- 21 (a) Rates or payments for services in effect on June 30,
- 22 2012 shall be adjusted and services shall be affected as
- required by any other provision of this amendatory Act of the 23
- 24 97th General Assembly. In addition, the Department shall do the
- 25 following:

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- (1) Delink the per diem rate paid for supportive living facility services from the per diem rate paid for nursing facility services, effective for services provided on or after May 1, 2011.
- (2) Cease payment for bed reserves in nursing facilities and specialized mental health rehabilitation facilities.
- (2.5) Cease payment for bed reserves for purposes of inpatient hospitalizations to intermediate care facilities for persons with development disabilities, except in the instance of residents who are under 21 years of age.
- (3) Cease payment of the \$10 per day add-on payment to nursing facilities for certain residents with developmental disabilities.
- (b) After the application of subsection (a), notwithstanding any other provision of this Code to the contrary and to the extent permitted by federal law, on and after July 1, 2012, the rates of reimbursement for services and other payments provided under this Code shall further be reduced as follows:
 - (1) Rates or payments for physician services, dental services, or community health center services reimbursed through an encounter rate, and services provided under the Medicaid Rehabilitation Option of the Illinois Title XIX State Plan shall not be further reduced, except as provided in Section 5-5b.1.

- (2) Rates or payments, or the portion thereof, paid to a provider that is operated by a unit of local government or State University that provides the non-federal share of such services shall not be further reduced, except as provided in Section 5-5b.1.
- (3) Rates or payments for hospital services delivered by a hospital defined as a Safety-Net Hospital under Section 5-5e.1 of this Code shall not be further reduced, except as provided in Section 5-5b.1.
- (4) Rates or payments for hospital services delivered by a Critical Access Hospital, which is an Illinois hospital designated as a critical care hospital by the Department of Public Health in accordance with 42 CFR 485, Subpart F, shall not be further reduced, except as provided in Section 5-5b.1.
- (5) Rates or payments for Nursing Facility Services shall only be further adjusted pursuant to Section 5-5.2 of this Code.
- (6) Rates or payments for services delivered by long term care facilities licensed under the ID/DD Community Care Act and developmental training services shall not be further reduced.
- (7) Rates or payments for services provided under capitation rates shall be adjusted taking into consideration the rates reduction and covered services required by this amendatory Act of the 97th General

1 Assembly.

- (8) For hospitals not previously described in this subsection, the rates or payments for hospital services shall be further reduced by 3.5%, except for payments authorized under Section 5A-12.4 of this Code.
- (9) For all other rates or payments for services delivered by providers not specifically referenced in paragraphs (1) through (8), rates or payments shall be further reduced by 2.7%.
- (c) Any assessment imposed by this Code shall continue and nothing in this Section shall be construed to cause it to cease.
- (d) Notwithstanding any other provision of this Code to the contrary, subject to federal approval under Title XIX of the Social Security Act, for dates of service on and after July 1, 2014, rates or payments for services provided for the purpose of transitioning children from a hospital to home placement or other appropriate setting by a children's community-based health care center authorized under the Alternative Health Care Delivery Act shall be \$683 per day.
- (e) Notwithstanding any other provision of this Code to the contrary, subject to federal approval under Title XIX of the Social Security Act, for dates of service on and after July 1, 2014, rates or payments for home health visits shall be \$72.
- (f) Notwithstanding any other provision of this Code to the contrary, subject to federal approval under Title XIX of the

- 1 Social Security Act, for dates of service on and after July 1,
- 2 2014, rates or payments for the certified nursing assistant
- 3 component of the home health agency rate shall be \$20.
- 4 (Source: P.A. 97-689, eff. 6-14-12; 98-104, eff. 7-22-13;
- 5 98-651, eff. 6-16-14.)
- 6 (Text of Section after amendment by P.A. 98-1166)
- 7 Sec. 5-5e. Adjusted rates of reimbursement.
- 8 (a) Rates or payments for services in effect on June 30,
- 9 2012 shall be adjusted and services shall be affected as
- 10 required by any other provision of this amendatory Act of the
- 11 97th General Assembly. In addition, the Department shall do the
- 12 following:
- 13 (1) Delink the per diem rate paid for supportive living
- 14 facility services from the per diem rate paid for nursing
- 15 facility services, effective for services provided on or
- 16 after May 1, 2011.
- 17 (2) Cease payment for bed reserves in nursing
- 18 facilities and specialized mental health rehabilitation
- 19 facilities; for purposes of therapeutic home visits for
- individuals scoring as TBI on the MDS 3.0, beginning June
- 21 1, 2015, the Department shall approve payments for bed
- 22 reserves in nursing facilities and specialized mental
- 23 health rehabilitation facilities that have at least a 90%
- occupancy level and at least 80% of their residents are
- 25 Medicaid eligible. Payment shall be at a daily rate of 75%

