99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB0390

by Rep. Keith Wheeler

SYNOPSIS AS INTRODUCED:

105 ILCS 5/18-8.05

Amends the State aid formula provisions of the School Code. Requires the General Assembly to make appropriations for general State financial aid each fiscal year to fully fund the amount as calculated under the formula. Requires the State Comptroller to prioritize the payment of general State financial aid claims to ensure the timely delivery of funds to school districts. Effective July 1, 2015.

LRB099 06099 NHT 26154 b

FISCAL NOTE ACT MAY APPLY

A BILL FOR

1

AN ACT concerning education.

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

Section 5. The School Code is amended by changing Section
18-8.05 as follows:

6 (105 ILCS 5/18-8.05)

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

10 (A) General Provisions.

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

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 this Section.

5 (2) In addition to general State financial aid, school 6 districts with specified levels or concentrations of pupils 7 from low income households are eligible to receive supplemental 8 general State financial aid grants as provided pursuant to 9 subsection (H). The supplemental State aid grants provided for 10 school districts under subsection (H) shall be appropriated for 11 distribution to school districts as part of the same line item 12 in which the general State financial aid of school districts is appropriated under this Section. 13

14 (3) To receive financial assistance under this Section,
15 school districts are required to file claims with the State
16 Board of Education, subject to the following requirements:

17 (a) Any school district which fails for any given school year to maintain school as required by law, or to 18 maintain a recognized school is not eligible to file for 19 20 such school year any claim upon the Common School Fund. In case of nonrecognition of one or more attendance centers in 21 22 a school district otherwise operating recognized schools, 23 claim of the district shall be reduced the in the 24 proportion which the Average Daily Attendance in the 25 attendance center or centers bear to the Average Daily 26 Attendance in the school district. A "recognized school"

1 means any public school which meets the standards as 2 established for recognition by the State Board of 3 Education. A school district or attendance center not 4 having recognition status at the end of a school term is 5 entitled to receive State aid payments due upon a legal 6 claim which was filed while it was recognized.

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

10 (c) If a school district operates a full year school 11 under Section 10-19.1, the general State aid to the school 12 district shall be determined by the State Board of 13 Education in accordance with this Section as near as may be 14 applicable.

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(d) (Blank).

16 (4) Except as provided in subsections (H) and (L), the 17 board of any district receiving any of the grants provided for 18 in this Section may apply those funds to any fund so received 19 for which that board is authorized to make expenditures by law.

20 School districts are not required to exert a minimum 21 Operating Tax Rate in order to qualify for assistance under 22 this Section.

23 (4.5) The General Assembly is required to make
 24 appropriations for general State financial aid each fiscal year
 25 to fully fund the amount as calculated under this Section. The
 26 State Comptroller shall prioritize the payment of general State

1 <u>financial aid claims to ensure the timely delivery of funds to</u> 2 school districts.

3 4 (5) As used in this Section the following terms, when capitalized, shall have the meaning ascribed herein:

5 (a) "Average Daily Attendance": A count of pupil 6 attendance in school, averaged as provided for in 7 subsection (C) and utilized in deriving per pupil financial 8 support levels.

9 (b) "Available Local Resources": A computation of 10 local financial support, calculated on the basis of Average 11 Daily Attendance and derived as provided pursuant to 12 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).

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

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

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1 (B) Foundation Level.

2 (1) The Foundation Level is a figure established by the State representing the minimum level of per pupil financial 3 support that should be available to provide for the basic 4 5 education of each pupil in Average Daily Attendance. As set 6 forth in this Section, each school district is assumed to exert 7 a sufficient local taxing effort such that, in combination with the aggregate of general State financial aid provided the 8 9 district, an aggregate of State and local resources are 10 available to meet the basic education needs of pupils in the 11 district.

12 (2) For the 1998-1999 school year, the Foundation Level of 13 is \$4,225. For the 1999-2000 school year, the support Foundation Level of support is \$4,325. For the 2000-2001 school 14 year, the Foundation Level of support is \$4,425. For the 15 16 2001-2002 school year and 2002-2003 school year, the Foundation 17 Level of support is \$4,560. For the 2003-2004 school year, the Foundation Level of support is \$4,810. For the 2004-2005 school 18 year, the Foundation Level of support is \$4,964. For the 19 20 2005-2006 school year, the Foundation Level of support is \$5,164. For the 2006-2007 school year, the Foundation Level of 21 22 is \$5,334. For the 2007-2008 school year, the support 23 Foundation Level of support is \$5,734. For the 2008-2009 school year, the Foundation Level of support is \$5,959. 24

(3) For the 2009-2010 school year and each school year
 thereafter, the Foundation Level of support is \$6,119 or such

1 greater amount as may be established by law by the General 2 Assembly.

