

1 AN ACT concerning education.

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

4 Section 1. This Act may be referred to as the Better
5 Funding for Better Schools Act.

6 Section 905. The Economic Development Area Tax Increment
7 Allocation Act is amended by changing Section 7 as follows:

8 (20 ILCS 620/7) (from Ch. 67 1/2, par. 1007)

9 Sec. 7. Creation of special tax allocation fund. If a
10 municipality has adopted tax increment allocation financing
11 for an economic development project area by ordinance, the
12 county clerk has thereafter certified the "total initial
13 equalized assessed value" of the taxable real property within
14 such economic development project area in the manner provided
15 in Section 6 of this Act, and the Department has approved and
16 certified the economic development project area, each year
17 after the date of the certification by the county clerk of the
18 "total initial equalized assessed value" until economic
19 development project costs and all municipal obligations
20 financing economic development project costs have been paid,
21 the ad valorem taxes, if any, arising from the levies upon the
22 taxable real property in the economic development project area

1 by taxing districts and tax rates determined in the manner
2 provided in subsection (b) of Section 6 of this Act shall be
3 divided as follows:

4 (1) That portion of the taxes levied upon each taxable lot,
5 block, tract or parcel of real property which is attributable
6 to the lower of the current equalized assessed value or the
7 initial equalized assessed value of each such taxable lot,
8 block, tract, or parcel of real property existing at the time
9 tax increment allocation financing was adopted, shall be
10 allocated to and when collected shall be paid by the county
11 collector to the respective affected taxing districts in the
12 manner required by law in the absence of the adoption of tax
13 increment allocation financing.

14 (2) That portion, if any, of those taxes which is
15 attributable to the increase in the current equalized assessed
16 valuation of each taxable lot, block, tract, or parcel of real
17 property in the economic development project area, over and
18 above the initial equalized assessed value of each property
19 existing at the time tax increment allocation financing was
20 adopted, shall be allocated to and when collected shall be paid
21 to the municipal treasurer, who shall deposit those taxes into
22 a special fund called the special tax allocation fund of the
23 municipality for the purpose of paying economic development
24 project costs and obligations incurred in the payment thereof.

25 The municipality, by an ordinance adopting tax increment
26 allocation financing, may pledge the funds in and to be

1 deposited in the special tax allocation fund for the payment of
2 obligations issued under this Act and for the payment of
3 economic development project costs. No part of the current
4 equalized assessed valuation of each property in the economic
5 development project area attributable to any increase above the
6 total initial equalized assessed value, of such properties
7 shall be used in calculating the general State school aid
8 formula, provided for in Section 18-8 of the School Code, or
9 the primary State aid formula, provided for in Section 18-8.15
10 of the School Code, until such time as all economic development
11 projects costs have been paid as provided for in this Section.

12 When the economic development project costs, including
13 without limitation all municipal obligations financing
14 economic development project costs incurred under this Act,
15 have been paid, all surplus funds then remaining in the special
16 tax allocation fund shall be distributed by being paid by the
17 municipal treasurer to the county collector, who shall
18 immediately thereafter pay those funds to the taxing districts
19 having taxable property in the economic development project
20 area in the same manner and proportion as the most recent
21 distribution by the county collector to those taxing districts
22 of real property taxes from real property in the economic
23 development project area.

24 Upon the payment of all economic development project costs,
25 retirement of obligations and the distribution of any excess
26 monies pursuant to this Section the municipality shall adopt an

1 ordinance dissolving the special tax allocation fund for the
2 economic development project area, terminating the economic
3 development project area, and terminating the use of tax
4 increment allocation financing for the economic development
5 project area. Thereafter the rates of the taxing districts
6 shall be extended and taxes levied, collected and distributed
7 in the manner applicable in the absence of the adoption of tax
8 increment allocation financing.

9 Nothing in this Section shall be construed as relieving
10 property in economic development project areas from being
11 assessed as provided in the Property Tax Code, or as relieving
12 owners of that property from paying a uniform rate of taxes, as
13 required by Section 4 of Article IX of the Illinois
14 Constitution.

15 (Source: P.A. 98-463, eff. 8-16-13.)

16 Section 910. The State Finance Act is amended by changing
17 Section 13.2 as follows:

18 (30 ILCS 105/13.2) (from Ch. 127, par. 149.2)

19 Sec. 13.2. Transfers among line item appropriations.

20 (a) Transfers among line item appropriations from the same
21 treasury fund for the objects specified in this Section may be
22 made in the manner provided in this Section when the balance
23 remaining in one or more such line item appropriations is
24 insufficient for the purpose for which the appropriation was

1 made.

2 (a-1) No transfers may be made from one agency to another
3 agency, nor may transfers be made from one institution of
4 higher education to another institution of higher education
5 except as provided by subsection (a-4).

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

1 retirement contributions paid by employer, and State
2 contributions to retirement systems. During State fiscal year
3 2010, the Department of Transportation may transfer amounts
4 among their respective appropriations within the same treasury
5 fund for personal services, employee retirement contributions
6 paid by employer, and State contributions to retirement
7 systems. During State fiscal years 2010 and 2014 only, an
8 agency may transfer amounts among its respective
9 appropriations within the same treasury fund for personal
10 services, employee retirement contributions paid by employer,
11 and State contributions to retirement systems.
12 Notwithstanding, and in addition to, the transfers authorized
13 in subsection (c) of this Section, these transfers may be made
14 in an amount not to exceed 2% of the aggregate amount
15 appropriated to an agency within the same treasury fund.

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

24 (a-3) Further, if an agency receives a separate
25 appropriation for employee retirement contributions paid by
26 the employer, any transfer by that agency into an appropriation

1 for personal services must be accompanied by a corresponding
2 transfer into the appropriation for employee retirement
3 contributions paid by the employer, in an amount sufficient to
4 meet the employer share of the employee contributions required
5 to be remitted to the retirement system.

6 (a-4) Long-Term Care Rebalancing. The Governor may
7 designate amounts set aside for institutional services
8 appropriated from the General Revenue Fund or any other State
9 fund that receives monies for long-term care services to be
10 transferred to all State agencies responsible for the
11 administration of community-based long-term care programs,
12 including, but not limited to, community-based long-term care
13 programs administered by the Department of Healthcare and
14 Family Services, the Department of Human Services, and the
15 Department on Aging, provided that the Director of Healthcare
16 and Family Services first certifies that the amounts being
17 transferred are necessary for the purpose of assisting persons
18 in or at risk of being in institutional care to transition to
19 community-based settings, including the financial data needed
20 to prove the need for the transfer of funds. The total amounts
21 transferred shall not exceed 4% in total of the amounts
22 appropriated from the General Revenue Fund or any other State
23 fund that receives monies for long-term care services for each
24 fiscal year. A notice of the fund transfer must be made to the
25 General Assembly and posted at a minimum on the Department of
26 Healthcare and Family Services website, the Governor's Office

1 of Management and Budget website, and any other website the
2 Governor sees fit. These postings shall serve as notice to the
3 General Assembly of the amounts to be transferred. Notice shall
4 be given at least 30 days prior to transfer.

5 (b) In addition to the general transfer authority provided
6 under subsection (c), the following agencies have the specific
7 transfer authority granted in this subsection:

8 The Department of Healthcare and Family Services is
9 authorized to make transfers representing savings attributable
10 to not increasing grants due to the births of additional
11 children from line items for payments of cash grants to line
12 items for payments for employment and social services for the
13 purposes outlined in subsection (f) of Section 4-2 of the
14 Illinois Public Aid Code.

15 The Department of Children and Family Services is
16 authorized to make transfers not exceeding 2% of the aggregate
17 amount appropriated to it within the same treasury fund for the
18 following line items among these same line items: Foster Home
19 and Specialized Foster Care and Prevention, Institutions and
20 Group Homes and Prevention, and Purchase of Adoption and
21 Guardianship Services.

22 The Department on Aging is authorized to make transfers not
23 exceeding 2% of the aggregate amount appropriated to it within
24 the same treasury fund for the following Community Care Program
25 line items among these same line items: purchase of services
26 covered by the Community Care Program and Comprehensive Case

1 Coordination.

2 The State Treasurer is authorized to make transfers among
3 line item appropriations from the Capital Litigation Trust
4 Fund, with respect to costs incurred in fiscal years 2002 and
5 2003 only, when the balance remaining in one or more such line
6 item appropriations is insufficient for the purpose for which
7 the appropriation was made, provided that no such transfer may
8 be made unless the amount transferred is no longer required for
9 the purpose for which that appropriation was made.

10 The State Board of Education is authorized to make
11 transfers from line item appropriations within the same
12 treasury fund for General State Aid, ~~and~~ General State Aid -
13 Hold Harmless, Primary State Aid, and Hold Harmless State
14 Funding, provided that no such transfer may be made unless the
15 amount transferred is no longer required for the purpose for
16 which that appropriation was made, to the line item
17 appropriation for Transitional Assistance when the balance
18 remaining in such line item appropriation is insufficient for
19 the purpose for which the appropriation was made.

20 The State Board of Education is authorized to make
21 transfers between the following line item appropriations
22 within the same treasury fund: Disabled Student
23 Services/Materials (Section 14-13.01 of the School Code),
24 Disabled Student Transportation Reimbursement (Section
25 14-13.01 of the School Code), Disabled Student Tuition -
26 Private Tuition (Section 14-7.02 of the School Code),

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

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

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

1 Occupational Disease, and Tort Claims; and, in appropriations
2 to institutions of higher education, Awards and Grants.
3 Notwithstanding the above, any amounts appropriated for
4 payment of workers' compensation claims to an agency to which
5 the authority to evaluate, administer and pay such claims has
6 been delegated by the Department of Central Management Services
7 may be transferred to any other expenditure object where such
8 amounts exceed the amount necessary for the payment of such
9 claims.

10 (c-1) Special provisions for State fiscal year 2003.
11 Notwithstanding any other provision of this Section to the
12 contrary, for State fiscal year 2003 only, transfers among line
13 item appropriations to an agency from the same treasury fund
14 may be made provided that the sum of such transfers for an
15 agency in State fiscal year 2003 shall not exceed 3% of the
16 aggregate amount appropriated to that State agency for State
17 fiscal year 2003 for the following objects: personal services,
18 except that no transfer may be approved which reduces the
19 aggregate appropriations for personal services within an
20 agency; extra help; student and inmate compensation; State
21 contributions to retirement systems; State contributions to
22 social security; State contributions for employee group
23 insurance; contractual services; travel; commodities;
24 printing; equipment; electronic data processing; operation of
25 automotive equipment; telecommunications services; travel and
26 allowance for committed, paroled, and discharged prisoners;

1 library books; federal matching grants for student loans;
2 refunds; workers' compensation, occupational disease, and tort
3 claims; and, in appropriations to institutions of higher
4 education, awards and grants.

5 (c-2) Special provisions for State fiscal year 2005.
6 Notwithstanding subsections (a), (a-2), and (c), for State
7 fiscal year 2005 only, transfers may be made among any line
8 item appropriations from the same or any other treasury fund
9 for any objects or purposes, without limitation, when the
10 balance remaining in one or more such line item appropriations
11 is insufficient for the purpose for which the appropriation was
12 made, provided that the sum of those transfers by a State
13 agency shall not exceed 4% of the aggregate amount appropriated
14 to that State agency for fiscal year 2005.

15 (c-3) Special provisions for State fiscal year 2015.
16 Notwithstanding any other provision of this Section, for State
17 fiscal year 2015, transfers among line item appropriations to a
18 State agency from the same State treasury fund may be made for
19 operational or lump sum expenses only, provided that the sum of
20 such transfers for a State agency in State fiscal year 2015
21 shall not exceed 4% of the aggregate amount appropriated to
22 that State agency for operational or lump sum expenses for
23 State fiscal year 2015. For the purpose of this subsection,
24 "operational or lump sum expenses" includes the following
25 objects: personal services; extra help; student and inmate
26 compensation; State contributions to retirement systems; State

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

13 (d) Transfers among appropriations made to agencies of the
14 Legislative and Judicial departments and to the
15 constitutionally elected officers in the Executive branch
16 require the approval of the officer authorized in Section 10 of
17 this Act to approve and certify vouchers. Transfers among
18 appropriations made to the University of Illinois, Southern
19 Illinois University, Chicago State University, Eastern
20 Illinois University, Governors State University, Illinois
21 State University, Northeastern Illinois University, Northern
22 Illinois University, Western Illinois University, the Illinois
23 Mathematics and Science Academy and the Board of Higher
24 Education require the approval of the Board of Higher Education
25 and the Governor. Transfers among appropriations to all other
26 agencies require the approval of the Governor.

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

14 (e) The State Board of Education, in consultation with the
15 State Comptroller, may transfer line item appropriations for
16 General State Aid or Primary State Aid between the Common
17 School Fund and the Education Assistance Fund. With the advice
18 and consent of the Governor's Office of Management and Budget,
19 the State Board of Education, in consultation with the State
20 Comptroller, may transfer line item appropriations between the
21 General Revenue Fund and the Education Assistance Fund for the
22 following programs:

23 (1) Disabled Student Personnel Reimbursement (Section
24 14-13.01 of the School Code);

25 (2) Disabled Student Transportation Reimbursement
26 (subsection (b) of Section 14-13.01 of the School Code);

1 (3) Disabled Student Tuition - Private Tuition
2 (Section 14-7.02 of the School Code);

3 (4) Extraordinary Special Education (Section 14-7.02b
4 of the School Code);

5 (5) Reimbursement for Free Lunch/Breakfast Programs;

6 (6) Summer School Payments (Section 18-4.3 of the
7 School Code);

8 (7) Transportation - Regular/Vocational Reimbursement
9 (Section 29-5 of the School Code);

10 (8) Regular Education Reimbursement (Section 18-3 of
11 the School Code); and

12 (9) Special Education Reimbursement (Section 14-7.03
13 of the School Code).

14 (Source: P.A. 98-24, eff. 6-19-13; 98-674, eff. 6-30-14; 99-2,
15 eff. 3-26-15.)

16 Section 915. The Property Tax Code is amended by changing
17 Sections 18-200 and 18-249 as follows:

18 (35 ILCS 200/18-200)

19 Sec. 18-200. School Code. A school district's State aid
20 shall not be reduced under the computation under subsections
21 5(a) through 5(h) of Part A of Section 18-8 of the School Code
22 or under subsection (e) of Section 18-8.15 of the School Code
23 due to the operating tax rate falling from above the minimum
24 requirement of that Section of the School Code to below the

1 minimum requirement of that Section of the School Code due to
2 the operation of this Law.

3 (Source: P.A. 87-17; 88-455.)

4 (35 ILCS 200/18-249)

5 Sec. 18-249. Miscellaneous provisions.

6 (a) Certification of new property. For the 1994 levy year,
7 the chief county assessment officer shall certify to the county
8 clerk, after all changes by the board of review or board of
9 appeals, as the case may be, the assessed value of new property
10 by taxing district for the 1994 levy year under rules
11 promulgated by the Department.

12 (b) School Code. A school district's State aid shall not be
13 reduced under the computation under subsections 5(a) through
14 5(h) of Part A of Section 18-8 of the School Code or under
15 subsection (e) of Section 18-8.15 of the School Code due to the
16 operating tax rate falling from above the minimum requirement
17 of that Section of the School Code to below the minimum
18 requirement of that Section of the School Code due to the
19 operation of this Law.

20 (c) Rules. The Department shall make and promulgate
21 reasonable rules relating to the administration of the purposes
22 and provisions of Sections 18-246 through 18-249 as may be
23 necessary or appropriate.

24 (Source: P.A. 89-1, eff. 2-12-95.)

1 Section 917. The Illinois Pension Code is amended by
2 changing Sections 16-158 and 17-127 as follows:

3 (40 ILCS 5/16-158) (from Ch. 108 1/2, par. 16-158)

4 (Text of Section WITH the changes made by P.A. 98-599,
5 which has been held unconstitutional)

6 Sec. 16-158. Contributions by State and other employing
7 units.

8 (a) The State shall make contributions to the System by
9 means of appropriations from the Common School Fund and other
10 State funds of amounts which, together with other employer
11 contributions, employee contributions, investment income, and
12 other income, will be sufficient to meet the cost of
13 maintaining and administering the System on a 100% funded basis
14 in accordance with actuarial recommendations by the end of
15 State fiscal year 2044.

16 The Board shall determine the amount of State contributions
17 required for each fiscal year on the basis of the actuarial
18 tables and other assumptions adopted by the Board and the
19 recommendations of the actuary, using the formula in subsection
20 (b-3).

21 (a-1) Annually, on or before November 15 through November
22 15, 2011, the Board shall certify to the Governor the amount of
23 the required State contribution for the coming fiscal year. The
24 certification under this subsection (a-1) shall include a copy
25 of the actuarial recommendations upon which it is based.

1 On or before May 1, 2004, the Board shall recalculate and
2 recertify to the Governor the amount of the required State
3 contribution to the System for State fiscal year 2005, taking
4 into account the amounts appropriated to and received by the
5 System under subsection (d) of Section 7.2 of the General
6 Obligation Bond Act.

7 On or before July 1, 2005, the Board shall recalculate and
8 recertify to the Governor the amount of the required State
9 contribution to the System for State fiscal year 2006, taking
10 into account the changes in required State contributions made
11 by this amendatory Act of the 94th General Assembly.

12 On or before April 1, 2011, the Board shall recalculate and
13 recertify to the Governor the amount of the required State
14 contribution to the System for State fiscal year 2011, applying
15 the changes made by Public Act 96-889 to the System's assets
16 and liabilities as of June 30, 2009 as though Public Act 96-889
17 was approved on that date.