- of an individual's current Medicaid per diem and shall not exceed 10 days in a calendar month.
 - (2.5) Cease payment for bed reserves for purposes of inpatient hospitalizations to intermediate care facilities for persons with development disabilities, except in the instance of residents who are under 21 years of age.
 - (3) Cease payment of the \$10 per day add-on payment to nursing facilities for certain residents with developmental disabilities.
- (b) After the application of subsection (a), notwithstanding any other provision of this Code to the contrary and to the extent permitted by federal law, on and after July 1, 2012, the rates of reimbursement for services and other payments provided under this Code shall further be reduced as follows:
 - (1) Rates or payments for physician services, dental services, or community health center services reimbursed through an encounter rate, and services provided under the Medicaid Rehabilitation Option of the Illinois Title XIX State Plan shall not be further reduced, except as provided in Section 5-5b.1.
 - (2) Rates or payments, or the portion thereof, paid to a provider that is operated by a unit of local government or State University that provides the non-federal share of such services shall not be further reduced, except as provided in Section 5-5b.1.

- (3) Rates or payments for hospital services delivered by a hospital defined as a Safety-Net Hospital under Section 5-5e.1 of this Code shall not be further reduced__
- except as provided in Section 5-5b.1.
- (4) Rates or payments for hospital services delivered by a Critical Access Hospital, which is an Illinois hospital designated as a critical care hospital by the Department of Public Health in accordance with 42 CFR 485, Subpart F, shall not be further reduced, except as provided in Section 5-5b.1.
- (5) Rates or payments for Nursing Facility Services shall only be further adjusted pursuant to Section 5-5.2 of this Code.
- (6) Rates or payments for services delivered by long term care facilities licensed under the ID/DD Community Care Act and developmental training services shall not be further reduced.
- (7) Rates or payments for services provided under capitation rates shall be adjusted taking into consideration the rates reduction and covered services required by this amendatory Act of the 97th General Assembly.
- (8) For hospitals not previously described in this subsection, the rates or payments for hospital services shall be further reduced by 3.5%, except for payments authorized under Section 5A-12.4 of this Code.

- (9) For all other rates or payments for services 1 2 delivered by providers not specifically referenced in 3
- paragraphs (1) through (8), rates or payments shall be further reduced by 2.7%.
 - 5 (c) Any assessment imposed by this Code shall continue and nothing in this Section shall be construed to cause it to 6
- 7 cease.

- 8 (d) Notwithstanding any other provision of this Code to the
- 9 contrary, subject to federal approval under Title XIX of the
- 10 Social Security Act, for dates of service on and after July 1,
- 11 2014, rates or payments for services provided for the purpose
- 12 of transitioning children from a hospital to home placement or
- other appropriate setting by a children's community-based 13
- health care center authorized under the Alternative Health Care 14
- 15 Delivery Act shall be \$683 per day.
- 16 (e) Notwithstanding any other provision of this Code to the
- 17 contrary, subject to federal approval under Title XIX of the
- Social Security Act, for dates of service on and after July 1, 18
- 19 2014, rates or payments for home health visits shall be \$72.
- 20 (f) Notwithstanding any other provision of this Code to the
- contrary, subject to federal approval under Title XIX of the 21
- 22 Social Security Act, for dates of service on and after July 1,
- 23 2014, rates or payments for the certified nursing assistant
- 24 component of the home health agency rate shall be \$20.
- (Source: P.A. 97-689, eff. 6-14-12; 98-104, eff. 7-22-13; 25
- 98-651, eff. 6-16-14; 98-1166, eff. 6-1-15.) 26

- (305 ILCS 5/5A-2) (from Ch. 23, par. 5A-2) 1
- (Section scheduled to be repealed on July 1, 2018) 2
- 3 Sec. 5A-2. Assessment.