3 (C) Average Daily Attendance.

4 (1) For purposes of calculating general State aid pursuant 5 to subsection (E), an Average Daily Attendance figure shall be utilized. The Average Daily Attendance figure for formula 6 7 calculation purposes shall be the monthly average of the actual 8 number of pupils in attendance of each school district, as 9 further averaged for the best 3 months of pupil attendance for 10 each school district. In compiling the figures for the number 11 of pupils in attendance, school districts and the State Board 12 of Education shall, for purposes of general State aid funding, conform attendance figures to the requirements of subsection 13 14 (F).

15 (2)The Average Daily Attendance figures utilized in 16 subsection (E) shall be the requisite attendance data for the school year immediately preceding the school year for which 17 general State aid is being calculated or the average of the 18 attendance data for the 3 preceding school years, whichever is 19 greater. The Average Daily Attendance figures utilized in 20 21 subsection (H) shall be the requisite attendance data for the 22 school year immediately preceding the school year for which general State aid is being calculated. 23

24 (D) Available Local Resources.

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(1) For purposes of calculating general State aid pursuant 1 2 subsection (E), a representation of Available Local to Resources per pupil, as that term is defined and determined in 3 this subsection, shall be utilized. Available Local Resources 4 5 per pupil shall include a calculated dollar amount representing 6 local school district revenues from local property taxes and 7 from Corporate Personal Property Replacement Taxes, expressed 8 on the basis of pupils in Average Daily Attendance. Calculation 9 of Available Local Resources shall exclude any tax amnesty funds received as a result of Public Act 93-26. 10

11 (2) In determining a school district's revenue from local 12 property taxes, the State Board of Education shall utilize the 13 equalized assessed valuation of all taxable property of each 14 school district as of September 30 of the previous year. The 15 equalized assessed valuation utilized shall be obtained and 16 determined as provided in subsection (G).

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

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.

5 For partial elementary unit districts created pursuant to Article 11E of this Code, local property tax revenues per pupil 6 7 shall be calculated as the product of the equalized assessed valuation for property within the partial elementary unit 8 9 district for elementary purposes, as defined in Article 11E of 10 this Code, multiplied by 2.06% and divided by the district's 11 Average Daily Attendance figure, plus the product of the 12 equalized assessed valuation for property within the partial 13 elementary unit district for high school purposes, as defined in Article 11E of this Code, multiplied by 0.94% and divided by 14 15 the district's Average Daily Attendance figure.

16 (4) The Corporate Personal Property Replacement Taxes paid 17 to each school district during the calendar year one year before the calendar year in which a school year begins, divided 18 by the Average Daily Attendance figure for that district, shall 19 20 be added to the local property tax revenues per pupil as 21 derived by the application of the immediately preceding 22 paragraph (3). The sum of these per pupil figures for each 23 school district shall constitute Available Local Resources as that term is utilized in subsection (E) in the calculation of 24 25 general State aid.

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1 (E) Computation of General State Aid.

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

5 (2) For any school district for which Available Local 6 Resources per pupil is less than the product of 0.93 times the 7 Foundation Level, general State aid for that district shall be 8 calculated as an amount equal to the Foundation Level minus 9 Available Local Resources, multiplied by the Average Daily 10 Attendance of the school district.

11 (3) For any school district for which Available Local 12 Resources per pupil is equal to or greater than the product of 0.93 times the Foundation Level and less than the product of 13 1.75 times the Foundation Level, the general State aid per 14 15 pupil shall be a decimal proportion of the Foundation Level 16 derived using a linear algorithm. Under this linear algorithm, 17 the calculated general State aid per pupil shall decline in direct linear fashion from 0.07 times the Foundation Level for 18 a school district with Available Local Resources equal to the 19 20 product of 0.93 times the Foundation Level, to 0.05 times the Foundation Level for a school district with Available Local 21 22 Resources equal to the product of 1.75 times the Foundation 23 Level. The allocation of general State aid for school districts subject to this paragraph 3 shall be the calculated general 24 25 State aid per pupil figure multiplied by the Average Daily Attendance of the school district. 26

1 (4) For any school district for which Available Local 2 Resources per pupil equals or exceeds the product of 1.75 times 3 the Foundation Level, the general State aid for the school 4 district shall be calculated as the product of \$218 multiplied 5 by the Average Daily Attendance of the school district.

6 (5) The amount of general State aid allocated to a school district for the 1999-2000 school year meeting the requirements 7 8 set forth in paragraph (4) of subsection (G) shall be increased 9 by an amount equal to the general State aid that would have 10 been received by the district for the 1998-1999 school year by 11 utilizing the Extension Limitation Equalized Assessed 12 Valuation as calculated in paragraph (4) of subsection (G) less the general State aid allotted for the 1998-1999 school year. 13 This amount shall be deemed a one time increase, and shall not 14 15 affect any future general State aid allocations.