18 (a-5) On or before November 1 of each year, beginning
19 November 1, 2012, the Board shall submit to the State Actuary,
20 the Governor, and the General Assembly a proposed certification
21 of the amount of the required State contribution to the System
22 for the next fiscal year, along with all of the actuarial
23 assumptions, calculations, and data upon which that proposed
24 certification is based. On or before January 1 of each year,
25 beginning January 1, 2013, the State Actuary shall issue a
26 preliminary report concerning the proposed certification and

1 identifying, if necessary, recommended changes in actuarial
2 assumptions that the Board must consider before finalizing its
3 certification of the required State contributions.

4 On or before January 15, 2013 and each January 15
5 thereafter, the Board shall certify to the Governor and the
6 General Assembly the amount of the required State contribution
7 for the next fiscal year. The certification shall include a
8 copy of the actuarial recommendations upon which it is based
9 and shall specifically identify the System's projected State
10 normal cost for that fiscal year. The Board's certification
11 must note any deviations from the State Actuary's recommended
12 changes, the reason or reasons for not following the State
13 Actuary's recommended changes, and the fiscal impact of not
14 following the State Actuary's recommended changes on the
15 required State contribution.

16 (a-10) For purposes of Section (c-5) of Section 20 of the
17 Budget Stabilization Act, on or before November 1 of each year
18 beginning November 1, 2014, the Board shall determine the
19 amount of the State contribution to the System that would have
20 been required for the next fiscal year if this amendatory Act
21 of the 98th General Assembly had not taken effect, using the
22 best and most recent available data but based on the law in
23 effect on May 31, 2014. The Board shall submit to the State
24 Actuary, the Governor, and the General Assembly a proposed
25 certification, along with the relevant law, actuarial
26 assumptions, calculations, and data upon which that

1 certification is based. On or before January 1, 2015 and every
2 January 1 thereafter, the State Actuary shall issue a
3 preliminary report concerning the proposed certification and
4 identifying, if necessary, recommended changes in actuarial
5 assumptions that the Board must consider before finalizing its
6 certification. On or before January 15, 2015 and every January
7 1 thereafter, the Board shall certify to the Governor and the
8 General Assembly the amount of the State contribution to the
9 System that would have been required for the next fiscal year
10 if this amendatory Act of the 98th General Assembly had not
11 taken effect, using the best and most recent available data but
12 based on the law in effect on May 31, 2014. The Board's
13 certification must note any deviations from the State Actuary's
14 recommended changes, the reason or reasons for not following
15 the State Actuary's recommended changes, and the impact of not
16 following the State Actuary's recommended changes.

17 (b) Through State fiscal year 1995, the State contributions
18 shall be paid to the System in accordance with Section 18-7 of
19 the School Code.

20 (b-1) Beginning in State fiscal year 1996, on the 15th day
21 of each month, or as soon thereafter as may be practicable, the
22 Board shall submit vouchers for payment of State contributions
23 to the System, in a total monthly amount of one-twelfth of the
24 required annual State contribution certified under subsection
25 (a-1). From the effective date of this amendatory Act of the
26 93rd General Assembly through June 30, 2004, the Board shall

1 not submit vouchers for the remainder of fiscal year 2004 in
2 excess of the fiscal year 2004 certified contribution amount
3 determined under this Section after taking into consideration
4 the transfer to the System under subsection (a) of Section
5 6z-61 of the State Finance Act. These vouchers shall be paid by
6 the State Comptroller and Treasurer by warrants drawn on the
7 funds appropriated to the System for that fiscal year.

8 If in any month the amount remaining unexpended from all
9 other appropriations to the System for the applicable fiscal
10 year (including the appropriations to the System under Section
11 8.12 of the State Finance Act and Section 1 of the State
12 Pension Funds Continuing Appropriation Act) is less than the
13 amount lawfully vouchered under this subsection, the
14 difference shall be paid from the Common School Fund under the
15 continuing appropriation authority provided in Section 1.1 of
16 the State Pension Funds Continuing Appropriation Act.

17 (b-2) Allocations from the Common School Fund apportioned
18 to school districts not coming under this System shall not be
19 diminished or affected by the provisions of this Article.

20 (b-3) For State fiscal years 2015 through 2044, the minimum
21 contribution to the System to be made by the State for each
22 fiscal year shall be an amount determined by the System to be
23 equal to the sum of (1) the State's portion of the projected
24 normal cost for that fiscal year, plus (2) an amount sufficient
25 to bring the total assets of the System up to 100% of the total
26 actuarial liabilities of the System by the end of State fiscal

1 year 2044. In making these determinations, the required State
2 contribution shall be calculated each year as a level
3 percentage of payroll over the years remaining to and including
4 fiscal year 2044 and shall be determined under the projected
5 unit cost method for fiscal year 2015 and under the entry age
6 normal actuarial cost method for fiscal years 2016 through
7 2044.

8 For State fiscal years 2012 through 2014, the minimum
9 contribution to the System to be made by the State for each
10 fiscal year shall be an amount determined by the System to be
11 sufficient to bring the total assets of the System up to 90% of
12 the total actuarial liabilities of the System by the end of
13 State fiscal year 2045. In making these determinations, the
14 required State contribution shall be calculated each year as a
15 level percentage of payroll over the years remaining to and
16 including fiscal year 2045 and shall be determined under the
17 projected unit credit actuarial cost method.

18 For State fiscal years 1996 through 2005, the State
19 contribution to the System, as a percentage of the applicable
20 employee payroll, shall be increased in equal annual increments
21 so that by State fiscal year 2011, the State is contributing at
22 the rate required under this Section; except that in the
23 following specified State fiscal years, the State contribution
24 to the System shall not be less than the following indicated
25 percentages of the applicable employee payroll, even if the
26 indicated percentage will produce a State contribution in

1 excess of the amount otherwise required under this subsection
2 and subsection (a), and notwithstanding any contrary
3 certification made under subsection (a-1) before the effective
4 date of this amendatory Act of 1998: 10.02% in FY 1999; 10.77%
5 in FY 2000; 11.47% in FY 2001; 12.16% in FY 2002; 12.86% in FY
6 2003; and 13.56% in FY 2004.

7 Notwithstanding any other provision of this Article, the
8 total required State contribution for State fiscal year 2006 is
9 \$534,627,700.

10 Notwithstanding any other provision of this Article, the
11 total required State contribution for State fiscal year 2007 is
12 \$738,014,500.

13 For each of State fiscal years 2008 through 2009, the State
14 contribution to the System, as a percentage of the applicable
15 employee payroll, shall be increased in equal annual increments
16 from the required State contribution for State fiscal year
17 2007, so that by State fiscal year 2011, the State is
18 contributing at the rate otherwise required under this Section.

19 Notwithstanding any other provision of this Article, the
20 total required State contribution for State fiscal year 2010 is
21 \$2,089,268,000 and shall be made from the proceeds of bonds
22 sold in fiscal year 2010 pursuant to Section 7.2 of the General
23 Obligation Bond Act, less (i) the pro rata share of bond sale
24 expenses determined by the System's share of total bond
25 proceeds, (ii) any amounts received from the Common School Fund
26 in fiscal year 2010, and (iii) any reduction in bond proceeds

1 due to the issuance of discounted bonds, if applicable.

2 Notwithstanding any other provision of this Article, the
3 total required State contribution for State fiscal year 2011 is
4 the amount recertified by the System on or before April 1, 2011
5 pursuant to subsection (a-1) of this Section and shall be made
6 from the proceeds of bonds sold in fiscal year 2011 pursuant to
7 Section 7.2 of the General Obligation Bond Act, less (i) the
8 pro rata share of bond sale expenses determined by the System's
9 share of total bond proceeds, (ii) any amounts received from
10 the Common School Fund in fiscal year 2011, and (iii) any
11 reduction in bond proceeds due to the issuance of discounted
12 bonds, if applicable. This amount shall include, in addition to
13 the amount certified by the System, an amount necessary to meet
14 employer contributions required by the State as an employer
15 under paragraph (e) of this Section, which may also be used by
16 the System for contributions required by paragraph (a) of
17 Section 16-127.

18 Beginning in State fiscal year 2045, the minimum State
19 contribution for each fiscal year shall be the amount needed to
20 maintain the total assets of the System at 100% of the total
21 actuarial liabilities of the System.

22 Amounts received by the System pursuant to Section 25 of
23 the Budget Stabilization Act or Section 8.12 of the State
24 Finance Act in any fiscal year do not reduce and do not
25 constitute payment of any portion of the minimum State
26 contribution required under this Article in that fiscal year.

1 Such amounts shall not reduce, and shall not be included in the
2 calculation of, the required State contributions under this
3 Article in any future year until the System has reached a
4 funding ratio of at least 100%. A reference in this Article to
5 the "required State contribution" or any substantially similar
6 term does not include or apply to any amounts payable to the
7 System under Section 25 of the Budget Stabilization Act.

8 Notwithstanding any other provision of this Section, the
9 required State contribution for State fiscal year 2005 and for
10 fiscal year 2008 and each fiscal year thereafter through State
11 fiscal year 2014, as calculated under this Section and
12 certified under subsection (a-1), shall not exceed an amount
13 equal to (i) the amount of the required State contribution that
14 would have been calculated under this Section for that fiscal
15 year if the System had not received any payments under
16 subsection (d) of Section 7.2 of the General Obligation Bond
17 Act, minus (ii) the portion of the State's total debt service
18 payments for that fiscal year on the bonds issued in fiscal
19 year 2003 for the purposes of that Section 7.2, as determined
20 and certified by the Comptroller, that is the same as the
21 System's portion of the total moneys distributed under
22 subsection (d) of Section 7.2 of the General Obligation Bond
23 Act. In determining this maximum for State fiscal years 2008
24 through 2010, however, the amount referred to in item (i) shall
25 be increased, as a percentage of the applicable employee
26 payroll, in equal increments calculated from the sum of the

1 required State contribution for State fiscal year 2007 plus the
2 applicable portion of the State's total debt service payments
3 for fiscal year 2007 on the bonds issued in fiscal year 2003
4 for the purposes of Section 7.2 of the General Obligation Bond
5 Act, so that, by State fiscal year 2011, the State is
6 contributing at the rate otherwise required under this Section.

7 (c) Payment of the required State contributions and of all
8 pensions, retirement annuities, death benefits, refunds, and
9 other benefits granted under or assumed by this System, and all
10 expenses in connection with the administration and operation
11 thereof, are obligations of the State.

12 If members are paid from special trust or federal funds
13 which are administered by the employing unit, whether school
14 district or other unit, the employing unit shall pay to the
15 System from such funds the full accruing retirement costs based
16 upon that service, which, beginning July 1, 2016 ~~2014~~, shall be
17 at a rate, expressed as a percentage of salary, equal to the
18 total employer's ~~minimum contribution to the System to be made~~
19 ~~by the State for that fiscal year, including both~~ normal cost
20 ~~and unfunded liability components~~, expressed as a percentage of
21 payroll, as determined by the System ~~under subsection (b-3) of~~
22 ~~this Section~~. Employer contributions, based on salary paid to
23 members from federal funds, may be forwarded by the
24 distributing agency of the State of Illinois to the System
25 prior to allocation, in an amount determined in accordance with
26 guidelines established by such agency and the System. Any

1 contribution for fiscal year 2015 collected as a result of the
2 change made by this amendatory Act of the 98th General Assembly
3 shall be considered a State contribution under subsection (b-3)
4 of this Section.

5 (d) Effective July 1, 1986, any employer of a teacher as
6 defined in paragraph (8) of Section 16-106 shall pay the
7 employer's normal cost of benefits based upon the teacher's
8 service, in addition to employee contributions, as determined
9 by the System. Such employer contributions shall be forwarded
10 monthly in accordance with guidelines established by the
11 System.

12 However, with respect to benefits granted under Section
13 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8)
14 of Section 16-106, the employer's contribution shall be 12%
15 (rather than 20%) of the member's highest annual salary rate
16 for each year of creditable service granted, and the employer
17 shall also pay the required employee contribution on behalf of
18 the teacher. For the purposes of Sections 16-133.4 and
19 16-133.5, a teacher as defined in paragraph (8) of Section
20 16-106 who is serving in that capacity while on leave of
21 absence from another employer under this Article shall not be
22 considered an employee of the employer from which the teacher
23 is on leave.

24 (e) Beginning July 1, 1998, every employer of a teacher
25 shall pay to the System an employer contribution computed as
26 follows:

1 (1) Beginning July 1, 1998 through June 30, 1999, the
2 employer contribution shall be equal to 0.3% of each
3 teacher's salary.

4 (2) Beginning July 1, 1999 and thereafter, the employer
5 contribution shall be equal to 0.58% of each teacher's
6 salary.

7 The school district or other employing unit may pay these
8 employer contributions out of any source of funding available
9 for that purpose and shall forward the contributions to the
10 System on the schedule established for the payment of member
11 contributions.

12 These employer contributions are intended to offset a
13 portion of the cost to the System of the increases in
14 retirement benefits resulting from this amendatory Act of 1998.

15 Each employer of teachers is entitled to a credit against
16 the contributions required under this subsection (e) with
17 respect to salaries paid to teachers for the period January 1,
18 2002 through June 30, 2003, equal to the amount paid by that
19 employer under subsection (a-5) of Section 6.6 of the State
20 Employees Group Insurance Act of 1971 with respect to salaries
21 paid to teachers for that period.

22 The additional 1% employee contribution required under
23 Section 16-152 by this amendatory Act of 1998 is the
24 responsibility of the teacher and not the teacher's employer,
25 unless the employer agrees, through collective bargaining or
26 otherwise, to make the contribution on behalf of the teacher.

1 If an employer is required by a contract in effect on May
2 1, 1998 between the employer and an employee organization to
3 pay, on behalf of all its full-time employees covered by this
4 Article, all mandatory employee contributions required under
5 this Article, then the employer shall be excused from paying
6 the employer contribution required under this subsection (e)
7 for the balance of the term of that contract. The employer and
8 the employee organization shall jointly certify to the System
9 the existence of the contractual requirement, in such form as
10 the System may prescribe. This exclusion shall cease upon the
11 termination, extension, or renewal of the contract at any time
12 after May 1, 1998.

13 (f) If the amount of a teacher's salary for any school year
14 used to determine final average salary exceeds the member's
15 annual full-time salary rate with the same employer for the
16 previous school year by more than 6%, the teacher's employer
17 shall pay to the System, in addition to all other payments
18 required under this Section and in accordance with guidelines
19 established by the System, the present value of the increase in
20 benefits resulting from the portion of the increase in salary
21 that is in excess of 6%. This present value shall be computed
22 by the System on the basis of the actuarial assumptions and
23 tables used in the most recent actuarial valuation of the
24 System that is available at the time of the computation. If a
25 teacher's salary for the 2005-2006 school year is used to
26 determine final average salary under this subsection (f), then

1 the changes made to this subsection (f) by Public Act 94-1057
2 shall apply in calculating whether the increase in his or her
3 salary is in excess of 6%. For the purposes of this Section,
4 change in employment under Section 10-21.12 of the School Code
5 on or after June 1, 2005 shall constitute a change in employer.
6 The System may require the employer to provide any pertinent
7 information or documentation. The changes made to this
8 subsection (f) by this amendatory Act of the 94th General
9 Assembly apply without regard to whether the teacher was in
10 service on or after its effective date.

11 Whenever it determines that a payment is or may be required
12 under this subsection, the System shall calculate the amount of
13 the payment and bill the employer for that amount. The bill
14 shall specify the calculations used to determine the amount
15 due. If the employer disputes the amount of the bill, it may,
16 within 30 days after receipt of the bill, apply to the System
17 in writing for a recalculation. The application must specify in
18 detail the grounds of the dispute and, if the employer asserts
19 that the calculation is subject to subsection (g) or (h) of
20 this Section, must include an affidavit setting forth and
21 attesting to all facts within the employer's knowledge that are
22 pertinent to the applicability of that subsection. Upon
23 receiving a timely application for recalculation, the System
24 shall review the application and, if appropriate, recalculate
25 the amount due.

26 The employer contributions required under this subsection

1 (f) may be paid in the form of a lump sum within 90 days after
2 receipt of the bill. If the employer contributions are not paid
3 within 90 days after receipt of the bill, then interest will be
4 charged at a rate equal to the System's annual actuarially
5 assumed rate of return on investment compounded annually from
6 the 91st day after receipt of the bill. Payments must be
7 concluded within 3 years after the employer's receipt of the
8 bill.

9 (g) This subsection (g) applies only to payments made or
10 salary increases given on or after June 1, 2005 but before July
11 1, 2011. The changes made by Public Act 94-1057 shall not
12 require the System to refund any payments received before July
13 31, 2006 (the effective date of Public Act 94-1057).

14 When assessing payment for any amount due under subsection
15 (f), the System shall exclude salary increases paid to teachers
16 under contracts or collective bargaining agreements entered
17 into, amended, or renewed before June 1, 2005.

18 When assessing payment for any amount due under subsection
19 (f), the System shall exclude salary increases paid to a
20 teacher at a time when the teacher is 10 or more years from
21 retirement eligibility under Section 16-132 or 16-133.2.

22 When assessing payment for any amount due under subsection
23 (f), the System shall exclude salary increases resulting from
24 overload work, including summer school, when the school
25 district has certified to the System, and the System has
26 approved the certification, that (i) the overload work is for

1 the sole purpose of classroom instruction in excess of the
2 standard number of classes for a full-time teacher in a school
3 district during a school year and (ii) the salary increases are
4 equal to or less than the rate of pay for classroom instruction
5 computed on the teacher's current salary and work schedule.

6 When assessing payment for any amount due under subsection
7 (f), the System shall exclude a salary increase resulting from
8 a promotion (i) for which the employee is required to hold a
9 certificate or supervisory endorsement issued by the State
10 Teacher Certification Board that is a different certification
11 or supervisory endorsement than is required for the teacher's
12 previous position and (ii) to a position that has existed and
13 been filled by a member for no less than one complete academic
14 year and the salary increase from the promotion is an increase
15 that results in an amount no greater than the lesser of the
16 average salary paid for other similar positions in the district
17 requiring the same certification or the amount stipulated in
18 the collective bargaining agreement for a similar position
19 requiring the same certification.