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(a) Subject to Sections 5A-3 and 5A-10, for State fiscal years 2009 through 2018, an annual assessment on inpatient services is imposed on each hospital provider in an amount equal to \$218.38 multiplied by the difference of the hospital's occupied bed days less the hospital's Medicare bed days, provided, however, that the amount of \$218.38 shall be increased by a uniform percentage to generate an amount equal to 75% of the State share of the payments authorized under Section 12-5, with such increase only taking effect upon the date that a State share for such payments is required under federal law. For the period of April through June 2015, the amount of \$218.38 used to calculate the assessment under this paragraph shall, by emergency rule under subsection (s) of Section 5-45 of the Illinois Administrative Procedure Act, be increased by a uniform percentage to generate \$20,250,000 in the aggregate for that period from all hospitals subject to the annual assessment under this paragraph.

For State fiscal years 2009 through 2014 and after, a hospital's occupied bed days and Medicare bed days shall be determined using the most recent data available from each hospital's 2005 Medicare cost report as contained in the Healthcare Cost Report Information System file, for the quarter

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ending on December 31, 2006, without regard to any subsequent adjustments or changes to such data. If a hospital's 2005 Medicare cost report is not contained in the Healthcare Cost Report Information System, then the Illinois Department may obtain the hospital provider's occupied bed days and Medicare bed days from any source available, including, but not limited to, records maintained by the hospital provider, which may be inspected at all times during business hours of the day by the Illinois Department or its duly authorized agents employees.

(b) (Blank).

(b-5) Subject to Sections 5A-3 and 5A-10, for the portion of State fiscal year 2012, beginning June 10, 2012 through June 30, 2012, and for State fiscal years 2013 through 2018, an annual assessment on outpatient services is imposed on each hospital provider in an amount equal to .008766 multiplied by the hospital's outpatient gross revenue, provided, however, that the amount of .008766 shall be increased by a uniform percentage to generate an amount equal to 25% of the State share of the payments authorized under Section 12-5, with such increase only taking effect upon the date that a State share for such payments is required under federal law. For the period beginning June 10, 2012 through June 30, 2012, the annual assessment on outpatient services shall be prorated by multiplying the assessment amount by a fraction, the numerator of which is 21 days and the denominator of which is 365 days.

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For the period of April through June 2015, the amount of 1 .008766 used to calculate the assessment under this paragraph shall, by emergency rule under subsection (s) of Section 5-45 of the Illinois Administrative Procedure Act, be increased by a uniform percentage to generate \$6,750,000 in the aggregate for that period from all hospitals subject to the annual assessment 7 under this paragraph.

For the portion of State fiscal year 2012, beginning June 10, 2012 through June 30, 2012, and State fiscal years 2013 through 2018, a hospital's outpatient gross revenue shall be determined using the most recent data available from each hospital's 2009 Medicare cost report as contained in the Healthcare Cost Report Information System file, for the quarter ending on June 30, 2011, without regard to any subsequent adjustments or changes to such data. If a hospital's 2009 Medicare cost report is not contained in the Healthcare Cost Report Information System, then the Department may obtain the hospital provider's outpatient gross revenue from any source available, including, but not limited to, records maintained by the hospital provider, which may be inspected at all times during business hours of the day by the Department or its duly authorized agents and employees.

- (c) (Blank).
- (d) Notwithstanding any of the other provisions of this Section, the Department is authorized to adopt rules to reduce the rate of any annual assessment imposed under this Section,

as authorized by Section 5-46.2 of the Illinois Administrative

2 Procedure Act.

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(e) Notwithstanding any other provision of this Section, any plan providing for an assessment on a hospital provider as a permissible tax under Title XIX of the federal Social Security Act and Medicaid-eligible payments to hospital providers from the revenues derived from that assessment shall be reviewed by the Illinois Department of Healthcare and Family Services, as the Single State Medicaid Agency required by federal law, to determine whether those assessments and hospital provider payments meet federal Medicaid standards. If the Department determines that the elements of the plan may meet federal Medicaid standards and a related State Medicaid Plan Amendment is prepared in a manner and form suitable for submission, that State Plan Amendment shall be submitted in a timely manner for review by the Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services and subject to approval by the Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services. No such plan shall become effective without approval by the Illinois General Assembly by the enactment into law of related legislation. Notwithstanding any other provision of this Section, the Department is authorized to adopt rules to reduce the rate of any annual assessment imposed under this Section. Any such rules may be adopted by the Department under Section 5-50 of the Illinois