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(F) Compilation of Average Daily Attendance.

17 (1) Each school district shall, by July 1 of each year, submit to the State Board of Education, on forms prescribed by 18 the State Board of Education, attendance figures for the school 19 year that began in the preceding calendar year. The attendance 20 21 information so transmitted shall identify the average daily 22 attendance figures for each month of the school year. Beginning with the general State aid claim form for the 2002-2003 school 23 24 year, districts shall calculate Average Daily Attendance as provided in subdivisions (a), (b), and (c) of this paragraph 25

1 (1).

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(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.

6 (b) In districts in which all buildings hold year-round 7 classes, days of attendance in July and August shall be 8 added to the month of September and any days of attendance 9 in June shall be added to the month of May.

10 (c) In districts in which some buildings, but not all, 11 hold year-round classes, for the non-year-round buildings, 12 days of attendance in August shall be added to the month of 13 September and any days of attendance in June shall be added 14 to the month of May. The average daily attendance for the 15 year-round buildings shall be computed as provided in 16 subdivision (b) of this paragraph (1). To calculate the 17 Average Daily Attendance for the district, the average daily attendance for the year-round buildings shall be 18 19 multiplied by the days in session for the non-year-round 20 buildings for each month and added to the monthly 21 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.

5 Days of attendance by tuition pupils shall be accredited 6 only to the districts that pay the tuition to a recognized 7 school.

8 (2) Days of attendance by pupils of less than 5 clock hours 9 of school shall be subject to the following provisions in the 10 compilation of Average Daily Attendance.

11 (a) Pupils regularly enrolled in a public school for 12 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 13 14 minutes or more attended pursuant to such enrollment, 15 unless a pupil is enrolled in a block-schedule format of 80 16 minutes or more of instruction, in which case the pupil may 17 be counted on the basis of the proportion of minutes of school work completed each day to the minimum number of 18 19 minutes that school work is required to be held that day.

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(b) (Blank).

(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.

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(d) A session of 3 or more clock hours may be counted

as a day of attendance (1) when the remainder of the school 1 2 day or at least 2 hours in the evening of that day is 3 utilized for an in-service training program for teachers, up to a maximum of 5 days per school year, provided a 4 5 district conducts an in-service training program for teachers in accordance with Section 10-22.39 of this Code; 6 7 or, in lieu of 4 such days, 2 full days may be used, in 8 which event each such day may be counted as a day required 9 for a legal school calendar pursuant to Section 10-19 of 10 this Code; (1.5) when, of the 5 days allowed under item 11 (1), a maximum of 4 days are used for parent-teacher 12 conferences, or, in lieu of 4 such days, 2 full days are used, in which case each such day may be counted as a 13 14 calendar day required under Section 10-19 of this Code, 15 provided that the full-day, parent-teacher conference 16 consists of (i) а minimum of 5 clock hours of 17 parent-teacher conferences, (ii) both a minimum of 2 clock hours of parent-teacher conferences held in the evening 18 19 following a full day of student attendance, as specified in 20 subsection (F)(1)(c), and a minimum of 3 clock hours of 21 parent-teacher conferences held on the day immediately 22 following evening parent-teacher conferences, or (iii) 23 multiple parent-teacher conferences held in the evenings 24 following full days of student attendance, as specified in 25 subsection (F)(1)(c), in which the time used for the 26 parent-teacher conferences is equivalent to a minimum of 5

clock hours; and (2) when days in addition to those 1 2 provided in items (1) and (1.5) are scheduled by a school 3 pursuant to its school improvement plan adopted under Article 34 or its revised or amended school improvement 4 plan adopted under Article 2, provided that (i) such 5 6 sessions of 3 or more clock hours are scheduled to occur at 7 regular intervals, (ii) the remainder of the school days in 8 which such sessions occur are utilized for in-service 9 training programs or other staff development activities 10 for teachers, and (iii) a sufficient number of minutes of 11 school work under the direct supervision of teachers are 12 added to the school days between such regularly scheduled 13 sessions to accumulate not less than the number of minutes 14 by which such sessions of 3 or more clock hours fall short 15 of 5 clock hours. Any full days used for the purposes of 16 this paragraph shall not be considered for computing 17 average daily attendance. Days scheduled for in-service 18 training programs, staff development activities, or 19 parent-teacher conferences may be scheduled separately for 20 different grade levels and different attendance centers of the district. 21

(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

1 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.

7 (g) For children with disabilities who are below the 8 age of 6 years and who cannot attend 2 or more clock hours 9 because of their disability or immaturity, a session of not 10 less than one clock hour may be counted as 1/2 day of 11 attendance; however for such children whose educational 12 needs so require a session of 4 or more clock hours may be 13 counted as a full day of attendance.