20 When assessing payment for any amount due under subsection
21 (f), the System shall exclude any payment to the teacher from
22 the State of Illinois or the State Board of Education over
23 which the employer does not have discretion, notwithstanding
24 that the payment is included in the computation of final
25 average salary.

26 (h) When assessing payment for any amount due under

1 subsection (f), the System shall exclude any salary increase
2 described in subsection (g) of this Section given on or after
3 July 1, 2011 but before July 1, 2014 under a contract or
4 collective bargaining agreement entered into, amended, or
5 renewed on or after June 1, 2005 but before July 1, 2011.
6 Notwithstanding any other provision of this Section, any
7 payments made or salary increases given after June 30, 2014
8 shall be used in assessing payment for any amount due under
9 subsection (f) of this Section.

10 (i) The System shall prepare a report and file copies of
11 the report with the Governor and the General Assembly by
12 January 1, 2007 that contains all of the following information:

13 (1) The number of recalculations required by the
14 changes made to this Section by Public Act 94-1057 for each
15 employer.

16 (2) The dollar amount by which each employer's
17 contribution to the System was changed due to
18 recalculations required by Public Act 94-1057.

19 (3) The total amount the System received from each
20 employer as a result of the changes made to this Section by
21 Public Act 94-4.

22 (4) The increase in the required State contribution
23 resulting from the changes made to this Section by Public
24 Act 94-1057.

25 (j) For purposes of determining the required State
26 contribution to the System, the value of the System's assets

1 shall be equal to the actuarial value of the System's assets,
2 which shall be calculated as follows:

3 As of June 30, 2008, the actuarial value of the System's
4 assets shall be equal to the market value of the assets as of
5 that date. In determining the actuarial value of the System's
6 assets for fiscal years after June 30, 2008, any actuarial
7 gains or losses from investment return incurred in a fiscal
8 year shall be recognized in equal annual amounts over the
9 5-year period following that fiscal year.

10 (k) For purposes of determining the required State
11 contribution to the system for a particular year, the actuarial
12 value of assets shall be assumed to earn a rate of return equal
13 to the system's actuarially assumed rate of return.

14 (Source: P.A. 97-694, eff. 6-18-12; 97-813, eff. 7-13-12;
15 98-599, eff. 6-1-14; 98-674, eff. 6-30-14.)

16 (Text of Section WITHOUT the changes made by P.A. 98-599,
17 which has been held unconstitutional)

18 Sec. 16-158. Contributions by State and other employing
19 units.

20 (a) The State shall make contributions to the System by
21 means of appropriations from the Common School Fund and other
22 State funds of amounts which, together with other employer
23 contributions, employee contributions, investment income, and
24 other income, will be sufficient to meet the cost of
25 maintaining and administering the System on a 90% funded basis

1 in accordance with actuarial recommendations.

2 The Board shall determine the amount of State contributions
3 required for each fiscal year on the basis of the actuarial
4 tables and other assumptions adopted by the Board and the
5 recommendations of the actuary, using the formula in subsection
6 (b-3).

7 (a-1) Annually, on or before November 15 until November 15,
8 2011, the Board shall certify to the Governor the amount of the
9 required State contribution for the coming fiscal year. The
10 certification under this subsection (a-1) shall include a copy
11 of the actuarial recommendations upon which it is based and
12 shall specifically identify the System's projected State
13 normal cost for that fiscal year.

14 On or before May 1, 2004, the Board shall recalculate and
15 recertify to the Governor the amount of the required State
16 contribution to the System for State fiscal year 2005, taking
17 into account the amounts appropriated to and received by the
18 System under subsection (d) of Section 7.2 of the General
19 Obligation Bond Act.

20 On or before July 1, 2005, the Board shall recalculate and
21 recertify to the Governor the amount of the required State
22 contribution to the System for State fiscal year 2006, taking
23 into account the changes in required State contributions made
24 by this amendatory Act of the 94th General Assembly.

25 On or before April 1, 2011, the Board shall recalculate and
26 recertify to the Governor the amount of the required State

1 contribution to the System for State fiscal year 2011, applying
2 the changes made by Public Act 96-889 to the System's assets
3 and liabilities as of June 30, 2009 as though Public Act 96-889
4 was approved on that date.

5 (a-5) On or before November 1 of each year, beginning
6 November 1, 2012, the Board shall submit to the State Actuary,
7 the Governor, and the General Assembly a proposed certification
8 of the amount of the required State contribution to the System
9 for the next fiscal year, along with all of the actuarial
10 assumptions, calculations, and data upon which that proposed
11 certification is based. On or before January 1 of each year,
12 beginning January 1, 2013, the State Actuary shall issue a
13 preliminary report concerning the proposed certification and
14 identifying, if necessary, recommended changes in actuarial
15 assumptions that the Board must consider before finalizing its
16 certification of the required State contributions. On or before
17 January 15, 2013 and each January 15 thereafter, the Board
18 shall certify to the Governor and the General Assembly the
19 amount of the required State contribution for the next fiscal
20 year. The Board's certification must note any deviations from
21 the State Actuary's recommended changes, the reason or reasons
22 for not following the State Actuary's recommended changes, and
23 the fiscal impact of not following the State Actuary's
24 recommended changes on the required State contribution.

25 (b) Through State fiscal year 1995, the State contributions
26 shall be paid to the System in accordance with Section 18-7 of

1 the School Code.

2 (b-1) Beginning in State fiscal year 1996, on the 15th day
3 of each month, or as soon thereafter as may be practicable, the
4 Board shall submit vouchers for payment of State contributions
5 to the System, in a total monthly amount of one-twelfth of the
6 required annual State contribution certified under subsection
7 (a-1). From the effective date of this amendatory Act of the
8 93rd General Assembly through June 30, 2004, the Board shall
9 not submit vouchers for the remainder of fiscal year 2004 in
10 excess of the fiscal year 2004 certified contribution amount
11 determined under this Section after taking into consideration
12 the transfer to the System under subsection (a) of Section
13 6z-61 of the State Finance Act. These vouchers shall be paid by
14 the State Comptroller and Treasurer by warrants drawn on the
15 funds appropriated to the System for that fiscal year.

16 If in any month the amount remaining unexpended from all
17 other appropriations to the System for the applicable fiscal
18 year (including the appropriations to the System under Section
19 8.12 of the State Finance Act and Section 1 of the State
20 Pension Funds Continuing Appropriation Act) is less than the
21 amount lawfully vouchered under this subsection, the
22 difference shall be paid from the Common School Fund under the
23 continuing appropriation authority provided in Section 1.1 of
24 the State Pension Funds Continuing Appropriation Act.

25 (b-2) Allocations from the Common School Fund apportioned
26 to school districts not coming under this System shall not be

1 diminished or affected by the provisions of this Article.

2 (b-3) For State fiscal years 2012 through 2045, the minimum
3 contribution to the System to be made by the State for each
4 fiscal year shall be an amount determined by the System to be
5 sufficient to bring the total assets of the System up to 90% of
6 the total actuarial liabilities of the System by the end of
7 State fiscal year 2045. In making these determinations, the
8 required State contribution shall be calculated each year as a
9 level percentage of payroll over the years remaining to and
10 including fiscal year 2045 and shall be determined under the
11 projected unit credit actuarial cost method.

12 For State fiscal years 1996 through 2005, the State
13 contribution to the System, as a percentage of the applicable
14 employee payroll, shall be increased in equal annual increments
15 so that by State fiscal year 2011, the State is contributing at
16 the rate required under this Section; except that in the
17 following specified State fiscal years, the State contribution
18 to the System shall not be less than the following indicated
19 percentages of the applicable employee payroll, even if the
20 indicated percentage will produce a State contribution in
21 excess of the amount otherwise required under this subsection
22 and subsection (a), and notwithstanding any contrary
23 certification made under subsection (a-1) before the effective
24 date of this amendatory Act of 1998: 10.02% in FY 1999; 10.77%
25 in FY 2000; 11.47% in FY 2001; 12.16% in FY 2002; 12.86% in FY
26 2003; and 13.56% in FY 2004.

1 Notwithstanding any other provision of this Article, the
2 total required State contribution for State fiscal year 2006 is
3 \$534,627,700.

4 Notwithstanding any other provision of this Article, the
5 total required State contribution for State fiscal year 2007 is
6 \$738,014,500.

7 For each of State fiscal years 2008 through 2009, the State
8 contribution to the System, as a percentage of the applicable
9 employee payroll, shall be increased in equal annual increments
10 from the required State contribution for State fiscal year
11 2007, so that by State fiscal year 2011, the State is
12 contributing at the rate otherwise required under this Section.

13 Notwithstanding any other provision of this Article, the
14 total required State contribution for State fiscal year 2010 is
15 \$2,089,268,000 and shall be made from the proceeds of bonds
16 sold in fiscal year 2010 pursuant to Section 7.2 of the General
17 Obligation Bond Act, less (i) the pro rata share of bond sale
18 expenses determined by the System's share of total bond
19 proceeds, (ii) any amounts received from the Common School Fund
20 in fiscal year 2010, and (iii) any reduction in bond proceeds
21 due to the issuance of discounted bonds, if applicable.

22 Notwithstanding any other provision of this Article, the
23 total required State contribution for State fiscal year 2011 is
24 the amount recertified by the System on or before April 1, 2011
25 pursuant to subsection (a-1) of this Section and shall be made
26 from the proceeds of bonds sold in fiscal year 2011 pursuant to

1 Section 7.2 of the General Obligation Bond Act, less (i) the
2 pro rata share of bond sale expenses determined by the System's
3 share of total bond proceeds, (ii) any amounts received from
4 the Common School Fund in fiscal year 2011, and (iii) any
5 reduction in bond proceeds due to the issuance of discounted
6 bonds, if applicable. This amount shall include, in addition to
7 the amount certified by the System, an amount necessary to meet
8 employer contributions required by the State as an employer
9 under paragraph (e) of this Section, which may also be used by
10 the System for contributions required by paragraph (a) of
11 Section 16-127.

12 Beginning in State fiscal year 2046, the minimum State
13 contribution for each fiscal year shall be the amount needed to
14 maintain the total assets of the System at 90% of the total
15 actuarial liabilities of the System.

16 Amounts received by the System pursuant to Section 25 of
17 the Budget Stabilization Act or Section 8.12 of the State
18 Finance Act in any fiscal year do not reduce and do not
19 constitute payment of any portion of the minimum State
20 contribution required under this Article in that fiscal year.
21 Such amounts shall not reduce, and shall not be included in the
22 calculation of, the required State contributions under this
23 Article in any future year until the System has reached a
24 funding ratio of at least 90%. A reference in this Article to
25 the "required State contribution" or any substantially similar
26 term does not include or apply to any amounts payable to the

1 System under Section 25 of the Budget Stabilization Act.

2 Notwithstanding any other provision of this Section, the
3 required State contribution for State fiscal year 2005 and for
4 fiscal year 2008 and each fiscal year thereafter, as calculated
5 under this Section and certified under subsection (a-1), shall
6 not exceed an amount equal to (i) the amount of the required
7 State contribution that would have been calculated under this
8 Section for that fiscal year if the System had not received any
9 payments under subsection (d) of Section 7.2 of the General
10 Obligation Bond Act, minus (ii) the portion of the State's
11 total debt service payments for that fiscal year on the bonds
12 issued in fiscal year 2003 for the purposes of that Section
13 7.2, as determined and certified by the Comptroller, that is
14 the same as the System's portion of the total moneys
15 distributed under subsection (d) of Section 7.2 of the General
16 Obligation Bond Act. In determining this maximum for State
17 fiscal years 2008 through 2010, however, the amount referred to
18 in item (i) shall be increased, as a percentage of the
19 applicable employee payroll, in equal increments calculated
20 from the sum of the required State contribution for State
21 fiscal year 2007 plus the applicable portion of the State's
22 total debt service payments for fiscal year 2007 on the bonds
23 issued in fiscal year 2003 for the purposes of Section 7.2 of
24 the General Obligation Bond Act, so that, by State fiscal year
25 2011, the State is contributing at the rate otherwise required
26 under this Section.

1 (c) Payment of the required State contributions and of all
2 pensions, retirement annuities, death benefits, refunds, and
3 other benefits granted under or assumed by this System, and all
4 expenses in connection with the administration and operation
5 thereof, are obligations of the State.

6 If members are paid from special trust or federal funds
7 which are administered by the employing unit, whether school
8 district or other unit, the employing unit shall pay to the
9 System from such funds the full accruing retirement costs based
10 upon that service, which, beginning July 1, 2016 ~~2014~~, shall be
11 at a rate, expressed as a percentage of salary, equal to the
12 total employer's ~~minimum contribution to the System to be made~~
13 ~~by the State for that fiscal year, including both~~ normal cost
14 ~~and unfunded liability components~~, expressed as a percentage of
15 payroll, as determined by the System ~~under subsection (b-3) of~~
16 ~~this Section~~. Employer contributions, based on salary paid to
17 members from federal funds, may be forwarded by the
18 distributing agency of the State of Illinois to the System
19 prior to allocation, in an amount determined in accordance with
20 guidelines established by such agency and the System. Any
21 contribution for fiscal year 2015 collected as a result of the
22 change made by this amendatory Act of the 98th General Assembly
23 shall be considered a State contribution under subsection (b-3)
24 of this Section.

25 (d) Effective July 1, 1986, any employer of a teacher as
26 defined in paragraph (8) of Section 16-106 shall pay the

1 employer's normal cost of benefits based upon the teacher's
2 service, in addition to employee contributions, as determined
3 by the System. Such employer contributions shall be forwarded
4 monthly in accordance with guidelines established by the
5 System.

6 However, with respect to benefits granted under Section
7 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8)
8 of Section 16-106, the employer's contribution shall be 12%
9 (rather than 20%) of the member's highest annual salary rate
10 for each year of creditable service granted, and the employer
11 shall also pay the required employee contribution on behalf of
12 the teacher. For the purposes of Sections 16-133.4 and
13 16-133.5, a teacher as defined in paragraph (8) of Section
14 16-106 who is serving in that capacity while on leave of
15 absence from another employer under this Article shall not be
16 considered an employee of the employer from which the teacher
17 is on leave.

18 (e) Beginning July 1, 1998, every employer of a teacher
19 shall pay to the System an employer contribution computed as
20 follows:

21 (1) Beginning July 1, 1998 through June 30, 1999, the
22 employer contribution shall be equal to 0.3% of each
23 teacher's salary.

24 (2) Beginning July 1, 1999 and thereafter, the employer
25 contribution shall be equal to 0.58% of each teacher's
26 salary.

1 The school district or other employing unit may pay these
2 employer contributions out of any source of funding available
3 for that purpose and shall forward the contributions to the
4 System on the schedule established for the payment of member
5 contributions.

6 These employer contributions are intended to offset a
7 portion of the cost to the System of the increases in
8 retirement benefits resulting from this amendatory Act of 1998.

9 Each employer of teachers is entitled to a credit against
10 the contributions required under this subsection (e) with
11 respect to salaries paid to teachers for the period January 1,
12 2002 through June 30, 2003, equal to the amount paid by that
13 employer under subsection (a-5) of Section 6.6 of the State
14 Employees Group Insurance Act of 1971 with respect to salaries
15 paid to teachers for that period.

16 The additional 1% employee contribution required under
17 Section 16-152 by this amendatory Act of 1998 is the
18 responsibility of the teacher and not the teacher's employer,
19 unless the employer agrees, through collective bargaining or
20 otherwise, to make the contribution on behalf of the teacher.

21 If an employer is required by a contract in effect on May
22 1, 1998 between the employer and an employee organization to
23 pay, on behalf of all its full-time employees covered by this
24 Article, all mandatory employee contributions required under
25 this Article, then the employer shall be excused from paying
26 the employer contribution required under this subsection (e)

1 for the balance of the term of that contract. The employer and
2 the employee organization shall jointly certify to the System
3 the existence of the contractual requirement, in such form as
4 the System may prescribe. This exclusion shall cease upon the
5 termination, extension, or renewal of the contract at any time
6 after May 1, 1998.

7 (f) If the amount of a teacher's salary for any school year
8 used to determine final average salary exceeds the member's
9 annual full-time salary rate with the same employer for the
10 previous school year by more than 6%, the teacher's employer
11 shall pay to the System, in addition to all other payments
12 required under this Section and in accordance with guidelines
13 established by the System, the present value of the increase in
14 benefits resulting from the portion of the increase in salary
15 that is in excess of 6%. This present value shall be computed
16 by the System on the basis of the actuarial assumptions and
17 tables used in the most recent actuarial valuation of the
18 System that is available at the time of the computation. If a
19 teacher's salary for the 2005-2006 school year is used to
20 determine final average salary under this subsection (f), then
21 the changes made to this subsection (f) by Public Act 94-1057
22 shall apply in calculating whether the increase in his or her
23 salary is in excess of 6%. For the purposes of this Section,
24 change in employment under Section 10-21.12 of the School Code
25 on or after June 1, 2005 shall constitute a change in employer.
26 The System may require the employer to provide any pertinent

1 information or documentation. The changes made to this
2 subsection (f) by this amendatory Act of the 94th General
3 Assembly apply without regard to whether the teacher was in
4 service on or after its effective date.