- 1 Administrative Procedure Act.
- 2 (Source: P.A. 97-688, eff. 6-14-12; 97-689, eff. 6-14-12;
- 3 98-104, eff. 7-22-13; 98-651, eff. 6-16-14.)
- 4 (305 ILCS 5/5A-10) (from Ch. 23, par. 5A-10)
- 5 Sec. 5A-10. Applicability.
- 6 (a) The assessment imposed by subsection (a) of Section
- 7 5A-2 shall cease to be imposed and the Department's obligation
- 8 to make payments shall immediately cease, and any moneys
- 9 remaining in the Fund shall be refunded to hospital providers
- in proportion to the amounts paid by them, if:
- 11 (1) The payments to hospitals required under this
- 12 Article are not eligible for federal matching funds under
- 13 Title XIX or XXI of the Social Security Act;
- 14 (2) For State fiscal years 2009 through 2018, the
- Department of Healthcare and Family Services adopts any
- administrative rule change to reduce payment rates or
- alters any payment methodology that reduces any payment
- 18 rates made to operating hospitals under the approved Title
- 19 XIX or Title XXI State plan in effect January 1, 2008
- 20 except for:
- 21 (A) any changes for hospitals described in
- subsection (b) of Section 5A-3;
- 23 (B) any rates for payments made under this Article
- 24 V-A;
- 25 (C) any changes proposed in State plan amendment

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transmittal numbers 08-01, 08-02, 08-04, 08-06, and 1 08-07; 2

- (D) in relation to any admissions on or after January 1, 2011, a modification in the methodology for calculating outlier payments to hospitals exceptionally costly stays, for hospitals reimbursed under the diagnosis-related grouping methodology in effect on July 1, 2011; provided that the Department shall be limited to one such modification during the 36-month period after the effective date of this amendatory Act of the 96th General Assembly;
- (E) any changes affecting hospitals authorized by Public Act 97-689; or
- (F) any changes authorized by Section 14-12 of this Code, or for any changes authorized under Section 5A-15 of this Code; or -

(G) any changes authorized under Section 5-5b.1.

(b) The assessment imposed by Section 5A-2 shall not take effect or shall cease to be imposed, and the Department's obligation to make payments shall immediately cease, if the assessment is determined to be an impermissible tax under Title XIX of the Social Security Act. Moneys in the Hospital Provider Fund derived from assessments imposed prior thereto shall be disbursed in accordance with Section 5A-8 to the extent federal financial participation is not reduced due impermissibility of the assessments, and any remaining moneys

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- shall be refunded to hospital providers in proportion to the 1 2 amounts paid by them.
 - (c) The assessments imposed by subsection (b-5) of Section 5A-2 shall not take effect or shall cease to be imposed, the Department's obligation to make payments shall immediately cease, and any moneys remaining in the Fund shall be refunded to hospital providers in proportion to the amounts paid by them, if the payments to hospitals required under Section 5A-12.4 are not eligible for federal matching funds under Title XIX of the Social Security Act.
 - (d) The assessments imposed by Section 5A-2 shall not take effect or shall cease to be imposed, the Department's obligation to make payments shall immediately cease, and any moneys remaining in the Fund shall be refunded to hospital providers in proportion to the amounts paid by them, if:
 - (1) for State fiscal years 2013 through 2018, the Department reduces any payment rates to hospitals as in effect on May 1, 2012, or alters any payment methodology as in effect on May 1, 2012, that has the effect of reducing payment rates to hospitals, except for any changes affecting hospitals authorized in Public Act 97-689 and any changes authorized by Section 14-12 of this Code, and except for any changes authorized under Section 5A-15, and except for any changes authorized under Section 5-5b.1;
 - (2) for State fiscal years 2013 through 2018, the Department reduces any supplemental payments made to

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hospitals below the amounts paid for services provided in State fiscal year 2011 as implemented by administrative rules adopted and in effect on or prior to June 30, 2011, except for any changes affecting hospitals authorized in Public Act 97-689 and any changes authorized by Section 14-12 of this Code, and except for any changes authorized under Section 5A-15, and except for any changes authorized under Section 5-5b.1; or