14 (h) A recognized kindergarten which provides for only 15 1/2 day of attendance by each pupil shall not have more 16 than 1/2 day of attendance counted in any one day. However, kindergartens may count 2 1/2 days of attendance in any 5 17 consecutive school days. When a pupil attends such a 18 19 kindergarten for 2 half days on any one school day, the 20 pupil shall have the following day as a day absent from school, unless the school district obtains permission in 21 22 writing from the State Superintendent of Education. 23 Attendance at kindergartens which provide for a full day of 24 attendance by each pupil shall be counted the same as 25 attendance by first grade pupils. Only the first year of 26 attendance in one kindergarten shall be counted, except in

1 case of children who entered the kindergarten in their 2 fifth year whose educational development requires a second 3 year of kindergarten as determined under the rules and 4 regulations of the State Board of Education.

5 (i) On the days when the assessment that includes a 6 college and career ready determination is administered under subsection (c) of Section 2-3.64a-5 of this Code, the 7 8 day of attendance for a pupil whose school day must be 9 shortened to accommodate required testing procedures may 10 be less than 5 clock hours and shall be counted towards the 11 176 days of actual pupil attendance required under Section 12 10-19 of this Code, provided that a sufficient number of minutes of school work in excess of 5 clock hours are first 13 14 completed on other school days to compensate for the loss of school work on the examination days. 15

16 (j) Pupils enrolled in a remote educational program 17 established under Section 10-29 of this Code may be counted on the basis of one-fifth day of attendance for every clock 18 hour of instruction attended in the remote educational 19 20 program, provided that, in any month, the school district 21 may not claim for a student enrolled in a remote 22 educational program more days of attendance than the 23 maximum number of days of attendance the district can claim 24 (i) for students enrolled in a building holding year-round 25 classes if the student is classified as participating in 26 the remote educational program on a year-round schedule or

1 (ii) for students enrolled in a building not holding 2 year-round classes if the student is not classified as 3 participating in the remote educational program on a 4 year-round schedule.

5 (G) Equalized Assessed Valuation Data.

6 (1) For purposes of the calculation of Available Local 7 Resources required pursuant to subsection (D), the State Board 8 of Education shall secure from the Department of Revenue the 9 value as equalized or assessed by the Department of Revenue of 10 all taxable property of every school district, together with 11 (i) the applicable tax rate used in extending taxes for the 12 funds of the district as of September 30 of the previous year and (ii) the limiting rate for all school districts subject to 13 14 property tax extension limitations as imposed under the 15 Property Tax Extension Limitation Law.

16 The Department of Revenue shall add to the equalized assessed value of all taxable property of each school district 17 situated entirely or partially within a county that is or was 18 19 subject to the provisions of Section 15-176 or 15-177 of the 20 Property Tax Code (a) an amount equal to the total amount by 21 which the homestead exemption allowed under Section 15-176 or 22 15-177 of the Property Tax Code for real property situated in that school district exceeds the total amount that would have 23 24 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 25

all other counties in tax year 2003 or (ii) \$5,000 in all 1 2 counties in tax year 2004 and thereafter and (b) an amount 3 equal to the aggregate amount for the taxable year of all additional exemptions under Section 15-175 of the Property Tax 4 5 Code for owners with a household income of \$30,000 or less. The 6 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 7 8 shall annually calculate and certify to the Department of 9 Revenue for each school district all homestead exemption 10 amounts under Section 15-176 or 15-177 of the Property Tax Code 11 and all amounts of additional exemptions under Section 15-175 12 of the Property Tax Code for owners with a household income of 13 \$30,000 or less. It is the intent of this paragraph that if the 14 general homestead exemption for a parcel of property is determined under Section 15-176 or 15-177 of the Property Tax 15 16 Code rather than Section 15-175, then the calculation of 17 Available Local Resources shall not be affected by the difference, if any, between the amount of the general homestead 18 19 exemption allowed for that parcel of property under Section 20 15-176 or 15-177 of the Property Tax Code and the amount that 21 would have been allowed had the general homestead exemption for 22 that parcel of property been determined under Section 15-175 of 23 the Property Tax Code. It is further the intent of this paragraph that if additional exemptions are allowed under 24 25 Section 15-175 of the Property Tax Code for owners with a household income of less than \$30,000, then the calculation of 26

Available Local Resources shall not be affected by the
 difference, if any, because of those additional exemptions.

3 This equalized assessed valuation, as adjusted further by 4 the requirements of this subsection, shall be utilized in the 5 calculation of Available Local Resources.