5 Whenever it determines that a payment is or may be required
6 under this subsection, the System shall calculate the amount of
7 the payment and bill the employer for that amount. The bill
8 shall specify the calculations used to determine the amount
9 due. If the employer disputes the amount of the bill, it may,
10 within 30 days after receipt of the bill, apply to the System
11 in writing for a recalculation. The application must specify in
12 detail the grounds of the dispute and, if the employer asserts
13 that the calculation is subject to subsection (g) or (h) of
14 this Section, must include an affidavit setting forth and
15 attesting to all facts within the employer's knowledge that are
16 pertinent to the applicability of that subsection. Upon
17 receiving a timely application for recalculation, the System
18 shall review the application and, if appropriate, recalculate
19 the amount due.

20 The employer contributions required under this subsection
21 (f) may be paid in the form of a lump sum within 90 days after
22 receipt of the bill. If the employer contributions are not paid
23 within 90 days after receipt of the bill, then interest will be
24 charged at a rate equal to the System's annual actuarially
25 assumed rate of return on investment compounded annually from
26 the 91st day after receipt of the bill. Payments must be

1 concluded within 3 years after the employer's receipt of the
2 bill.

3 (g) This subsection (g) applies only to payments made or
4 salary increases given on or after June 1, 2005 but before July
5 1, 2011. The changes made by Public Act 94-1057 shall not
6 require the System to refund any payments received before July
7 31, 2006 (the effective date of Public Act 94-1057).

8 When assessing payment for any amount due under subsection
9 (f), the System shall exclude salary increases paid to teachers
10 under contracts or collective bargaining agreements entered
11 into, amended, or renewed before June 1, 2005.

12 When assessing payment for any amount due under subsection
13 (f), the System shall exclude salary increases paid to a
14 teacher at a time when the teacher is 10 or more years from
15 retirement eligibility under Section 16-132 or 16-133.2.

16 When assessing payment for any amount due under subsection
17 (f), the System shall exclude salary increases resulting from
18 overload work, including summer school, when the school
19 district has certified to the System, and the System has
20 approved the certification, that (i) the overload work is for
21 the sole purpose of classroom instruction in excess of the
22 standard number of classes for a full-time teacher in a school
23 district during a school year and (ii) the salary increases are
24 equal to or less than the rate of pay for classroom instruction
25 computed on the teacher's current salary and work schedule.

26 When assessing payment for any amount due under subsection

1 (f), the System shall exclude a salary increase resulting from
2 a promotion (i) for which the employee is required to hold a
3 certificate or supervisory endorsement issued by the State
4 Teacher Certification Board that is a different certification
5 or supervisory endorsement than is required for the teacher's
6 previous position and (ii) to a position that has existed and
7 been filled by a member for no less than one complete academic
8 year and the salary increase from the promotion is an increase
9 that results in an amount no greater than the lesser of the
10 average salary paid for other similar positions in the district
11 requiring the same certification or the amount stipulated in
12 the collective bargaining agreement for a similar position
13 requiring the same certification.

14 When assessing payment for any amount due under subsection
15 (f), the System shall exclude any payment to the teacher from
16 the State of Illinois or the State Board of Education over
17 which the employer does not have discretion, notwithstanding
18 that the payment is included in the computation of final
19 average salary.

20 (h) When assessing payment for any amount due under
21 subsection (f), the System shall exclude any salary increase
22 described in subsection (g) of this Section given on or after
23 July 1, 2011 but before July 1, 2014 under a contract or
24 collective bargaining agreement entered into, amended, or
25 renewed on or after June 1, 2005 but before July 1, 2011.
26 Notwithstanding any other provision of this Section, any

1 payments made or salary increases given after June 30, 2014
2 shall be used in assessing payment for any amount due under
3 subsection (f) of this Section.

4 (i) The System shall prepare a report and file copies of
5 the report with the Governor and the General Assembly by
6 January 1, 2007 that contains all of the following information:

7 (1) The number of recalculations required by the
8 changes made to this Section by Public Act 94-1057 for each
9 employer.

10 (2) The dollar amount by which each employer's
11 contribution to the System was changed due to
12 recalculations required by Public Act 94-1057.

13 (3) The total amount the System received from each
14 employer as a result of the changes made to this Section by
15 Public Act 94-4.

16 (4) The increase in the required State contribution
17 resulting from the changes made to this Section by Public
18 Act 94-1057.

19 (j) For purposes of determining the required State
20 contribution to the System, the value of the System's assets
21 shall be equal to the actuarial value of the System's assets,
22 which shall be calculated as follows:

23 As of June 30, 2008, the actuarial value of the System's
24 assets shall be equal to the market value of the assets as of
25 that date. In determining the actuarial value of the System's
26 assets for fiscal years after June 30, 2008, any actuarial

1 gains or losses from investment return incurred in a fiscal
2 year shall be recognized in equal annual amounts over the
3 5-year period following that fiscal year.

4 (k) For purposes of determining the required State
5 contribution to the system for a particular year, the actuarial
6 value of assets shall be assumed to earn a rate of return equal
7 to the system's actuarially assumed rate of return.

8 (Source: P.A. 96-43, eff. 7-15-09; 96-1497, eff. 1-14-11;
9 96-1511, eff. 1-27-11; 96-1554, eff. 3-18-11; 97-694, eff.
10 6-18-12; 97-813, eff. 7-13-12; 98-674, eff. 6-30-14.)

11 (40 ILCS 5/17-127) (from Ch. 108 1/2, par. 17-127)
12 Sec. 17-127. Financing; revenues for the Fund.

13 (a) The revenues for the Fund shall consist of: (1) amounts
14 paid into the Fund by contributors thereto and from employer
15 contributions and State appropriations in accordance with this
16 Article; (2) amounts contributed to the Fund by an Employer;
17 (3) amounts contributed to the Fund pursuant to any law now in
18 force or hereafter to be enacted; (4) contributions from any
19 other source; and (5) the earnings on investments.

20 (b) The General Assembly finds that for many years the
21 State has contributed to the Fund an annual amount that is
22 between 20% and 30% of the amount of the annual State
23 contribution to the Article 16 retirement system, and the
24 General Assembly declares that it is its goal and intention to
25 continue this level of contribution to the Fund in the future.

1 (c) Beginning in State fiscal year 1999, the State shall
2 include in its annual contribution to the Fund an additional
3 amount equal to 0.544% of the Fund's total teacher payroll;
4 except that this additional contribution need not be made in a
5 fiscal year if the Board has certified in the previous fiscal
6 year that the Fund is at least 90% funded, based on actuarial
7 determinations. These additional State contributions are
8 intended to offset a portion of the cost to the Fund of the
9 increases in retirement benefits resulting from this
10 amendatory Act of 1998.

11 (d) In addition to any other contribution required under
12 this Article, including the contribution required under
13 subsection (c), the State shall contribute to the Fund the
14 following amounts:

15 (1) For State fiscal year 2017, the State shall
16 contribute \$205,404,986.

17 (2) Beginning in State fiscal year 2018, the State
18 shall contribute for each fiscal year an amount to be
19 determined by the Fund, equal to the employer normal cost
20 for that fiscal year, plus the amount allowed pursuant to
21 paragraph (3) of Section 17-142.1, to defray health
22 insurance costs.

23 (e) The Board shall determine the amount of State
24 contributions required for each fiscal year on the basis of the
25 actuarial tables and other assumptions adopted by the Board and
26 the recommendations of the actuary. On or before November 1 of

1 each year, beginning November 1, 2016, the Board shall submit
2 to the State Actuary, the Governor, and the General Assembly a
3 proposed certification of the amount of the required State
4 contribution to the Fund for the next fiscal year, along with
5 all of the actuarial assumptions, calculations, and data upon
6 which that proposed certification is based.

7 On or before January 1 of each year, beginning January 1,
8 2017, the State Actuary shall issue a preliminary report
9 concerning the proposed certification and identifying, if
10 necessary, recommended changes in actuarial assumptions that
11 the Board must consider before finalizing its certification of
12 the required State contributions.

13 (f) On or before January 15, 2017 and each January 15
14 thereafter, the Board shall certify to the Governor and the
15 General Assembly the amount of the required State contribution
16 for the next fiscal year. The certification shall include a
17 copy of the actuarial recommendations upon which it is based
18 and shall specifically identify the Fund's projected employer
19 normal cost for that fiscal year. The Board's certification
20 must note any deviations from the State Actuary's recommended
21 changes, the reason or reasons for not following the State
22 Actuary's recommended changes, and the fiscal impact of not
23 following the State Actuary's recommended changes on the
24 required State contribution.

25 For the purposes of this Article, including issuing
26 vouchers, and for the purposes of subsection (h) of Section 1.1

1 of the State Pension Funds Continuing Appropriation Act, the
2 State contribution specified for State fiscal year 2017 shall
3 be deemed to have been certified, by operation of law and
4 without official action by the Board or the State Actuary, in
5 the amount provided in subsection (d) of this Section.

6 (g) Beginning in State fiscal year 2017, on the 15th day of
7 each month, or as soon thereafter as may be practicable, the
8 Board shall submit vouchers for payment of State contributions
9 to the Fund, in a total monthly amount of one-twelfth of the
10 required annual State contribution under subsection (d). These
11 vouchers shall be paid by the State Comptroller and Treasurer
12 by warrants drawn on the funds appropriated to the Fund for
13 that fiscal year. If in any month the amount remaining
14 unexpended from all other State appropriations to the Fund for
15 the applicable fiscal year is less than the amount lawfully
16 vouchered under this subsection, the difference shall be paid
17 from the Common School Fund under the continuing appropriation
18 authority provided in Section 1.1 of the State Pension Funds
19 Continuing Appropriation Act.

20 (Source: P.A. 90-548, eff. 12-4-97; 90-566, eff. 1-2-98;
21 90-582, eff. 5-27-98; 90-655, eff. 7-30-98.)

22 Section 918. The State Pension Funds Continuing
23 Appropriation Act is amended by changing Section 1.1 as
24 follows:

1 (40 ILCS 15/1.1)

2 Sec. 1.1. Appropriations to certain retirement systems.

3 (a) There is hereby appropriated from the General Revenue
4 Fund to the General Assembly Retirement System, on a continuing
5 monthly basis, the amount, if any, by which the total available
6 amount of all other appropriations to that retirement system
7 for the payment of State contributions is less than the total
8 amount of the vouchers for required State contributions
9 lawfully submitted by the retirement system for that month
10 under Section 2-134 of the Illinois Pension Code.

11 (b) There is hereby appropriated from the General Revenue
12 Fund to the State Universities Retirement System, on a
13 continuing monthly basis, the amount, if any, by which the
14 total available amount of all other appropriations to that
15 retirement system for the payment of State contributions,
16 including any deficiency in the required contributions of the
17 optional retirement program established under Section 15-158.2
18 of the Illinois Pension Code, is less than the total amount of
19 the vouchers for required State contributions lawfully
20 submitted by the retirement system for that month under Section
21 15-165 of the Illinois Pension Code.

22 (c) There is hereby appropriated from the Common School
23 Fund to the Teachers' Retirement System of the State of
24 Illinois, on a continuing monthly basis, the amount, if any, by
25 which the total available amount of all other appropriations to
26 that retirement system for the payment of State contributions

1 is less than the total amount of the vouchers for required
2 State contributions lawfully submitted by the retirement
3 system for that month under Section 16-158 of the Illinois
4 Pension Code.

5 (d) There is hereby appropriated from the General Revenue
6 Fund to the Judges Retirement System of Illinois, on a
7 continuing monthly basis, the amount, if any, by which the
8 total available amount of all other appropriations to that
9 retirement system for the payment of State contributions is
10 less than the total amount of the vouchers for required State
11 contributions lawfully submitted by the retirement system for
12 that month under Section 18-140 of the Illinois Pension Code.

13 (e) The continuing appropriations provided by subsections
14 (a), (b), (c), and (d) of this Section shall first be available
15 in State fiscal year 1996. The continuing appropriations
16 provided by subsection (h) of this Section shall first be
17 available as provided in that subsection (h).

18 (f) For State fiscal year 2010 only, the continuing
19 appropriations provided by this Section are equal to the amount
20 certified by each System on or before December 31, 2008, less
21 (i) the gross proceeds of the bonds sold in fiscal year 2010
22 under the authorization contained in subsection (a) of Section
23 7.2 of the General Obligation Bond Act and (ii) any amounts
24 received from the State Pensions Fund.

25 (g) For State fiscal year 2011 only, the continuing
26 appropriations provided by this Section are equal to the amount

1 certified by each System on or before April 1, 2011, less (i)
2 the gross proceeds of the bonds sold in fiscal year 2011 under
3 the authorization contained in subsection (a) of Section 7.2 of
4 the General Obligation Bond Act and (ii) any amounts received
5 from the State Pensions Fund.

6 (h) There is hereby appropriated from the Common School
7 Fund to the Public School Teachers' Pension and Retirement Fund
8 of Chicago, on a continuing monthly basis, the amount, if any,
9 by which the total available amount of all other State
10 appropriations to that Retirement Fund for the payment of State
11 contributions under subsection (d) of Section 17-127 of the
12 Illinois Pension Code is less than the total amount of the
13 vouchers for required State contributions lawfully submitted
14 by the Retirement Fund for that month under that Section
15 17-127.

16 (Source: P.A. 96-43, eff. 7-15-09; 96-1497, eff. 1-14-11;
17 96-1511, eff. 1-27-11.)

18 Section 920. The Innovation Development and Economy Act is
19 amended by changing Section 33 as follows:

20 (50 ILCS 470/33)

21 Sec. 33. STAR Bonds School Improvement and Operations Trust
22 Fund.

23 (a) The STAR Bonds School Improvement and Operations Trust
24 Fund is created as a trust fund in the State treasury. Deposits

1 into the Trust Fund shall be made as provided under this
2 Section. Moneys in the Trust Fund shall be used by the
3 Department of Revenue only for the purpose of making payments
4 to school districts in educational service regions that include
5 or are adjacent to the STAR bond district. Moneys in the Trust
6 Fund are not subject to appropriation and shall be used solely
7 as provided in this Section. All deposits into the Trust Fund
8 shall be held in the Trust Fund by the State Treasurer as ex
9 officio custodian separate and apart from all public moneys or
10 funds of this State and shall be administered by the Department
11 exclusively for the purposes set forth in this Section. All
12 moneys in the Trust Fund shall be invested and reinvested by
13 the State Treasurer. All interest accruing from these
14 investments shall be deposited in the Trust Fund.

15 (b) Upon approval of a STAR bond district, the political
16 subdivision shall immediately transmit to the county clerk of
17 the county in which the district is located a certified copy of
18 the ordinance creating the district, a legal description of the
19 district, a map of the district, identification of the year
20 that the county clerk shall use for determining the total
21 initial equalized assessed value of the district consistent
22 with subsection (c), and a list of the parcel or tax
23 identification number of each parcel of property included in
24 the district.

25 (c) Upon approval of a STAR bond district, the county clerk
26 immediately thereafter shall determine (i) the most recently

1 ascertained equalized assessed value of each lot, block, tract,
2 or parcel of real property within the STAR bond district, from
3 which shall be deducted the homestead exemptions under Article
4 15 of the Property Tax Code, which value shall be the initial
5 equalized assessed value of each such piece of property, and
6 (ii) the total equalized assessed value of all taxable real
7 property within the district by adding together the most
8 recently ascertained equalized assessed value of each taxable
9 lot, block, tract, or parcel of real property within the
10 district, from which shall be deducted the homestead exemptions
11 under Article 15 of the Property Tax Code, and shall certify
12 that amount as the total initial equalized assessed value of
13 the taxable real property within the STAR bond district.

14 (d) In reference to any STAR bond district created within
15 any political subdivision, and in respect to which the county
16 clerk has certified the total initial equalized assessed value
17 of the property in the area, the political subdivision may
18 thereafter request the clerk in writing to adjust the initial
19 equalized value of all taxable real property within the STAR
20 bond district by deducting therefrom the exemptions under
21 Article 15 of the Property Tax Code applicable to each lot,
22 block, tract, or parcel of real property within the STAR bond
23 district. The county clerk shall immediately, after the written
24 request to adjust the total initial equalized value is
25 received, determine the total homestead exemptions in the STAR
26 bond district as provided under Article 15 of the Property Tax

1 Code by adding together the homestead exemptions provided by
2 said Article on each lot, block, tract, or parcel of real
3 property within the STAR bond district and then shall deduct
4 the total of said exemptions from the total initial equalized
5 assessed value. The county clerk shall then promptly certify
6 that amount as the total initial equalized assessed value as
7 adjusted of the taxable real property within the STAR bond
8 district.

9 (e) The county clerk or other person authorized by law
10 shall compute the tax rates for each taxing district with all
11 or a portion of its equalized assessed value located in the
12 STAR bond district. The rate per cent of tax determined shall
13 be extended to the current equalized assessed value of all
14 property in the district in the same manner as the rate per
15 cent of tax is extended to all other taxable property in the
16 taxing district.

17 (f) Beginning with the assessment year in which the first
18 destination user in the first STAR bond project in a STAR bond
19 district makes its first retail sales and for each assessment
20 year thereafter until final maturity of the last STAR bonds
21 issued in the district, the county clerk or other person
22 authorized by law shall determine the increase in equalized
23 assessed value of all real property within the STAR bond
24 district by subtracting the initial equalized assessed value of
25 all property in the district certified under subsection (c)
26 from the current equalized assessed value of all property in

1 the district. Each year, the property taxes arising from the
2 increase in equalized assessed value in the STAR bond district
3 shall be determined for each taxing district and shall be
4 certified to the county collector.

5 (g) Beginning with the year in which taxes are collected
6 based on the assessment year in which the first destination
7 user in the first STAR bond project in a STAR bond district
8 makes its first retail sales and for each year thereafter until
9 final maturity of the last STAR bonds issued in the district,
10 the county collector shall, within 30 days after receipt of
11 property taxes, transmit to the Department to be deposited into
12 the STAR Bonds School Improvement and Operations Trust Fund 15%
13 of property taxes attributable to the increase in equalized
14 assessed value within the STAR bond district from each taxing
15 district as certified in subsection (f).