- (3) for State fiscal years 2015 through 2018, the Department reduces the overall effective reimbursement to hospitals below the level authorized under Section 14-12 of this Code, except for any changes under Section 14-12 or Section 5A-15 of this Code, and except for any changes authorized under Section 5-5b.1.
- (Source: P.A. 97-72, eff. 7-1-11; 97-74, eff. 6-30-11; 97-688, 15 16 eff. 6-14-12; 97-689, eff. 6-14-12; 98-463, eff. 8-16-13; 17 98-651, eff. 6-16-14.)
- 18 (305 ILCS 5/14-12)
- Sec. 14-12. Hospital rate reform payment system. 19 20 hospital payment system pursuant to Section 14-11 of this 21 Article shall be as follows:
- 22 (a) Inpatient hospital services. Effective for discharges 23 on and after July 1, 2014, reimbursement for inpatient general 24 acute care services shall utilize the All Patient Refined 25 Diagnosis Related Grouping (APR-DRG) software, version 30,

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distributed by $3M^{TM}$ Health Information System. 1

- (1) The Department shall establish Medicaid weighting factors to be used in the reimbursement system established under this subsection. Initial weighting factors shall be the weighting factors as published by 3M Health Information System, associated with Version 30.0 adjusted for the Illinois experience.
- (2) The shall establish Department а statewide-standardized amount to be used in the inpatient reimbursement system. The Department shall publish these amounts on its website no later than 10 calendar days prior to their effective date.
- (3) In addition to the statewide-standardized amount, the Department shall develop adjusters to adjust the rate reimbursement for critical Medicaid providers services for trauma, transplantation services, perinatal care, and Graduate Medical Education (GME).
- (4) The Department shall develop add-on payments to account for exceptionally costly inpatient stays, consistent with Medicare outlier principles. Outlier fixed loss thresholds may be updated to control for excessive growth in outlier payments no more frequently than on an annual basis, but at least triennially. Upon updating the fixed loss thresholds, the Department shall be required to update base rates within 12 months.
 - (5) The Department shall define those hospitals or

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- distinct parts of hospitals that shall be exempt from the reimbursement system established under APR-DRG this Section. The Department shall publish these hospitals' inpatient rates on its website no later than 10 calendar days prior to their effective date.
- (6) Beginning July 1, 2014 and ending on June 30, 2018, in addition to the statewide-standardized amount, the Department shall develop an adjustor to adjust the rate of reimbursement for safety-net hospitals defined in Section 5-5e.1 of this Code excluding pediatric hospitals.
- (7) Beginning July 1, 2014 and ending on June 30, 2018, in addition to the statewide-standardized amount, the Department shall develop an adjustor to adjust the rate of reimbursement for Illinois freestanding inpatient psychiatric hospitals that are not designated children's hospitals by the Department but are primarily treating patients under the age of 21.
- (b) Outpatient hospital services. Effective for dates of service on and after July 1, 2014, reimbursement for outpatient services shall utilize the Enhanced Ambulatory Procedure Grouping (E-APG) software, version 3.7 distributed by $3M^{TM}$ Health Information System.
 - (1) The Department shall establish Medicaid weighting factors to be used in the reimbursement system established under this subsection. The initial weighting factors shall be the weighting factors as published by 3M Health

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Information System, associated with Version 3.7.

- (2) The Department shall establish service specific statewide-standardized amounts to be used in the reimbursement system.
 - (A) The initial statewide standardized amounts, with the labor portion adjusted by the Calendar Year 2013 Medicare Outpatient Prospective Payment System wage index with reclassifications, shall be published by the Department on its website no later than 10 calendar days prior to their effective date.
 - (B) The Department shall establish adjustments to the statewide-standardized amounts for each Critical Access Hospital, as designated by the Department of Public Health in accordance with 42 CFR 485, Subpart F. The EAPG standardized amounts are determined separately for each critical access hospital such that simulated EAPG payments using outpatient base period paid claim data plus payments under Section 5A-12.4 of this Code net of the associated tax costs are equal to the estimated costs of outpatient base period claims data with a rate year cost inflation factor applied.
- (3) In addition to the statewide-standardized amounts, the Department shall develop adjusters to adjust the rate of reimbursement for critical Medicaid hospital outpatient providers or services, including outpatient high volume or safety-net hospitals.