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

8 (a) For the purposes of calculating State aid under 9 this Section, with respect to any part of a school district 10 within a redevelopment project area in respect to which a 11 municipality has adopted tax increment allocation 12 financing pursuant to the Tax Increment Allocation 13 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11 14 of the Illinois Municipal Code or the Industrial Jobs 15 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the 16 Illinois Municipal Code, no part of the current equalized 17 assessed valuation of real property located in any such project area which is attributable to an increase above the 18 19 total initial equalized assessed valuation of such 20 property shall be used as part of the equalized assessed valuation of the district, until such time 21 as all 22 redevelopment project costs have been paid, as provided in 23 Section 11-74.4-8 of the Tax Increment Allocation 24 Redevelopment Act or in Section 11-74.6-35 of the 25 Industrial Jobs Recovery Law. For the purpose of the equalized assessed valuation of the district, the total 26

1 initial equalized assessed valuation or the current 2 equalized assessed valuation, whichever is lower, shall be 3 used until such time as all redevelopment project costs 4 have been paid.

5 (b) The real property equalized assessed valuation for 6 a school district shall be adjusted by subtracting from the 7 real property value as equalized or assessed by the 8 Department of Revenue for the district an amount computed 9 by dividing the amount of any abatement of taxes under 10 Section 18-170 of the Property Tax Code by 3.00% for a 11 district maintaining grades kindergarten through 12, by 12 2.30% for a district maintaining grades kindergarten through 8, or by 1.05% for a district maintaining grades 9 13 14 through 12 and adjusted by an amount computed by dividing 15 the amount of any abatement of taxes under subsection (a) 16 of Section 18-165 of the Property Tax Code by the same 17 percentage rates for district type as specified in this subparagraph (b). 18

19 (3) For the 1999-2000 school year and each school year 20 thereafter, if a school district meets all of the criteria of 21 this subsection (G)(3), the school district's Available Local 22 Resources shall be calculated under subsection (D) using the 23 district's Extension Limitation Equalized Assessed Valuation 24 as calculated under this subsection (G)(3).

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

- 1 "Budget Year": The school year for which general State
 - aid is calculated and awarded under subsection (E).
 - "Base Tax Year": The property tax levy year used to calculate the Budget Year allocation of general State aid.

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

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

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

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

20 "Operating Tax Rate": The operating tax rate as defined21 in subsection (A).

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

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Limitation Equalized Assessed Valuation of a school district as 1 2 calculated by the State Board of Education shall be equal to 3 the product of the district's 1996 Equalized Assessed Valuation and the district's Extension Limitation Ratio. Except as 4 5 otherwise provided in this paragraph for a school district that has approved or does approve an increase in its limiting rate, 6 7 for the 2000-2001 school year and each school year thereafter, 8 the Extension Limitation Equalized Assessed Valuation of a 9 school district as calculated by the State Board of Education 10 shall be equal to the product of the Equalized Assessed 11 Valuation last used in the calculation of general State aid and 12 the district's Extension Limitation Ratio. If the Extension 13 Limitation Equalized Assessed Valuation of a school district as 14 calculated under this subsection (G)(3) is less than the 15 district's equalized assessed valuation as calculated pursuant 16 subsections (G)(1) and (G)(2), then for purposes of to 17 calculating the district's general State aid for the Budget Year pursuant to subsection (E), that Extension Limitation 18 Equalized Assessed Valuation shall be utilized to calculate the 19 20 district's Available Local Resources under subsection (D). For 21 the 2009-2010 school year and each school year thereafter, if a 22 school district has approved or does approve an increase in its 23 limiting rate, pursuant to Section 18-190 of the Property Tax 24 Code, affecting the Base Tax Year, the Extension Limitation 25 Equalized Assessed Valuation of the school district, as 26 calculated by the State Board of Education, shall be equal to

the product of the Equalized Assessed Valuation last used in 1 2 the calculation of general State aid times an amount equal to 3 one plus the percentage increase, if any, in the Consumer Price Index for all Urban Consumers for all items published by the 4 5 United States Department of Labor for the 12-month calendar 6 year preceding the Base Tax Year, plus the Equalized Assessed Valuation of new property, annexed property, and recovered tax 7 8 increment value and minus the Equalized Assessed Valuation of 9 disconnected property. New property and recovered tax 10 increment value shall have the meanings set forth in the 11 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.

16 (3.5) For the 2010-2011 school year and each school year 17 thereafter, if a school district's boundaries span multiple 18 counties, then the Department of Revenue shall send to the 19 State Board of Education, for the purpose of calculating 20 general State aid, the limiting rate and individual rates by 21 purpose for the county that contains the majority of the school 22 district's Equalized Assessed Valuation.