16 (h) The Department shall pay to the regional superintendent
17 of schools whose educational service region includes Franklin
18 and Williamson Counties, for each year for which money is
19 remitted to the Department and paid into the STAR Bonds School
20 Improvement and Operations Trust Fund, the money in the Fund as
21 provided in this Section. The amount paid to each school
22 district shall be allocated proportionately, based on each
23 qualifying school district's fall enrollment for the
24 then-current school year, such that the school district with
25 the largest fall enrollment receives the largest proportionate
26 share of money paid out of the Fund or by any other method or

1 formula that the regional superintendent of schools deems fit,
2 equitable, and in the public interest. The regional
3 superintendent may allocate moneys to school districts that are
4 outside of his or her educational service region or to other
5 regional superintendents.

6 The Department shall determine the distributions under
7 this Section using its best judgment and information. The
8 Department shall be held harmless for the distributions made
9 under this Section and all distributions shall be final.

10 (i) In any year that an assessment appeal is filed, the
11 extension of taxes on any assessment so appealed shall not be
12 delayed. In the case of an assessment that is altered, any
13 taxes extended upon the unauthorized assessment or part thereof
14 shall be abated, or, if already paid, shall be refunded with
15 interest as provided in Section 23-20 of the Property Tax Code.
16 In the case of an assessment appeal, the county collector shall
17 notify the Department that an assessment appeal has been filed
18 and the amount of the tax that would have been deposited in the
19 STAR Bonds School Improvement and Operations Trust Fund. The
20 county collector shall hold that amount in a separate fund
21 until the appeal process is final. After the appeal process is
22 finalized, the county collector shall transmit to the
23 Department the amount of tax that remains, if any, after all
24 required refunds are made. The Department shall pay any amount
25 deposited into the Trust Fund under this Section in the same
26 proportion as determined for payments for that taxable year

1 under subsection (h).

2 (j) In any year that ad valorem taxes are allocated to the
3 STAR Bonds School Improvement and Operations Trust Fund, that
4 allocation shall not reduce or otherwise impact the school aid
5 provided to any school district under the general State school
6 aid formula provided for in Section 18-8.05 of the School Code
7 or the primary State aid formula provided for in Section
8 18-8.15 of the School Code.

9 (Source: P.A. 96-939, eff. 6-24-10.)

10 Section 925. The County Economic Development Project Area
11 Property Tax Allocation Act is amended by changing Section 7 as
12 follows:

13 (55 ILCS 85/7) (from Ch. 34, par. 7007)

14 Sec. 7. Creation of special tax allocation fund. If a
15 county has adopted property tax allocation financing by
16 ordinance for an economic development project area, the
17 Department has approved and certified the economic development
18 project area, and the county clerk has thereafter certified the
19 "total initial equalized value" of the taxable real property
20 within such economic development project area in the manner
21 provided in subsection (b) of Section 6 of this Act, each year
22 after the date of the certification by the county clerk of the
23 "initial equalized assessed value" until economic development
24 project costs and all county obligations financing economic

1 development project costs have been paid, the ad valorem taxes,
2 if any, arising from the levies upon the taxable real property
3 in the economic development project area by taxing districts
4 and tax rates determined in the manner provided in subsection
5 (b) of Section 6 of this Act shall be divided as follows:

6 (1) That portion of the taxes levied upon each taxable
7 lot, block, tract or parcel of real property which is
8 attributable to the lower of the current equalized assessed
9 value or the initial equalized assessed value of each such
10 taxable lot, block, tract, or parcel of real property
11 existing at the time property tax allocation financing was
12 adopted shall be allocated and when collected shall be paid
13 by the county collector to the respective affected taxing
14 districts in the manner required by the law in the absence
15 of the adoption of property tax allocation financing.

16 (2) That portion, if any, of those taxes which is
17 attributable to the increase in the current equalized
18 assessed valuation of each taxable lot, block, tract, or
19 parcel of real property in the economic development project
20 area, over and above the initial equalized assessed value of
21 each property existing at the time property tax allocation
22 financing was adopted shall be allocated to and when
23 collected shall be paid to the county treasurer, who shall
24 deposit those taxes into a special fund called the special
25 tax allocation fund of the county for the purpose of paying
26 economic development project costs and obligations

1 incurred in the payment thereof.

2 The county, by an ordinance adopting property tax
3 allocation financing, may pledge the funds in and to be
4 deposited in the special tax allocation fund for the payment of
5 obligations issued under this Act and for the payment of
6 economic development project costs. No part of the current
7 equalized assessed valuation of each property in the economic
8 development project area attributable to any increase above the
9 total initial equalized assessed value of such properties shall
10 be used in calculating the general State school aid formula,
11 provided for in Section 18-8 of the School Code, or the primary
12 State aid formula, provided for in Section 18-8.15 of the
13 School Code, until such time as all economic development
14 projects costs have been paid as provided for in this Section.

15 Whenever a county issues bonds for the purpose of financing
16 economic development project costs, the county may provide by
17 ordinance for the appointment of a trustee, which may be any
18 trust company within the State, and for the establishment of
19 the funds or accounts to be maintained by such trustee as the
20 county shall deem necessary to provide for the security and
21 payment of the bonds. If the county provides for the
22 appointment of a trustee, the trustee shall be considered the
23 assignee of any payments assigned by the county pursuant to the
24 ordinance and this Section. Any amounts paid to the trustee as
25 assignee shall be deposited in the funds or accounts
26 established pursuant to the trust agreement, and shall be held

1 by the trustee in trust for the benefit of the holders of the
2 bonds, and the holders shall have a lien on and a security
3 interest in those bonds or accounts so long as the bonds remain
4 outstanding and unpaid. Upon retirement of the bonds, the
5 trustee shall pay over any excess amounts held to the county
6 for deposit in the special tax allocation fund.

7 When the economic development project costs, including
8 without limitation all county obligations financing economic
9 development project costs incurred under this Act, have been
10 paid, all surplus funds then remaining in the special tax
11 allocation funds shall be distributed by being paid by the
12 county treasurer to the county collector, who shall immediately
13 thereafter pay those funds to the taxing districts having
14 taxable property in the economic development project area in
15 the same manner and proportion as the most recent distribution
16 by the county collector to those taxing districts of real
17 property taxes from real property in the economic development
18 project area.

19 Upon the payment of all economic development project costs,
20 retirement of obligations and the distribution of any excess
21 monies pursuant to this Section and not later than 23 years
22 from the date of adoption of the ordinance adopting property
23 tax allocation financing, the county shall adopt an ordinance
24 dissolving the special tax allocation fund for the economic
25 development project area and terminating the designation of the
26 economic development project area as an economic development

1 project area. Thereafter the rates of the taxing districts
2 shall be extended and taxes levied, collected and distributed
3 in the manner applicable in the absence of the adoption of
4 property tax allocation financing.

5 Nothing in this Section shall be construed as relieving
6 property in economic development project areas from being
7 assessed as provided in the Property Tax Code or as relieving
8 owners of that property from paying a uniform rate of taxes, as
9 required by Section 4 of Article IX of the Illinois
10 Constitution of 1970.

11 (Source: P.A. 98-463, eff. 8-16-13.)

12 Section 930. The County Economic Development Project Area
13 Tax Increment Allocation Act of 1991 is amended by changing
14 Section 50 as follows:

15 (55 ILCS 90/50) (from Ch. 34, par. 8050)

16 Sec. 50. Special tax allocation fund.

17 (a) If a county clerk has certified the "total initial
18 equalized assessed value" of the taxable real property within
19 an economic development project area in the manner provided in
20 Section 45, each year after the date of the certification by
21 the county clerk of the "total initial equalized assessed
22 value", until economic development project costs and all county
23 obligations financing economic development project costs have
24 been paid, the ad valorem taxes, if any, arising from the

1 levies upon the taxable real property in the economic
2 development project area by taxing districts and tax rates
3 determined in the manner provided in subsection (b) of Section
4 45 shall be divided as follows:

5 (1) That portion of the taxes levied upon each taxable
6 lot, block, tract, or parcel of real property that is
7 attributable to the lower of the current equalized assessed
8 value or the initial equalized assessed value of each
9 taxable lot, block, tract, or parcel of real property
10 existing at the time tax increment financing was adopted
11 shall be allocated to (and when collected shall be paid by
12 the county collector to) the respective affected taxing
13 districts in the manner required by law in the absence of
14 the adoption of tax increment allocation financing.

15 (2) That portion, if any, of the taxes that is
16 attributable to the increase in the current equalized
17 assessed valuation of each taxable lot, block, tract, or
18 parcel of real property in the economic development project
19 area, over and above the initial equalized assessed value
20 of each property existing at the time tax increment
21 financing was adopted, shall be allocated to (and when
22 collected shall be paid to) the county treasurer, who shall
23 deposit the taxes into a special fund (called the special
24 tax allocation fund of the county) for the purpose of
25 paying economic development project costs and obligations
26 incurred in the payment of those costs.

1 (b) The county, by an ordinance adopting tax increment
2 allocation financing, may pledge the monies in and to be
3 deposited into the special tax allocation fund for the payment
4 of obligations issued under this Act and for the payment of
5 economic development project costs. No part of the current
6 equalized assessed valuation of each property in the economic
7 development project area attributable to any increase above the
8 total initial equalized assessed value of those properties
9 shall be used in calculating the general State ~~school~~ aid
10 formula under Section 18-8 of the School Code or the primary
11 State aid formula under Section 18-8.15 of the School Code
12 until all economic development projects costs have been paid as
13 provided for in this Section.

14 (c) When the economic development projects costs,
15 including without limitation all county obligations financing
16 economic development project costs incurred under this Act,
17 have been paid, all surplus monies then remaining in the
18 special tax allocation fund shall be distributed by being paid
19 by the county treasurer to the county collector, who shall
20 immediately pay the monies to the taxing districts having
21 taxable property in the economic development project area in
22 the same manner and proportion as the most recent distribution
23 by the county collector to those taxing districts of real
24 property taxes from real property in the economic development
25 project area.

26 (d) Upon the payment of all economic development project

1 costs, retirement of obligations, and distribution of any
2 excess monies under this Section, the county shall adopt an
3 ordinance dissolving the special tax allocation fund for the
4 economic development project area and terminating the
5 designation of the economic development project area as an
6 economic development project area. Thereafter, the rates of the
7 taxing districts shall be extended and taxes shall be levied,
8 collected, and distributed in the manner applicable in the
9 absence of the adoption of tax increment allocation financing.

10 (e) Nothing in this Section shall be construed as relieving
11 property in the economic development project areas from being
12 assessed as provided in the Property Tax Code or as relieving
13 owners of that property from paying a uniform rate of taxes as
14 required by Section 4 of Article IX of the Illinois
15 Constitution.

16 (Source: P.A. 98-463, eff. 8-16-13.)

17 Section 935. The Illinois Municipal Code is amended by
18 changing Sections 11-74.4-3, 11-74.4-8, and 11-74.6-35 as
19 follows:

20 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

21 Sec. 11-74.4-3. Definitions. The following terms, wherever
22 used or referred to in this Division 74.4 shall have the
23 following respective meanings, unless in any case a different
24 meaning clearly appears from the context.

1 (a) For any redevelopment project area that has been
2 designated pursuant to this Section by an ordinance adopted
3 prior to November 1, 1999 (the effective date of Public Act
4 91-478), "blighted area" shall have the meaning set forth in
5 this Section prior to that date.

6 On and after November 1, 1999, "blighted area" means any
7 improved or vacant area within the boundaries of a
8 redevelopment project area located within the territorial
9 limits of the municipality where:

10 (1) If improved, industrial, commercial, and
11 residential buildings or improvements are detrimental to
12 the public safety, health, or welfare because of a
13 combination of 5 or more of the following factors, each of
14 which is (i) present, with that presence documented, to a
15 meaningful extent so that a municipality may reasonably
16 find that the factor is clearly present within the intent
17 of the Act and (ii) reasonably distributed throughout the
18 improved part of the redevelopment project area:

19 (A) Dilapidation. An advanced state of disrepair
20 or neglect of necessary repairs to the primary
21 structural components of buildings or improvements in
22 such a combination that a documented building
23 condition analysis determines that major repair is
24 required or the defects are so serious and so extensive
25 that the buildings must be removed.

26 (B) Obsolescence. The condition or process of

1 falling into disuse. Structures have become ill-suited
2 for the original use.

3 (C) Deterioration. With respect to buildings,
4 defects including, but not limited to, major defects in
5 the secondary building components such as doors,
6 windows, porches, gutters and downspouts, and fascia.
7 With respect to surface improvements, that the
8 condition of roadways, alleys, curbs, gutters,
9 sidewalks, off-street parking, and surface storage
10 areas evidence deterioration, including, but not
11 limited to, surface cracking, crumbling, potholes,
12 depressions, loose paving material, and weeds
13 protruding through paved surfaces.

14 (D) Presence of structures below minimum code
15 standards. All structures that do not meet the
16 standards of zoning, subdivision, building, fire, and
17 other governmental codes applicable to property, but
18 not including housing and property maintenance codes.

19 (E) Illegal use of individual structures. The use
20 of structures in violation of applicable federal,
21 State, or local laws, exclusive of those applicable to
22 the presence of structures below minimum code
23 standards.

24 (F) Excessive vacancies. The presence of buildings
25 that are unoccupied or under-utilized and that
26 represent an adverse influence on the area because of

1 the frequency, extent, or duration of the vacancies.

2 (G) Lack of ventilation, light, or sanitary
3 facilities. The absence of adequate ventilation for
4 light or air circulation in spaces or rooms without
5 windows, or that require the removal of dust, odor,
6 gas, smoke, or other noxious airborne materials.
7 Inadequate natural light and ventilation means the
8 absence of skylights or windows for interior spaces or
9 rooms and improper window sizes and amounts by room
10 area to window area ratios. Inadequate sanitary
11 facilities refers to the absence or inadequacy of
12 garbage storage and enclosure, bathroom facilities,
13 hot water and kitchens, and structural inadequacies
14 preventing ingress and egress to and from all rooms and
15 units within a building.

16 (H) Inadequate utilities. Underground and overhead
17 utilities such as storm sewers and storm drainage,
18 sanitary sewers, water lines, and gas, telephone, and
19 electrical services that are shown to be inadequate.
20 Inadequate utilities are those that are: (i) of
21 insufficient capacity to serve the uses in the
22 redevelopment project area, (ii) deteriorated,
23 antiquated, obsolete, or in disrepair, or (iii)
24 lacking within the redevelopment project area.

25 (I) Excessive land coverage and overcrowding of
26 structures and community facilities. The

1 over-intensive use of property and the crowding of
2 buildings and accessory facilities onto a site.
3 Examples of problem conditions warranting the
4 designation of an area as one exhibiting excessive land
5 coverage are: (i) the presence of buildings either
6 improperly situated on parcels or located on parcels of
7 inadequate size and shape in relation to present-day
8 standards of development for health and safety and (ii)
9 the presence of multiple buildings on a single parcel.
10 For there to be a finding of excessive land coverage,
11 these parcels must exhibit one or more of the following
12 conditions: insufficient provision for light and air
13 within or around buildings, increased threat of spread
14 of fire due to the close proximity of buildings, lack
15 of adequate or proper access to a public right-of-way,
16 lack of reasonably required off-street parking, or
17 inadequate provision for loading and service.

18 (J) Deleterious land use or layout. The existence
19 of incompatible land-use relationships, buildings
20 occupied by inappropriate mixed-uses, or uses
21 considered to be noxious, offensive, or unsuitable for
22 the surrounding area.

23 (K) Environmental clean-up. The proposed
24 redevelopment project area has incurred Illinois
25 Environmental Protection Agency or United States
26 Environmental Protection Agency remediation costs for,

1 or a study conducted by an independent consultant
2 recognized as having expertise in environmental
3 remediation has determined a need for, the clean-up of
4 hazardous waste, hazardous substances, or underground
5 storage tanks required by State or federal law,
6 provided that the remediation costs constitute a
7 material impediment to the development or
8 redevelopment of the redevelopment project area.

9 (L) Lack of community planning. The proposed
10 redevelopment project area was developed prior to or
11 without the benefit or guidance of a community plan.
12 This means that the development occurred prior to the
13 adoption by the municipality of a comprehensive or
14 other community plan or that the plan was not followed
15 at the time of the area's development. This factor must
16 be documented by evidence of adverse or incompatible
17 land-use relationships, inadequate street layout,
18 improper subdivision, parcels of inadequate shape and
19 size to meet contemporary development standards, or
20 other evidence demonstrating an absence of effective
21 community planning.

22 (M) The total equalized assessed value of the
23 proposed redevelopment project area has declined for 3
24 of the last 5 calendar years prior to the year in which
25 the redevelopment project area is designated or is
26 increasing at an annual rate that is less than the

1 balance of the municipality for 3 of the last 5
2 calendar years for which information is available or is
3 increasing at an annual rate that is less than the
4 Consumer Price Index for All Urban Consumers published
5 by the United States Department of Labor or successor
6 agency for 3 of the last 5 calendar years prior to the
7 year in which the redevelopment project area is
8 designated.

9 (2) If vacant, the sound growth of the redevelopment
10 project area is impaired by a combination of 2 or more of
11 the following factors, each of which is (i) present, with
12 that presence documented, to a meaningful extent so that a
13 municipality may reasonably find that the factor is clearly
14 present within the intent of the Act and (ii) reasonably
15 distributed throughout the vacant part of the
16 redevelopment project area to which it pertains:

17 (A) Obsolete platting of vacant land that results
18 in parcels of limited or narrow size or configurations
19 of parcels of irregular size or shape that would be
20 difficult to develop on a planned basis and in a manner
21 compatible with contemporary standards and
22 requirements, or platting that failed to create
23 rights-of-ways for streets or alleys or that created
24 inadequate right-of-way widths for streets, alleys, or
25 other public rights-of-way or that omitted easements
26 for public utilities.