1 (c) In consultation with the hospital community, the 2 Department is authorized to replace 89 Ill. Admin. Code 152.150

- as published in 38 Ill. Reg. 4980 through 4986 within 12 months of the effective date of this amendatory Act of the 98th
- 5 General Assembly. If the Department does not replace these
- 6 rules within 12 months of the effective date of this amendatory
- 7 Act of the 98th General Assembly, the rules in effect for
- 8 152.150 as published in 38 Ill. Reg. 4980 through 4986 shall
- 9 remain in effect until modified by rule by the Department.
- 10 Nothing in this subsection shall be construed to mandate that
- 11 the Department file a replacement rule.
- 12 (d) Transition period. There shall be a transition period
- to the reimbursement systems authorized under this Section that
- 14 shall begin on the effective date of these systems and continue
- until June 30, 2018, unless extended by rule by the Department.
- 16 To help provide an orderly and predictable transition to the
- 17 new reimbursement systems and to preserve and enhance access to
- 18 the hospital services during this transition, the Department
- 19 shall allocate a transitional hospital access pool of at least
- 20 \$290,000,000 annually so that transitional hospital access
- 21 payments are made to hospitals.
- 22 (1) After the transition period, the Department may
- begin incorporating the transitional hospital access pool
- into the base rate structure.
- 25 (2) After the transition period, if the Department
- 26 reduces payments from the transitional hospital access

- pool, it shall increase base rates, develop new adjustors, adjust current adjustors, develop new hospital access payments based on updated information, or any combination thereof by an amount equal to the decreases proposed in the transitional hospital access pool payments, ensuring that the entire transitional hospital access pool amount shall continue to be used for hospital payments.
- (e) Beginning 36 months after initial implementation, the Department shall update the reimbursement components in subsections (a) and (b), including standardized amounts and weighting factors, and at least triennially and no more frequently than annually thereafter. The Department shall publish these updates on its website no later than 30 calendar days prior to their effective date.
- (f) Continuation of supplemental payments. Any supplemental payments authorized under Illinois Administrative Code 148 effective January 1, 2014 and that continue during the period of July 1, 2014 through December 31, 2014 shall remain in effect as long as the assessment imposed by Section 5A-2 is in effect.
- (g) Notwithstanding subsections (a) through (f) of this Section and notwithstanding the changes authorized under Section 5-5b.1, any updates to the system shall not result in any diminishment of the overall effective rates of reimbursement as of the implementation date of the new system (July 1, 2014). These updates shall not preclude variations in

- any individual component of the system or hospital rate variations. Nothing in this Section shall prohibit the
- 3 Department from increasing the rates of reimbursement or
- 4 developing payments to ensure access to hospital services.
- 5 Nothing in this Section shall be construed to guarantee a
- 6 minimum amount of spending in the aggregate or per hospital as
- 7 spending may be impacted by factors including but not limited
- 8 to the number of individuals in the medical assistance program
- 9 and the severity of illness of the individuals.
- 10 (h) The Department shall have the authority to modify by
- 11 rulemaking any changes to the rates or methodologies in this
- 12 Section as required by the federal government to obtain federal
- 13 financial participation for expenditures made under this
- 14 Section.
- (i) Except for subsections (g) and (h) of this Section, the
- Department shall, pursuant to subsection (c) of Section 5-40 of
- 17 the Illinois Administrative Procedure Act, provide for
- 18 presentation at the June 2014 hearing of the Joint Committee on
- 19 Administrative Rules (JCAR) additional written notice to JCAR
- 20 of the following rules in order to commence the second notice
- 21 period for the following rules: rules published in the Illinois
- Register, rule dated February 21, 2014 at 38 Ill. Reg. 4559
- 23 (Medical Payment), 4628 (Specialized Health Care Delivery
- 24 Systems), 4640 (Hospital Services), 4932 (Diagnostic Related
- 25 Grouping (DRG) Prospective Payment System (PPS)), and 4977
- 26 (Hospital Reimbursement Changes), and published in the

- 1 Illinois Register dated March 21, 2014 at 38 Ill. Reg. 6499
- 2 (Specialized Health Care Delivery Systems) and 6505 (Hospital
- 3 Services).
- 4 (Source: P.A. 98-651, eff. 6-16-14.)
- Section 95. No acceleration or delay. Where this Act makes changes in a statute that is represented in this Act by text that is not yet or no longer in effect (for example, a Section represented by multiple versions), the use of that text does not accelerate or delay the taking effect of (i) the changes made by this Act or (ii) provisions derived from any other Public Act.
- Section 97. Severability. The provisions of this Act are severable under Section 1.31 of the Statute on Statutes.
- Section 99. Effective date. This Act takes effect upon becoming law; but this Act does not take effect at all unless House Bill 317 of the 99th General Assembly becomes law.