(4) For the purposes of calculating general State aid for the 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 1 2 Education shall calculate the Extension Limitation Equalized Assessed Valuation that would have been used to calculate the 3 district's 1998-1999 general State aid. This amount shall equal 4 5 the product of the equalized assessed valuation used to calculate general State aid for the 1997-1998 school year and 6 the district's Extension Limitation Ratio. If the Extension 7 Limitation Equalized Assessed Valuation of the school district 8 9 as calculated under this paragraph (4) is less than the 10 district's equalized assessed valuation utilized in 11 calculating the district's 1998-1999 general State aid 12 allocation, then for purposes of calculating the district's 13 general State aid pursuant to paragraph (5) of subsection (E), that Extension Limitation Equalized Assessed Valuation shall 14 be utilized to calculate the district's Available Local 15 16 Resources.

17 (5) For school districts having a majority of their equalized assessed valuation in any county except Cook, DuPage, 18 Kane, Lake, McHenry, or Will, if the amount of general State 19 aid allocated to the school district for the 1999-2000 school 20 year under the provisions of subsection (E), (H), and (J) of 21 22 this Section is less than the amount of general State aid 23 allocated to the district for the 1998-1999 school year under these subsections, then the general State aid of the district 24 for the 1999-2000 school year only shall be increased by the 25 26 difference between these amounts. The total payments made under - 25 - LRB099 06099 NHT 26154 b

1 this paragraph (5) shall not exceed \$14,000,000. Claims shall 2 be prorated if they exceed \$14,000,000.

3 (H) Supplemental General State Aid.

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4 (1) In addition to the general State aid a school district 5 is allotted pursuant to subsection (E), qualifying school 6 districts shall receive a grant, paid in conjunction with a 7 district's payments of general State aid, for supplemental 8 general State aid based upon the concentration level of 9 children from low-income households within the school 10 district. Supplemental State aid grants provided for school 11 districts under this subsection shall be appropriated for 12 distribution to school districts as part of the same line item in which the general State financial aid of school districts is 13 14 appropriated under this Section.

15 (1.5) This paragraph (1.5) applies only to those school 16 years preceding the 2003-2004 school year. For purposes of this subsection (H), the term "Low-Income Concentration Level" 17 shall be the low-income eligible pupil count from the most 18 recently available federal census divided by the Average Daily 19 20 Attendance of the school district. If, however, (i) the 21 percentage decrease from the 2 most recent federal censuses in 22 the low-income eligible pupil count of a high school district 23 with fewer than 400 students exceeds by 75% or more the 24 percentage change in the total low-income eligible pupil count of contiguous elementary school districts, whose boundaries 25

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

(1.10) This paragraph (1.10) applies to the 2003-2004
school year and each school year thereafter. For purposes of
this subsection (H), the term "Low-Income Concentration Level"

shall, for each fiscal year, be the low-income eligible pupil 1 2 count as of July 1 of the immediately preceding fiscal year (as determined by the Department of Human Services based on the 3 number of pupils who are eligible for at least one of the 4 5 following low income programs: Medicaid, the Children's Health Insurance Program, TANF, or Food Stamps, excluding pupils who 6 are eligible for services provided by the Department of 7 8 Children and Family Services, averaged over the 2 immediately 9 preceding fiscal years for fiscal year 2004 and over the 3 10 immediately preceding fiscal years for each fiscal year 11 thereafter) divided by the Average Daily Attendance of the 12 school district.

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

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

20 (b) For any school district with a Low Income 21 Concentration Level of at least 35% and less than 50%, the 22 grant for the 1998-1999 school year shall be \$1,100 23 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

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multiplied by the low income eligible pupil count.

2 (d) For any school district with a Low Income 3 Concentration Level of 60% or more, the grant for the 4 1998-99 school year shall be \$1,900 multiplied by the low 5 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.

10 (f) For the 2000-2001 school year, the per pupil 11 amounts specified in subparagraphs (b), (c), and (d) 12 immediately above shall be \$1,273, \$1,640, and \$2,050, 13 respectively.

14 (2.5) Supplemental general State aid pursuant to this 15 subsection (H) shall be provided as follows for the 2002-2003 16 school year:

17 (a) For any school district with a Low Income
18 Concentration Level of less than 10%, the grant for each
19 school year shall be \$355 multiplied by the low income
20 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.

3 (d) For any school district with a Low Income 4 Concentration Level of at least 35% and less than 50%, the 5 grant for each school year shall be \$1,362 multiplied by 6 the low income eligible pupil count.

7 (e) For any school district with a Low Income 8 Concentration Level of at least 50% and less than 60%, the 9 grant for each school year shall be \$1,680 multiplied by 10 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.

15 (2.10) Except as otherwise provided, supplemental general 16 State aid pursuant to this subsection (H) shall be provided as 17 follows for the 2003-2004 school year and each school year 18 thereafter:

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

(b) For any school district with a Low 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

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multiplied by the low income eligible pupil count.