1 (B) Diversity of ownership of parcels of vacant
2 land sufficient in number to retard or impede the
3 ability to assemble the land for development.

4 (C) Tax and special assessment delinquencies exist
5 or the property has been the subject of tax sales under
6 the Property Tax Code within the last 5 years.

7 (D) Deterioration of structures or site
8 improvements in neighboring areas adjacent to the
9 vacant land.

10 (E) The area has incurred Illinois Environmental
11 Protection Agency or United States Environmental
12 Protection Agency remediation costs for, or a study
13 conducted by an independent consultant recognized as
14 having expertise in environmental remediation has
15 determined a need for, the clean-up of hazardous waste,
16 hazardous substances, or underground storage tanks
17 required by State or federal law, provided that the
18 remediation costs constitute a material impediment to
19 the development or redevelopment of the redevelopment
20 project area.

21 (F) The total equalized assessed value of the
22 proposed redevelopment project area has declined for 3
23 of the last 5 calendar years prior to the year in which
24 the redevelopment project area is designated or is
25 increasing at an annual rate that is less than the
26 balance of the municipality for 3 of the last 5

1 calendar years for which information is available or is
2 increasing at an annual rate that is less than the
3 Consumer Price Index for All Urban Consumers published
4 by the United States Department of Labor or successor
5 agency for 3 of the last 5 calendar years prior to the
6 year in which the redevelopment project area is
7 designated.

8 (3) If vacant, the sound growth of the redevelopment
9 project area is impaired by one of the following factors
10 that (i) is present, with that presence documented, to a
11 meaningful extent so that a municipality may reasonably
12 find that the factor is clearly present within the intent
13 of the Act and (ii) is reasonably distributed throughout
14 the vacant part of the redevelopment project area to which
15 it pertains:

16 (A) The area consists of one or more unused
17 quarries, mines, or strip mine ponds.

18 (B) The area consists of unused rail yards, rail
19 tracks, or railroad rights-of-way.

20 (C) The area, prior to its designation, is subject
21 to (i) chronic flooding that adversely impacts on real
22 property in the area as certified by a registered
23 professional engineer or appropriate regulatory agency
24 or (ii) surface water that discharges from all or a
25 part of the area and contributes to flooding within the
26 same watershed, but only if the redevelopment project

1 provides for facilities or improvements to contribute
2 to the alleviation of all or part of the flooding.

3 (D) The area consists of an unused or illegal
4 disposal site containing earth, stone, building
5 debris, or similar materials that were removed from
6 construction, demolition, excavation, or dredge sites.

7 (E) Prior to November 1, 1999, the area is not less
8 than 50 nor more than 100 acres and 75% of which is
9 vacant (notwithstanding that the area has been used for
10 commercial agricultural purposes within 5 years prior
11 to the designation of the redevelopment project area),
12 and the area meets at least one of the factors itemized
13 in paragraph (1) of this subsection, the area has been
14 designated as a town or village center by ordinance or
15 comprehensive plan adopted prior to January 1, 1982,
16 and the area has not been developed for that designated
17 purpose.

18 (F) The area qualified as a blighted improved area
19 immediately prior to becoming vacant, unless there has
20 been substantial private investment in the immediately
21 surrounding area.

22 (b) For any redevelopment project area that has been
23 designated pursuant to this Section by an ordinance adopted
24 prior to November 1, 1999 (the effective date of Public Act
25 91-478), "conservation area" shall have the meaning set forth
26 in this Section prior to that date.

1 On and after November 1, 1999, "conservation area" means
2 any improved area within the boundaries of a redevelopment
3 project area located within the territorial limits of the
4 municipality in which 50% or more of the structures in the area
5 have an age of 35 years or more. Such an area is not yet a
6 blighted area but because of a combination of 3 or more of the
7 following factors is detrimental to the public safety, health,
8 morals or welfare and such an area may become a blighted area:

9 (1) Dilapidation. An advanced state of disrepair or
10 neglect of necessary repairs to the primary structural
11 components of buildings or improvements in such a
12 combination that a documented building condition analysis
13 determines that major repair is required or the defects are
14 so serious and so extensive that the buildings must be
15 removed.

16 (2) Obsolescence. The condition or process of falling
17 into disuse. Structures have become ill-suited for the
18 original use.

19 (3) Deterioration. With respect to buildings, defects
20 including, but not limited to, major defects in the
21 secondary building components such as doors, windows,
22 porches, gutters and downspouts, and fascia. With respect
23 to surface improvements, that the condition of roadways,
24 alleys, curbs, gutters, sidewalks, off-street parking, and
25 surface storage areas evidence deterioration, including,
26 but not limited to, surface cracking, crumbling, potholes,

1 depressions, loose paving material, and weeds protruding
2 through paved surfaces.

3 (4) Presence of structures below minimum code
4 standards. All structures that do not meet the standards of
5 zoning, subdivision, building, fire, and other
6 governmental codes applicable to property, but not
7 including housing and property maintenance codes.

8 (5) Illegal use of individual structures. The use of
9 structures in violation of applicable federal, State, or
10 local laws, exclusive of those applicable to the presence
11 of structures below minimum code standards.

12 (6) Excessive vacancies. The presence of buildings
13 that are unoccupied or under-utilized and that represent an
14 adverse influence on the area because of the frequency,
15 extent, or duration of the vacancies.

16 (7) Lack of ventilation, light, or sanitary
17 facilities. The absence of adequate ventilation for light
18 or air circulation in spaces or rooms without windows, or
19 that require the removal of dust, odor, gas, smoke, or
20 other noxious airborne materials. Inadequate natural light
21 and ventilation means the absence or inadequacy of
22 skylights or windows for interior spaces or rooms and
23 improper window sizes and amounts by room area to window
24 area ratios. Inadequate sanitary facilities refers to the
25 absence or inadequacy of garbage storage and enclosure,
26 bathroom facilities, hot water and kitchens, and

1 structural inadequacies preventing ingress and egress to
2 and from all rooms and units within a building.

3 (8) Inadequate utilities. Underground and overhead
4 utilities such as storm sewers and storm drainage, sanitary
5 sewers, water lines, and gas, telephone, and electrical
6 services that are shown to be inadequate. Inadequate
7 utilities are those that are: (i) of insufficient capacity
8 to serve the uses in the redevelopment project area, (ii)
9 deteriorated, antiquated, obsolete, or in disrepair, or
10 (iii) lacking within the redevelopment project area.

11 (9) Excessive land coverage and overcrowding of
12 structures and community facilities. The over-intensive
13 use of property and the crowding of buildings and accessory
14 facilities onto a site. Examples of problem conditions
15 warranting the designation of an area as one exhibiting
16 excessive land coverage are: the presence of buildings
17 either improperly situated on parcels or located on parcels
18 of inadequate size and shape in relation to present-day
19 standards of development for health and safety and the
20 presence of multiple buildings on a single parcel. For
21 there to be a finding of excessive land coverage, these
22 parcels must exhibit one or more of the following
23 conditions: insufficient provision for light and air
24 within or around buildings, increased threat of spread of
25 fire due to the close proximity of buildings, lack of
26 adequate or proper access to a public right-of-way, lack of

1 reasonably required off-street parking, or inadequate
2 provision for loading and service.

3 (10) Deleterious land use or layout. The existence of
4 incompatible land-use relationships, buildings occupied by
5 inappropriate mixed-uses, or uses considered to be
6 noxious, offensive, or unsuitable for the surrounding
7 area.

8 (11) Lack of community planning. The proposed
9 redevelopment project area was developed prior to or
10 without the benefit or guidance of a community plan. This
11 means that the development occurred prior to the adoption
12 by the municipality of a comprehensive or other community
13 plan or that the plan was not followed at the time of the
14 area's development. This factor must be documented by
15 evidence of adverse or incompatible land-use
16 relationships, inadequate street layout, improper
17 subdivision, parcels of inadequate shape and size to meet
18 contemporary development standards, or other evidence
19 demonstrating an absence of effective community planning.

20 (12) The area has incurred Illinois Environmental
21 Protection Agency or United States Environmental
22 Protection Agency remediation costs for, or a study
23 conducted by an independent consultant recognized as
24 having expertise in environmental remediation has
25 determined a need for, the clean-up of hazardous waste,
26 hazardous substances, or underground storage tanks

1 required by State or federal law, provided that the
2 remediation costs constitute a material impediment to the
3 development or redevelopment of the redevelopment project
4 area.

5 (13) The total equalized assessed value of the proposed
6 redevelopment project area has declined for 3 of the last 5
7 calendar years for which information is available or is
8 increasing at an annual rate that is less than the balance
9 of the municipality for 3 of the last 5 calendar years for
10 which information is available or is increasing at an
11 annual rate that is less than the Consumer Price Index for
12 All Urban Consumers published by the United States
13 Department of Labor or successor agency for 3 of the last 5
14 calendar years for which information is available.

15 (c) "Industrial park" means an area in a blighted or
16 conservation area suitable for use by any manufacturing,
17 industrial, research or transportation enterprise, of
18 facilities to include but not be limited to factories, mills,
19 processing plants, assembly plants, packing plants,
20 fabricating plants, industrial distribution centers,
21 warehouses, repair overhaul or service facilities, freight
22 terminals, research facilities, test facilities or railroad
23 facilities.

24 (d) "Industrial park conservation area" means an area
25 within the boundaries of a redevelopment project area located
26 within the territorial limits of a municipality that is a labor

1 surplus municipality or within 1 1/2 miles of the territorial
2 limits of a municipality that is a labor surplus municipality
3 if the area is annexed to the municipality; which area is zoned
4 as industrial no later than at the time the municipality by
5 ordinance designates the redevelopment project area, and which
6 area includes both vacant land suitable for use as an
7 industrial park and a blighted area or conservation area
8 contiguous to such vacant land.

9 (e) "Labor surplus municipality" means a municipality in
10 which, at any time during the 6 months before the municipality
11 by ordinance designates an industrial park conservation area,
12 the unemployment rate was over 6% and was also 100% or more of
13 the national average unemployment rate for that same time as
14 published in the United States Department of Labor Bureau of
15 Labor Statistics publication entitled "The Employment
16 Situation" or its successor publication. For the purpose of
17 this subsection, if unemployment rate statistics for the
18 municipality are not available, the unemployment rate in the
19 municipality shall be deemed to be the same as the unemployment
20 rate in the principal county in which the municipality is
21 located.

22 (f) "Municipality" shall mean a city, village,
23 incorporated town, or a township that is located in the
24 unincorporated portion of a county with 3 million or more
25 inhabitants, if the county adopted an ordinance that approved
26 the township's redevelopment plan.

1 (g) "Initial Sales Tax Amounts" means the amount of taxes
2 paid under the Retailers' Occupation Tax Act, Use Tax Act,
3 Service Use Tax Act, the Service Occupation Tax Act, the
4 Municipal Retailers' Occupation Tax Act, and the Municipal
5 Service Occupation Tax Act by retailers and servicemen on
6 transactions at places located in a State Sales Tax Boundary
7 during the calendar year 1985.

8 (g-1) "Revised Initial Sales Tax Amounts" means the amount
9 of taxes paid under the Retailers' Occupation Tax Act, Use Tax
10 Act, Service Use Tax Act, the Service Occupation Tax Act, the
11 Municipal Retailers' Occupation Tax Act, and the Municipal
12 Service Occupation Tax Act by retailers and servicemen on
13 transactions at places located within the State Sales Tax
14 Boundary revised pursuant to Section 11-74.4-8a(9) of this Act.

15 (h) "Municipal Sales Tax Increment" means an amount equal
16 to the increase in the aggregate amount of taxes paid to a
17 municipality from the Local Government Tax Fund arising from
18 sales by retailers and servicemen within the redevelopment
19 project area or State Sales Tax Boundary, as the case may be,
20 for as long as the redevelopment project area or State Sales
21 Tax Boundary, as the case may be, exist over and above the
22 aggregate amount of taxes as certified by the Illinois
23 Department of Revenue and paid under the Municipal Retailers'
24 Occupation Tax Act and the Municipal Service Occupation Tax Act
25 by retailers and servicemen, on transactions at places of
26 business located in the redevelopment project area or State

1 Sales Tax Boundary, as the case may be, during the base year
2 which shall be the calendar year immediately prior to the year
3 in which the municipality adopted tax increment allocation
4 financing. For purposes of computing the aggregate amount of
5 such taxes for base years occurring prior to 1985, the
6 Department of Revenue shall determine the Initial Sales Tax
7 Amounts for such taxes and deduct therefrom an amount equal to
8 4% of the aggregate amount of taxes per year for each year the
9 base year is prior to 1985, but not to exceed a total deduction
10 of 12%. The amount so determined shall be known as the
11 "Adjusted Initial Sales Tax Amounts". For purposes of
12 determining the Municipal Sales Tax Increment, the Department
13 of Revenue shall for each period subtract from the amount paid
14 to the municipality from the Local Government Tax Fund arising
15 from sales by retailers and servicemen on transactions located
16 in the redevelopment project area or the State Sales Tax
17 Boundary, as the case may be, the certified Initial Sales Tax
18 Amounts, the Adjusted Initial Sales Tax Amounts or the Revised
19 Initial Sales Tax Amounts for the Municipal Retailers'
20 Occupation Tax Act and the Municipal Service Occupation Tax
21 Act. For the State Fiscal Year 1989, this calculation shall be
22 made by utilizing the calendar year 1987 to determine the tax
23 amounts received. For the State Fiscal Year 1990, this
24 calculation shall be made by utilizing the period from January
25 1, 1988, until September 30, 1988, to determine the tax amounts
26 received from retailers and servicemen pursuant to the

1 Municipal Retailers' Occupation Tax and the Municipal Service
2 Occupation Tax Act, which shall have deducted therefrom
3 nine-twelfths of the certified Initial Sales Tax Amounts, the
4 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales
5 Tax Amounts as appropriate. For the State Fiscal Year 1991,
6 this calculation shall be made by utilizing the period from
7 October 1, 1988, to June 30, 1989, to determine the tax amounts
8 received from retailers and servicemen pursuant to the
9 Municipal Retailers' Occupation Tax and the Municipal Service
10 Occupation Tax Act which shall have deducted therefrom
11 nine-twelfths of the certified Initial Sales Tax Amounts,
12 Adjusted Initial Sales Tax Amounts or the Revised Initial Sales
13 Tax Amounts as appropriate. For every State Fiscal Year
14 thereafter, the applicable period shall be the 12 months
15 beginning July 1 and ending June 30 to determine the tax
16 amounts received which shall have deducted therefrom the
17 certified Initial Sales Tax Amounts, the Adjusted Initial Sales
18 Tax Amounts or the Revised Initial Sales Tax Amounts, as the
19 case may be.

20 (i) "Net State Sales Tax Increment" means the sum of the
21 following: (a) 80% of the first \$100,000 of State Sales Tax
22 Increment annually generated within a State Sales Tax Boundary;
23 (b) 60% of the amount in excess of \$100,000 but not exceeding
24 \$500,000 of State Sales Tax Increment annually generated within
25 a State Sales Tax Boundary; and (c) 40% of all amounts in
26 excess of \$500,000 of State Sales Tax Increment annually

1 generated within a State Sales Tax Boundary. If, however, a
2 municipality established a tax increment financing district in
3 a county with a population in excess of 3,000,000 before
4 January 1, 1986, and the municipality entered into a contract
5 or issued bonds after January 1, 1986, but before December 31,
6 1986, to finance redevelopment project costs within a State
7 Sales Tax Boundary, then the Net State Sales Tax Increment
8 means, for the fiscal years beginning July 1, 1990, and July 1,
9 1991, 100% of the State Sales Tax Increment annually generated
10 within a State Sales Tax Boundary; and notwithstanding any
11 other provision of this Act, for those fiscal years the
12 Department of Revenue shall distribute to those municipalities
13 100% of their Net State Sales Tax Increment before any
14 distribution to any other municipality and regardless of
15 whether or not those other municipalities will receive 100% of
16 their Net State Sales Tax Increment. For Fiscal Year 1999, and
17 every year thereafter until the year 2007, for any municipality
18 that has not entered into a contract or has not issued bonds
19 prior to June 1, 1988 to finance redevelopment project costs
20 within a State Sales Tax Boundary, the Net State Sales Tax
21 Increment shall be calculated as follows: By multiplying the
22 Net State Sales Tax Increment by 90% in the State Fiscal Year
23 1999; 80% in the State Fiscal Year 2000; 70% in the State
24 Fiscal Year 2001; 60% in the State Fiscal Year 2002; 50% in the
25 State Fiscal Year 2003; 40% in the State Fiscal Year 2004; 30%
26 in the State Fiscal Year 2005; 20% in the State Fiscal Year

1 2006; and 10% in the State Fiscal Year 2007. No payment shall
2 be made for State Fiscal Year 2008 and thereafter.

3 Municipalities that issued bonds in connection with a
4 redevelopment project in a redevelopment project area within
5 the State Sales Tax Boundary prior to July 29, 1991, or that
6 entered into contracts in connection with a redevelopment
7 project in a redevelopment project area before June 1, 1988,
8 shall continue to receive their proportional share of the
9 Illinois Tax Increment Fund distribution until the date on
10 which the redevelopment project is completed or terminated. If,
11 however, a municipality that issued bonds in connection with a
12 redevelopment project in a redevelopment project area within
13 the State Sales Tax Boundary prior to July 29, 1991 retires the
14 bonds prior to June 30, 2007 or a municipality that entered
15 into contracts in connection with a redevelopment project in a
16 redevelopment project area before June 1, 1988 completes the
17 contracts prior to June 30, 2007, then so long as the
18 redevelopment project is not completed or is not terminated,
19 the Net State Sales Tax Increment shall be calculated,
20 beginning on the date on which the bonds are retired or the
21 contracts are completed, as follows: By multiplying the Net
22 State Sales Tax Increment by 60% in the State Fiscal Year 2002;
23 50% in the State Fiscal Year 2003; 40% in the State Fiscal Year
24 2004; 30% in the State Fiscal Year 2005; 20% in the State
25 Fiscal Year 2006; and 10% in the State Fiscal Year 2007. No
26 payment shall be made for State Fiscal Year 2008 and

1 thereafter. Refunding of any bonds issued prior to July 29,
2 1991, shall not alter the Net State Sales Tax Increment.