2 For the 2003-2004 school year and each school year 3 thereafter through the 2008-2009 school year only, the grant shall be no less than the grant for the 2002-2003 school year. 4 5 For the 2009-2010 school year only, the grant shall be no less 6 than the grant for the 2002-2003 school year multiplied by 7 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 8 9 0.33. Notwithstanding the provisions of this paragraph to the 10 contrary, if for any school year supplemental general State aid 11 grants are prorated as provided in paragraph (1) of this 12 subsection (H), then the grants under this paragraph shall be 13 prorated.

For the 2003-2004 school year only, the grant shall be no 14 15 greater than the grant received during the 2002-2003 school year added to the product of 0.25 multiplied by the difference 16 17 between the grant amount calculated under subsection (a) or (b) of this paragraph (2.10), whichever is applicable, and the 18 19 grant received during the 2002-2003 school year. For the 20 2004-2005 school year only, the grant shall be no greater than the grant received during the 2002-2003 school year added to 21 22 the product of 0.50 multiplied by the difference between the 23 grant amount calculated under subsection (a) or (b) of this paragraph (2.10), whichever is applicable, and the grant 24 25 received during the 2002-2003 school year. For the 2005-2006 26 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 6 7 more than 1,000 and less than 50,000 that qualify for 8 supplemental general State aid pursuant to this subsection 9 shall submit a plan to the State Board of Education prior to 10 October 30 of each year for the use of the funds resulting from 11 this grant of supplemental general State aid for the 12 improvement of instruction in which priority is given to meeting the education needs of disadvantaged children. Such 13 14 plan shall be submitted in accordance with rules and 15 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:

(a) The required amounts shall be distributed to the 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 and under the National School Lunch Act during the

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immediately preceding school year.

2 (b) The distribution of these portions of supplemental 3 and general State aid among attendance centers according to requirements shall not be compensated for or 4 these 5 contravened by adjustments of the total of other funds 6 appropriated to any attendance centers, and the Board of 7 Education shall utilize funding from one or several sources 8 in order to fully implement this provision annually prior 9 to the opening of school.

10 (c) Each attendance center shall be provided by the 11 school district a distribution of noncategorical funds and 12 other categorical funds to which an attendance center is 13 entitled under law in order that the general State aid and 14 supplemental general State aid provided by application of 15 this subsection supplements rather than supplants the 16 noncategorical funds and other categorical funds provided 17 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 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
 for programs to improve educational opportunities at

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

10 (f) Each district subject to the provisions of this 11 subdivision (H) (4) shall submit an acceptable plan to meet 12 educational needs of disadvantaged children, the in compliance with the requirements of this paragraph, to the 13 14 State Board of Education prior to July 15 of each year. 15 This plan shall be consistent with the decisions of local 16 school councils concerning the school expenditure plans 17 developed in accordance with part 4 of Section 34-2.3. The State Board shall approve or reject the plan within 60 days 18 19 after its submission. If the plan is rejected, the district 20 shall give written notice of intent to modify the plan within 15 days of the notification of rejection and then 21 22 submit a modified plan within 30 days after the date of the 23 written notice of intent to modify. Districts may amend 24 approved plans pursuant to rules promulgated by the State 25 Board of Education.

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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 6 7 attendance centers in accordance with an approved plan, the 8 plan for the following year shall allocate funds, in 9 addition to the funds otherwise required by this 10 subsection, to those attendance centers which were 11 underfunded during the previous year in amounts equal to 12 such underfunding.

For purposes of determining compliance with 13 this 14 subsection in relation to the requirements of attendance 15 center funding, each district subject to the provisions of this subsection shall submit as a separate document by 16 17 December 1 of each year a report of expenditure data for the prior year in addition to any modification of its 18 19 current plan. If it is determined that there has been a 20 failure to comply with the expenditure provisions of this 21 subsection regarding contravention or supplanting, the 22 State Superintendent of Education shall, within 60 days of 23 receipt of the report, notify the district and any affected local school council. The district shall within 45 days of 24 25 of that notification inform receipt the State 26 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.

7 The State Board of Education shall promulgate rules and 8 regulations implement the provisions to of this subsection. 9 No funds shall be released under this 10 subdivision (H) (4) to any district that has not submitted a 11 plan that has been approved by the State Board of 12 Education.

13 (I) (Blank).

14 (J) (Blank).

15 (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 this Section or to any alternative school that is operated by a regional superintendent of schools, the State Board of Education shall require by rule such reporting requirements as 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 1 2 of a public university which receives funds from the State Board under this subsection (K) may not increase the number of 3 students enrolled in its laboratory school from a single 4 5 district, if that district is already sending 50 or more 6 students, except under a mutual agreement between the school 7 board of a student's district of residence and the university 8 which operates the laboratory school. A laboratory school may 9 not have more than 1,000 students, excluding students with 10 disabilities in a special education program.