3 (j) "State Utility Tax Increment Amount" means an amount
4 equal to the aggregate increase in State electric and gas tax
5 charges imposed on owners and tenants, other than residential
6 customers, of properties located within the redevelopment
7 project area under Section 9-222 of the Public Utilities Act,
8 over and above the aggregate of such charges as certified by
9 the Department of Revenue and paid by owners and tenants, other
10 than residential customers, of properties within the
11 redevelopment project area during the base year, which shall be
12 the calendar year immediately prior to the year of the adoption
13 of the ordinance authorizing tax increment allocation
14 financing.

15 (k) "Net State Utility Tax Increment" means the sum of the
16 following: (a) 80% of the first \$100,000 of State Utility Tax
17 Increment annually generated by a redevelopment project area;
18 (b) 60% of the amount in excess of \$100,000 but not exceeding
19 \$500,000 of the State Utility Tax Increment annually generated
20 by a redevelopment project area; and (c) 40% of all amounts in
21 excess of \$500,000 of State Utility Tax Increment annually
22 generated by a redevelopment project area. For the State Fiscal
23 Year 1999, and every year thereafter until the year 2007, for
24 any municipality that has not entered into a contract or has
25 not issued bonds prior to June 1, 1988 to finance redevelopment
26 project costs within a redevelopment project area, the Net

1 State Utility Tax Increment shall be calculated as follows: By
2 multiplying the Net State Utility Tax Increment by 90% in the
3 State Fiscal Year 1999; 80% in the State Fiscal Year 2000; 70%
4 in the State Fiscal Year 2001; 60% in the State Fiscal Year
5 2002; 50% in the State Fiscal Year 2003; 40% in the State
6 Fiscal Year 2004; 30% in the State Fiscal Year 2005; 20% in the
7 State Fiscal Year 2006; and 10% in the State Fiscal Year 2007.
8 No payment shall be made for the State Fiscal Year 2008 and
9 thereafter.

10 Municipalities that issue bonds in connection with the
11 redevelopment project during the period from June 1, 1988 until
12 3 years after the effective date of this Amendatory Act of 1988
13 shall receive the Net State Utility Tax Increment, subject to
14 appropriation, for 15 State Fiscal Years after the issuance of
15 such bonds. For the 16th through the 20th State Fiscal Years
16 after issuance of the bonds, the Net State Utility Tax
17 Increment shall be calculated as follows: By multiplying the
18 Net State Utility Tax Increment by 90% in year 16; 80% in year
19 17; 70% in year 18; 60% in year 19; and 50% in year 20.
20 Refunding of any bonds issued prior to June 1, 1988, shall not
21 alter the revised Net State Utility Tax Increment payments set
22 forth above.

23 (1) "Obligations" mean bonds, loans, debentures, notes,
24 special certificates or other evidence of indebtedness issued
25 by the municipality to carry out a redevelopment project or to
26 refund outstanding obligations.

1 (m) "Payment in lieu of taxes" means those estimated tax
2 revenues from real property in a redevelopment project area
3 derived from real property that has been acquired by a
4 municipality which according to the redevelopment project or
5 plan is to be used for a private use which taxing districts
6 would have received had a municipality not acquired the real
7 property and adopted tax increment allocation financing and
8 which would result from levies made after the time of the
9 adoption of tax increment allocation financing to the time the
10 current equalized value of real property in the redevelopment
11 project area exceeds the total initial equalized value of real
12 property in said area.

13 (n) "Redevelopment plan" means the comprehensive program
14 of the municipality for development or redevelopment intended
15 by the payment of redevelopment project costs to reduce or
16 eliminate those conditions the existence of which qualified the
17 redevelopment project area as a "blighted area" or
18 "conservation area" or combination thereof or "industrial park
19 conservation area," and thereby to enhance the tax bases of the
20 taxing districts which extend into the redevelopment project
21 area. On and after November 1, 1999 (the effective date of
22 Public Act 91-478), no redevelopment plan may be approved or
23 amended that includes the development of vacant land (i) with a
24 golf course and related clubhouse and other facilities or (ii)
25 designated by federal, State, county, or municipal government
26 as public land for outdoor recreational activities or for

1 nature preserves and used for that purpose within 5 years prior
2 to the adoption of the redevelopment plan. For the purpose of
3 this subsection, "recreational activities" is limited to mean
4 camping and hunting. Each redevelopment plan shall set forth in
5 writing the program to be undertaken to accomplish the
6 objectives and shall include but not be limited to:

7 (A) an itemized list of estimated redevelopment
8 project costs;

9 (B) evidence indicating that the redevelopment project
10 area on the whole has not been subject to growth and
11 development through investment by private enterprise;

12 (C) an assessment of any financial impact of the
13 redevelopment project area on or any increased demand for
14 services from any taxing district affected by the plan and
15 any program to address such financial impact or increased
16 demand;

17 (D) the sources of funds to pay costs;

18 (E) the nature and term of the obligations to be
19 issued;

20 (F) the most recent equalized assessed valuation of the
21 redevelopment project area;

22 (G) an estimate as to the equalized assessed valuation
23 after redevelopment and the general land uses to apply in
24 the redevelopment project area;

25 (H) a commitment to fair employment practices and an
26 affirmative action plan;

1 (I) if it concerns an industrial park conservation
2 area, the plan shall also include a general description of
3 any proposed developer, user and tenant of any property, a
4 description of the type, structure and general character of
5 the facilities to be developed, a description of the type,
6 class and number of new employees to be employed in the
7 operation of the facilities to be developed; and

8 (J) if property is to be annexed to the municipality,
9 the plan shall include the terms of the annexation
10 agreement.

11 The provisions of items (B) and (C) of this subsection (n)
12 shall not apply to a municipality that before March 14, 1994
13 (the effective date of Public Act 88-537) had fixed, either by
14 its corporate authorities or by a commission designated under
15 subsection (k) of Section 11-74.4-4, a time and place for a
16 public hearing as required by subsection (a) of Section
17 11-74.4-5. No redevelopment plan shall be adopted unless a
18 municipality complies with all of the following requirements:

19 (1) The municipality finds that the redevelopment
20 project area on the whole has not been subject to growth
21 and development through investment by private enterprise
22 and would not reasonably be anticipated to be developed
23 without the adoption of the redevelopment plan.

24 (2) The municipality finds that the redevelopment plan
25 and project conform to the comprehensive plan for the
26 development of the municipality as a whole, or, for

1 municipalities with a population of 100,000 or more,
2 regardless of when the redevelopment plan and project was
3 adopted, the redevelopment plan and project either: (i)
4 conforms to the strategic economic development or
5 redevelopment plan issued by the designated planning
6 authority of the municipality, or (ii) includes land uses
7 that have been approved by the planning commission of the
8 municipality.

9 (3) The redevelopment plan establishes the estimated
10 dates of completion of the redevelopment project and
11 retirement of obligations issued to finance redevelopment
12 project costs. Those dates may not be later than the dates
13 set forth under Section 11-74.4-3.5.

14 A municipality may by municipal ordinance amend an
15 existing redevelopment plan to conform to this paragraph
16 (3) as amended by Public Act 91-478, which municipal
17 ordinance may be adopted without further hearing or notice
18 and without complying with the procedures provided in this
19 Act pertaining to an amendment to or the initial approval
20 of a redevelopment plan and project and designation of a
21 redevelopment project area.

22 (3.5) The municipality finds, in the case of an
23 industrial park conservation area, also that the
24 municipality is a labor surplus municipality and that the
25 implementation of the redevelopment plan will reduce
26 unemployment, create new jobs and by the provision of new

1 facilities enhance the tax base of the taxing districts
2 that extend into the redevelopment project area.

3 (4) If any incremental revenues are being utilized
4 under Section 8(a)(1) or 8(a)(2) of this Act in
5 redevelopment project areas approved by ordinance after
6 January 1, 1986, the municipality finds: (a) that the
7 redevelopment project area would not reasonably be
8 developed without the use of such incremental revenues, and
9 (b) that such incremental revenues will be exclusively
10 utilized for the development of the redevelopment project
11 area.

12 (5) If the redevelopment plan will not result in
13 displacement of residents from 10 or more inhabited
14 residential units, and the municipality certifies in the
15 plan that such displacement will not result from the plan,
16 a housing impact study need not be performed. If, however,
17 the redevelopment plan would result in the displacement of
18 residents from 10 or more inhabited residential units, or
19 if the redevelopment project area contains 75 or more
20 inhabited residential units and no certification is made,
21 then the municipality shall prepare, as part of the
22 separate feasibility report required by subsection (a) of
23 Section 11-74.4-5, a housing impact study.

24 Part I of the housing impact study shall include (i)
25 data as to whether the residential units are single family
26 or multi-family units, (ii) the number and type of rooms

1 within the units, if that information is available, (iii)
2 whether the units are inhabited or uninhabited, as
3 determined not less than 45 days before the date that the
4 ordinance or resolution required by subsection (a) of
5 Section 11-74.4-5 is passed, and (iv) data as to the racial
6 and ethnic composition of the residents in the inhabited
7 residential units. The data requirement as to the racial
8 and ethnic composition of the residents in the inhabited
9 residential units shall be deemed to be fully satisfied by
10 data from the most recent federal census.

11 Part II of the housing impact study shall identify the
12 inhabited residential units in the proposed redevelopment
13 project area that are to be or may be removed. If inhabited
14 residential units are to be removed, then the housing
15 impact study shall identify (i) the number and location of
16 those units that will or may be removed, (ii) the
17 municipality's plans for relocation assistance for those
18 residents in the proposed redevelopment project area whose
19 residences are to be removed, (iii) the availability of
20 replacement housing for those residents whose residences
21 are to be removed, and shall identify the type, location,
22 and cost of the housing, and (iv) the type and extent of
23 relocation assistance to be provided.

24 (6) On and after November 1, 1999, the housing impact
25 study required by paragraph (5) shall be incorporated in
26 the redevelopment plan for the redevelopment project area.

1 (7) On and after November 1, 1999, no redevelopment
2 plan shall be adopted, nor an existing plan amended, nor
3 shall residential housing that is occupied by households of
4 low-income and very low-income persons in currently
5 existing redevelopment project areas be removed after
6 November 1, 1999 unless the redevelopment plan provides,
7 with respect to inhabited housing units that are to be
8 removed for households of low-income and very low-income
9 persons, affordable housing and relocation assistance not
10 less than that which would be provided under the federal
11 Uniform Relocation Assistance and Real Property
12 Acquisition Policies Act of 1970 and the regulations under
13 that Act, including the eligibility criteria. Affordable
14 housing may be either existing or newly constructed
15 housing. For purposes of this paragraph (7), "low-income
16 households", "very low-income households", and "affordable
17 housing" have the meanings set forth in the Illinois
18 Affordable Housing Act. The municipality shall make a good
19 faith effort to ensure that this affordable housing is
20 located in or near the redevelopment project area within
21 the municipality.

22 (8) On and after November 1, 1999, if, after the
23 adoption of the redevelopment plan for the redevelopment
24 project area, any municipality desires to amend its
25 redevelopment plan to remove more inhabited residential
26 units than specified in its original redevelopment plan,

1 that change shall be made in accordance with the procedures
2 in subsection (c) of Section 11-74.4-5.

3 (9) For redevelopment project areas designated prior
4 to November 1, 1999, the redevelopment plan may be amended
5 without further joint review board meeting or hearing,
6 provided that the municipality shall give notice of any
7 such changes by mail to each affected taxing district and
8 registrant on the interested party registry, to authorize
9 the municipality to expend tax increment revenues for
10 redevelopment project costs defined by paragraphs (5) and
11 (7.5), subparagraphs (E) and (F) of paragraph (11), and
12 paragraph (11.5) of subsection (q) of Section 11-74.4-3, so
13 long as the changes do not increase the total estimated
14 redevelopment project costs set out in the redevelopment
15 plan by more than 5% after adjustment for inflation from
16 the date the plan was adopted.

17 (o) "Redevelopment project" means any public and private
18 development project in furtherance of the objectives of a
19 redevelopment plan. On and after November 1, 1999 (the
20 effective date of Public Act 91-478), no redevelopment plan may
21 be approved or amended that includes the development of vacant
22 land (i) with a golf course and related clubhouse and other
23 facilities or (ii) designated by federal, State, county, or
24 municipal government as public land for outdoor recreational
25 activities or for nature preserves and used for that purpose
26 within 5 years prior to the adoption of the redevelopment plan.

1 For the purpose of this subsection, "recreational activities"
2 is limited to mean camping and hunting.

3 (p) "Redevelopment project area" means an area designated
4 by the municipality, which is not less in the aggregate than 1
5 1/2 acres and in respect to which the municipality has made a
6 finding that there exist conditions which cause the area to be
7 classified as an industrial park conservation area or a
8 blighted area or a conservation area, or a combination of both
9 blighted areas and conservation areas.

10 (p-1) Notwithstanding any provision of this Act to the
11 contrary, on and after August 25, 2009 (the effective date of
12 Public Act 96-680), a redevelopment project area may include
13 areas within a one-half mile radius of an existing or proposed
14 Regional Transportation Authority Suburban Transit Access
15 Route (STAR Line) station without a finding that the area is
16 classified as an industrial park conservation area, a blighted
17 area, a conservation area, or a combination thereof, but only
18 if the municipality receives unanimous consent from the joint
19 review board created to review the proposed redevelopment
20 project area.

21 (q) "Redevelopment project costs", except for
22 redevelopment project areas created pursuant to subsection
23 (p-1), means and includes the sum total of all reasonable or
24 necessary costs incurred or estimated to be incurred, and any
25 such costs incidental to a redevelopment plan and a
26 redevelopment project. Such costs include, without limitation,

1 the following:

2 (1) Costs of studies, surveys, development of plans,
3 and specifications, implementation and administration of
4 the redevelopment plan including but not limited to staff
5 and professional service costs for architectural,
6 engineering, legal, financial, planning or other services,
7 provided however that no charges for professional services
8 may be based on a percentage of the tax increment
9 collected; except that on and after November 1, 1999 (the
10 effective date of Public Act 91-478), no contracts for
11 professional services, excluding architectural and
12 engineering services, may be entered into if the terms of
13 the contract extend beyond a period of 3 years. In
14 addition, "redevelopment project costs" shall not include
15 lobbying expenses. After consultation with the
16 municipality, each tax increment consultant or advisor to a
17 municipality that plans to designate or has designated a
18 redevelopment project area shall inform the municipality
19 in writing of any contracts that the consultant or advisor
20 has entered into with entities or individuals that have
21 received, or are receiving, payments financed by tax
22 increment revenues produced by the redevelopment project
23 area with respect to which the consultant or advisor has
24 performed, or will be performing, service for the
25 municipality. This requirement shall be satisfied by the
26 consultant or advisor before the commencement of services

1 for the municipality and thereafter whenever any other
2 contracts with those individuals or entities are executed
3 by the consultant or advisor;

4 (1.5) After July 1, 1999, annual administrative costs
5 shall not include general overhead or administrative costs
6 of the municipality that would still have been incurred by
7 the municipality if the municipality had not designated a
8 redevelopment project area or approved a redevelopment
9 plan;

10 (1.6) The cost of marketing sites within the
11 redevelopment project area to prospective businesses,
12 developers, and investors;

13 (2) Property assembly costs, including but not limited
14 to acquisition of land and other property, real or
15 personal, or rights or interests therein, demolition of
16 buildings, site preparation, site improvements that serve
17 as an engineered barrier addressing ground level or below
18 ground environmental contamination, including, but not
19 limited to parking lots and other concrete or asphalt
20 barriers, and the clearing and grading of land;

21 (3) Costs of rehabilitation, reconstruction or repair
22 or remodeling of existing public or private buildings,
23 fixtures, and leasehold improvements; and the cost of
24 replacing an existing public building if pursuant to the
25 implementation of a redevelopment project the existing
26 public building is to be demolished to use the site for

1 private investment or devoted to a different use requiring
2 private investment; including any direct or indirect costs
3 relating to Green Globes or LEED certified construction
4 elements or construction elements with an equivalent
5 certification;

6 (4) Costs of the construction of public works or
7 improvements, including any direct or indirect costs
8 relating to Green Globes or LEED certified construction
9 elements or construction elements with an equivalent
10 certification, except that on and after November 1, 1999,
11 redevelopment project costs shall not include the cost of
12 constructing a new municipal public building principally
13 used to provide offices, storage space, or conference
14 facilities or vehicle storage, maintenance, or repair for
15 administrative, public safety, or public works personnel
16 and that is not intended to replace an existing public
17 building as provided under paragraph (3) of subsection (q)
18 of Section 11-74.4-3 unless either (i) the construction of
19 the new municipal building implements a redevelopment
20 project that was included in a redevelopment plan that was
21 adopted by the municipality prior to November 1, 1999 or
22 (ii) the municipality makes a reasonable determination in
23 the redevelopment plan, supported by information that
24 provides the basis for that determination, that the new
25 municipal building is required to meet an increase in the
26 need for public safety purposes anticipated to result from

1 the implementation of the redevelopment plan;

2 (5) Costs of job training and retraining projects,
3 including the cost of "welfare to work" programs
4 implemented by businesses located within the redevelopment
5 project area;

6 (6) Financing costs, including but not limited to all
7 necessary and incidental expenses related to the issuance
8 of obligations and which may include payment of interest on
9 any obligations issued hereunder including interest
10 accruing during the estimated period of construction of any
11 redevelopment project for which such obligations are
12 issued and for not exceeding 36 months thereafter and
13 including reasonable reserves related thereto;

14 (7) To the extent the municipality by written agreement
15 accepts and approves the same, all or a portion of a taxing
16 district's capital costs resulting from the redevelopment
17 project necessarily incurred or to be incurred within a
18 taxing district in furtherance of the objectives of the
19 redevelopment plan and project.