As used in this Section, "alternative school" means a 11 12 public school which is created and operated by a Regional 13 Superintendent of Schools and approved by the State Board of Education. Such alternative schools may offer courses of 14 15 instruction for which credit is given in regular school 16 programs, courses to prepare students for the high school 17 equivalency testing program or vocational and occupational training. A regional superintendent of schools may contract 18 with a school district or a public community college district 19 20 to operate an alternative school. An alternative school serving more than one educational service region may be established by 21 22 the regional superintendents of schools of the affected 23 educational service regions. An alternative school serving more than one educational service region may be operated under 24 such terms as the regional superintendents of schools of those 25 26 educational service regions may agree.

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Each laboratory and alternative school shall file, on forms 1 2 provided by the State Superintendent of Education, an annual 3 State aid claim which states the Average Daily Attendance of the school's students by month. The best 3 months' Average 4 5 Daily Attendance shall be computed for each school. The general 6 State aid entitlement shall be computed by multiplying the 7 applicable Average Daily Attendance by the Foundation Level as determined under this Section. 8

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

10 (1) For a school district operating under the financial 11 supervision of an Authority created under Article 34A, the 12 general State aid otherwise payable to that district under this 13 Section, but not the supplemental general State aid, shall be 14 reduced by an amount equal to the budget for the operations of 15 the Authority as certified by the Authority to the State Board 16 of Education, and an amount equal to such reduction shall be paid to the Authority created for such district for its 17 18 operating expenses in the manner provided in Section 18-11. The remainder of general State school aid for any such district 19 20 shall be paid in accordance with Article 34A when that Article 21 provides for a disposition other than that provided by this 22 Article.

23 (2) (Blank).

(3) Summer school. Summer school payments shall be made asprovided in Section 18-4.3.

1 (M) Education Funding Advisory Board.

The Education Funding Advisory Board, hereinafter in this 2 3 subsection (M) referred to as the "Board", is hereby created. 4 The Board shall consist of 5 members who are appointed by the 5 Governor, by and with the advice and consent of the Senate. The 6 members appointed shall include representatives of education, 7 business, and the general public. One of the members so 8 appointed shall be designated by the Governor at the time the 9 appointment is made as the chairperson of the Board. The 10 initial members of the Board may be appointed any time after 11 the effective date of this amendatory Act of 1997. The regular 12 term of each member of the Board shall be for 4 years from the third Monday of January of the year in which the term of the 13 14 member's appointment is to commence, except that of the 5 15 initial members appointed to serve on the Board, the member who 16 is appointed as the chairperson shall serve for a term that commences on the date of his or her appointment and expires on 17 18 the third Monday of January, 2002, and the remaining 4 members, 19 by lots drawn at the first meeting of the Board that is held 20 after all 5 members are appointed, shall determine 2 of their 21 number to serve for terms that commence on the date of their 22 respective appointments and expire on the third Monday of January, 2001, and 2 of their number to serve for terms that 23 commence on the date of their respective appointments and 24 expire on the third Monday of January, 2000. All members 25

appointed to serve on the Board shall serve until their 1 respective successors are appointed and confirmed. Vacancies 2 3 shall be filled in the same manner as original appointments. If a vacancy in membership occurs at a time when the Senate is not 4 5 in session, the Governor shall make a temporary appointment until the next meeting of the Senate, when he or she shall 6 7 appoint, by and with the advice and consent of the Senate, a 8 person to fill that membership for the unexpired term. If the 9 Senate is not in session when the initial appointments are 10 made, those appointments shall be made as in the case of 11 vacancies.

12 The Education Funding Advisory Board shall be deemed established, and the initial members appointed by the Governor 13 to serve as members of the Board shall take office, on the date 14 15 that the Governor makes his or her appointment of the fifth 16 initial member of the Board, whether those initial members are 17 then serving pursuant to appointment and confirmation or pursuant to temporary appointments that are made by the 18 Governor as in the case of vacancies. 19

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

12 (N) (Blank).

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13 (O) References.

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

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

(P) Public Act 93-838 and Public Act 93-808 make inconsistentchanges to this Section. Under Section 6 of the Statute on

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Statutes there is an irreconcilable conflict between Public Act
 93-808 and Public Act 93-838. Public Act 93-838, being the last
 acted upon, is controlling. The text of Public Act 93-838 is
 the law regardless of the text of Public Act 93-808.
 (Source: P.A. 97-339, eff. 8-12-11; 97-351, eff. 8-12-11;

6 97-742, eff. 6-30-13; 97-813, eff. 7-13-12; 98-972, eff. 7 8-15-14.)

8 Section 99. Effective date. This Act takes effect July 1,9 2015.