20 (7.5) For redevelopment project areas designated (or
21 redevelopment project areas amended to add or increase the
22 number of tax-increment-financing assisted housing units)
23 on or after November 1, 1999, an elementary, secondary, or
24 unit school district's increased costs attributable to
25 assisted housing units located within the redevelopment
26 project area for which the developer or redeveloper

1 receives financial assistance through an agreement with
2 the municipality or because the municipality incurs the
3 cost of necessary infrastructure improvements within the
4 boundaries of the assisted housing sites necessary for the
5 completion of that housing as authorized by this Act, and
6 which costs shall be paid by the municipality from the
7 Special Tax Allocation Fund when the tax increment revenue
8 is received as a result of the assisted housing units and
9 shall be calculated annually as follows:

10 (A) for foundation districts, excluding any school
11 district in a municipality with a population in excess
12 of 1,000,000, by multiplying the district's increase
13 in attendance resulting from the net increase in new
14 students enrolled in that school district who reside in
15 housing units within the redevelopment project area
16 that have received financial assistance through an
17 agreement with the municipality or because the
18 municipality incurs the cost of necessary
19 infrastructure improvements within the boundaries of
20 the housing sites necessary for the completion of that
21 housing as authorized by this Act since the designation
22 of the redevelopment project area by the most recently
23 available per capita tuition cost as defined in Section
24 10-20.12a of the School Code less any increase in
25 general State aid as defined in Section 18-8.05 of the
26 School Code or primary State aid as defined in Section

1 18-8.15 of the School Code attributable to these added
2 new students subject to the following annual
3 limitations:

4 (i) for unit school districts with a district
5 average 1995-96 Per Capita Tuition Charge of less
6 than \$5,900, no more than 25% of the total amount
7 of property tax increment revenue produced by
8 those housing units that have received tax
9 increment finance assistance under this Act;

10 (ii) for elementary school districts with a
11 district average 1995-96 Per Capita Tuition Charge
12 of less than \$5,900, no more than 17% of the total
13 amount of property tax increment revenue produced
14 by those housing units that have received tax
15 increment finance assistance under this Act; and

16 (iii) for secondary school districts with a
17 district average 1995-96 Per Capita Tuition Charge
18 of less than \$5,900, no more than 8% of the total
19 amount of property tax increment revenue produced
20 by those housing units that have received tax
21 increment finance assistance under this Act.

22 (B) For alternate method districts, flat grant
23 districts, and foundation districts with a district
24 average 1995-96 Per Capita Tuition Charge equal to or
25 more than \$5,900, excluding any school district with a
26 population in excess of 1,000,000, by multiplying the

1 district's increase in attendance resulting from the
2 net increase in new students enrolled in that school
3 district who reside in housing units within the
4 redevelopment project area that have received
5 financial assistance through an agreement with the
6 municipality or because the municipality incurs the
7 cost of necessary infrastructure improvements within
8 the boundaries of the housing sites necessary for the
9 completion of that housing as authorized by this Act
10 since the designation of the redevelopment project
11 area by the most recently available per capita tuition
12 cost as defined in Section 10-20.12a of the School Code
13 less any increase in general state aid as defined in
14 Section 18-8.05 of the School Code or primary State aid
15 as defined in Section 18-8.15 of the School Code
16 attributable to these added new students subject to the
17 following annual limitations:

18 (i) for unit school districts, no more than 40%
19 of the total amount of property tax increment
20 revenue produced by those housing units that have
21 received tax increment finance assistance under
22 this Act;

23 (ii) for elementary school districts, no more
24 than 27% of the total amount of property tax
25 increment revenue produced by those housing units
26 that have received tax increment finance

1 assistance under this Act; and

2 (iii) for secondary school districts, no more
3 than 13% of the total amount of property tax
4 increment revenue produced by those housing units
5 that have received tax increment finance
6 assistance under this Act.

7 (C) For any school district in a municipality with
8 a population in excess of 1,000,000, the following
9 restrictions shall apply to the reimbursement of
10 increased costs under this paragraph (7.5):

11 (i) no increased costs shall be reimbursed
12 unless the school district certifies that each of
13 the schools affected by the assisted housing
14 project is at or over its student capacity;

15 (ii) the amount reimbursable shall be reduced
16 by the value of any land donated to the school
17 district by the municipality or developer, and by
18 the value of any physical improvements made to the
19 schools by the municipality or developer; and

20 (iii) the amount reimbursed may not affect
21 amounts otherwise obligated by the terms of any
22 bonds, notes, or other funding instruments, or the
23 terms of any redevelopment agreement.

24 Any school district seeking payment under this
25 paragraph (7.5) shall, after July 1 and before
26 September 30 of each year, provide the municipality

1 with reasonable evidence to support its claim for
2 reimbursement before the municipality shall be
3 required to approve or make the payment to the school
4 district. If the school district fails to provide the
5 information during this period in any year, it shall
6 forfeit any claim to reimbursement for that year.
7 School districts may adopt a resolution waiving the
8 right to all or a portion of the reimbursement
9 otherwise required by this paragraph (7.5). By
10 acceptance of this reimbursement the school district
11 waives the right to directly or indirectly set aside,
12 modify, or contest in any manner the establishment of
13 the redevelopment project area or projects;

14 (7.7) For redevelopment project areas designated (or
15 redevelopment project areas amended to add or increase the
16 number of tax-increment-financing assisted housing units)
17 on or after January 1, 2005 (the effective date of Public
18 Act 93-961), a public library district's increased costs
19 attributable to assisted housing units located within the
20 redevelopment project area for which the developer or
21 redeveloper receives financial assistance through an
22 agreement with the municipality or because the
23 municipality incurs the cost of necessary infrastructure
24 improvements within the boundaries of the assisted housing
25 sites necessary for the completion of that housing as
26 authorized by this Act shall be paid to the library

1 district by the municipality from the Special Tax
2 Allocation Fund when the tax increment revenue is received
3 as a result of the assisted housing units. This paragraph
4 (7.7) applies only if (i) the library district is located
5 in a county that is subject to the Property Tax Extension
6 Limitation Law or (ii) the library district is not located
7 in a county that is subject to the Property Tax Extension
8 Limitation Law but the district is prohibited by any other
9 law from increasing its tax levy rate without a prior voter
10 referendum.

11 The amount paid to a library district under this
12 paragraph (7.7) shall be calculated by multiplying (i) the
13 net increase in the number of persons eligible to obtain a
14 library card in that district who reside in housing units
15 within the redevelopment project area that have received
16 financial assistance through an agreement with the
17 municipality or because the municipality incurs the cost of
18 necessary infrastructure improvements within the
19 boundaries of the housing sites necessary for the
20 completion of that housing as authorized by this Act since
21 the designation of the redevelopment project area by (ii)
22 the per-patron cost of providing library services so long
23 as it does not exceed \$120. The per-patron cost shall be
24 the Total Operating Expenditures Per Capita for the library
25 in the previous fiscal year. The municipality may deduct
26 from the amount that it must pay to a library district

1 under this paragraph any amount that it has voluntarily
2 paid to the library district from the tax increment
3 revenue. The amount paid to a library district under this
4 paragraph (7.7) shall be no more than 2% of the amount
5 produced by the assisted housing units and deposited into
6 the Special Tax Allocation Fund.

7 A library district is not eligible for any payment
8 under this paragraph (7.7) unless the library district has
9 experienced an increase in the number of patrons from the
10 municipality that created the tax-increment-financing
11 district since the designation of the redevelopment
12 project area.

13 Any library district seeking payment under this
14 paragraph (7.7) shall, after July 1 and before September 30
15 of each year, provide the municipality with convincing
16 evidence to support its claim for reimbursement before the
17 municipality shall be required to approve or make the
18 payment to the library district. If the library district
19 fails to provide the information during this period in any
20 year, it shall forfeit any claim to reimbursement for that
21 year. Library districts may adopt a resolution waiving the
22 right to all or a portion of the reimbursement otherwise
23 required by this paragraph (7.7). By acceptance of such
24 reimbursement, the library district shall forfeit any
25 right to directly or indirectly set aside, modify, or
26 contest in any manner whatsoever the establishment of the

1 redevelopment project area or projects;

2 (8) Relocation costs to the extent that a municipality
3 determines that relocation costs shall be paid or is
4 required to make payment of relocation costs by federal or
5 State law or in order to satisfy subparagraph (7) of
6 subsection (n);

7 (9) Payment in lieu of taxes;

8 (10) Costs of job training, retraining, advanced
9 vocational education or career education, including but
10 not limited to courses in occupational, semi-technical or
11 technical fields leading directly to employment, incurred
12 by one or more taxing districts, provided that such costs
13 (i) are related to the establishment and maintenance of
14 additional job training, advanced vocational education or
15 career education programs for persons employed or to be
16 employed by employers located in a redevelopment project
17 area; and (ii) when incurred by a taxing district or taxing
18 districts other than the municipality, are set forth in a
19 written agreement by or among the municipality and the
20 taxing district or taxing districts, which agreement
21 describes the program to be undertaken, including but not
22 limited to the number of employees to be trained, a
23 description of the training and services to be provided,
24 the number and type of positions available or to be
25 available, itemized costs of the program and sources of
26 funds to pay for the same, and the term of the agreement.

1 Such costs include, specifically, the payment by community
2 college districts of costs pursuant to Sections 3-37, 3-38,
3 3-40 and 3-40.1 of the Public Community College Act and by
4 school districts of costs pursuant to Sections 10-22.20a
5 and 10-23.3a of The School Code;

6 (11) Interest cost incurred by a redeveloper related to
7 the construction, renovation or rehabilitation of a
8 redevelopment project provided that:

9 (A) such costs are to be paid directly from the
10 special tax allocation fund established pursuant to
11 this Act;

12 (B) such payments in any one year may not exceed
13 30% of the annual interest costs incurred by the
14 redeveloper with regard to the redevelopment project
15 during that year;

16 (C) if there are not sufficient funds available in
17 the special tax allocation fund to make the payment
18 pursuant to this paragraph (11) then the amounts so due
19 shall accrue and be payable when sufficient funds are
20 available in the special tax allocation fund;

21 (D) the total of such interest payments paid
22 pursuant to this Act may not exceed 30% of the total
23 (i) cost paid or incurred by the redeveloper for the
24 redevelopment project plus (ii) redevelopment project
25 costs excluding any property assembly costs and any
26 relocation costs incurred by a municipality pursuant

1 to this Act; and

2 (E) the cost limits set forth in subparagraphs (B)
3 and (D) of paragraph (11) shall be modified for the
4 financing of rehabilitated or new housing units for
5 low-income households and very low-income households,
6 as defined in Section 3 of the Illinois Affordable
7 Housing Act. The percentage of 75% shall be substituted
8 for 30% in subparagraphs (B) and (D) of paragraph (11).

9 (F) Instead of the eligible costs provided by
10 subparagraphs (B) and (D) of paragraph (11), as
11 modified by this subparagraph, and notwithstanding any
12 other provisions of this Act to the contrary, the
13 municipality may pay from tax increment revenues up to
14 50% of the cost of construction of new housing units to
15 be occupied by low-income households and very
16 low-income households as defined in Section 3 of the
17 Illinois Affordable Housing Act. The cost of
18 construction of those units may be derived from the
19 proceeds of bonds issued by the municipality under this
20 Act or other constitutional or statutory authority or
21 from other sources of municipal revenue that may be
22 reimbursed from tax increment revenues or the proceeds
23 of bonds issued to finance the construction of that
24 housing.

25 The eligible costs provided under this
26 subparagraph (F) of paragraph (11) shall be an eligible

1 cost for the construction, renovation, and
2 rehabilitation of all low and very low-income housing
3 units, as defined in Section 3 of the Illinois
4 Affordable Housing Act, within the redevelopment
5 project area. If the low and very low-income units are
6 part of a residential redevelopment project that
7 includes units not affordable to low and very
8 low-income households, only the low and very
9 low-income units shall be eligible for benefits under
10 subparagraph (F) of paragraph (11). The standards for
11 maintaining the occupancy by low-income households and
12 very low-income households, as defined in Section 3 of
13 the Illinois Affordable Housing Act, of those units
14 constructed with eligible costs made available under
15 the provisions of this subparagraph (F) of paragraph
16 (11) shall be established by guidelines adopted by the
17 municipality. The responsibility for annually
18 documenting the initial occupancy of the units by
19 low-income households and very low-income households,
20 as defined in Section 3 of the Illinois Affordable
21 Housing Act, shall be that of the then current owner of
22 the property. For ownership units, the guidelines will
23 provide, at a minimum, for a reasonable recapture of
24 funds, or other appropriate methods designed to
25 preserve the original affordability of the ownership
26 units. For rental units, the guidelines will provide,

1 at a minimum, for the affordability of rent to low and
2 very low-income households. As units become available,
3 they shall be rented to income-eligible tenants. The
4 municipality may modify these guidelines from time to
5 time; the guidelines, however, shall be in effect for
6 as long as tax increment revenue is being used to pay
7 for costs associated with the units or for the
8 retirement of bonds issued to finance the units or for
9 the life of the redevelopment project area, whichever
10 is later.

11 (11.5) If the redevelopment project area is located
12 within a municipality with a population of more than
13 100,000, the cost of day care services for children of
14 employees from low-income families working for businesses
15 located within the redevelopment project area and all or a
16 portion of the cost of operation of day care centers
17 established by redevelopment project area businesses to
18 serve employees from low-income families working in
19 businesses located in the redevelopment project area. For
20 the purposes of this paragraph, "low-income families"
21 means families whose annual income does not exceed 80% of
22 the municipal, county, or regional median income, adjusted
23 for family size, as the annual income and municipal,
24 county, or regional median income are determined from time
25 to time by the United States Department of Housing and
26 Urban Development.

1 (12) Unless explicitly stated herein the cost of
2 construction of new privately-owned buildings shall not be
3 an eligible redevelopment project cost.

4 (13) After November 1, 1999 (the effective date of
5 Public Act 91-478), none of the redevelopment project costs
6 enumerated in this subsection shall be eligible
7 redevelopment project costs if those costs would provide
8 direct financial support to a retail entity initiating
9 operations in the redevelopment project area while
10 terminating operations at another Illinois location within
11 10 miles of the redevelopment project area but outside the
12 boundaries of the redevelopment project area municipality.
13 For purposes of this paragraph, termination means a closing
14 of a retail operation that is directly related to the
15 opening of the same operation or like retail entity owned
16 or operated by more than 50% of the original ownership in a
17 redevelopment project area, but it does not mean closing an
18 operation for reasons beyond the control of the retail
19 entity, as documented by the retail entity, subject to a
20 reasonable finding by the municipality that the current
21 location contained inadequate space, had become
22 economically obsolete, or was no longer a viable location
23 for the retailer or serviceman.

24 (14) No cost shall be a redevelopment project cost in a
25 redevelopment project area if used to demolish, remove, or
26 substantially modify a historic resource, after August 26,

1 2008 (the effective date of Public Act 95-934), unless no
2 prudent and feasible alternative exists. "Historic
3 resource" for the purpose of this item (14) means (i) a
4 place or structure that is included or eligible for
5 inclusion on the National Register of Historic Places or
6 (ii) a contributing structure in a district on the National
7 Register of Historic Places. This item (14) does not apply
8 to a place or structure for which demolition, removal, or
9 modification is subject to review by the preservation
10 agency of a Certified Local Government designated as such
11 by the National Park Service of the United States
12 Department of the Interior.

13 If a special service area has been established pursuant to
14 the Special Service Area Tax Act or Special Service Area Tax
15 Law, then any tax increment revenues derived from the tax
16 imposed pursuant to the Special Service Area Tax Act or Special
17 Service Area Tax Law may be used within the redevelopment
18 project area for the purposes permitted by that Act or Law as
19 well as the purposes permitted by this Act.

20 (q-1) For redevelopment project areas created pursuant to
21 subsection (p-1), redevelopment project costs are limited to
22 those costs in paragraph (q) that are related to the existing
23 or proposed Regional Transportation Authority Suburban Transit
24 Access Route (STAR Line) station.

25 (r) "State Sales Tax Boundary" means the redevelopment
26 project area or the amended redevelopment project area

1 boundaries which are determined pursuant to subsection (9) of
2 Section 11-74.4-8a of this Act. The Department of Revenue shall
3 certify pursuant to subsection (9) of Section 11-74.4-8a the
4 appropriate boundaries eligible for the determination of State
5 Sales Tax Increment.

6 (s) "State Sales Tax Increment" means an amount equal to
7 the increase in the aggregate amount of taxes paid by retailers
8 and servicemen, other than retailers and servicemen subject to
9 the Public Utilities Act, on transactions at places of business
10 located within a State Sales Tax Boundary pursuant to the
11 Retailers' Occupation Tax Act, the Use Tax Act, the Service Use
12 Tax Act, and the Service Occupation Tax Act, except such
13 portion of such increase that is paid into the State and Local
14 Sales Tax Reform Fund, the Local Government Distributive Fund,
15 the Local Government Tax Fund and the County and Mass Transit
16 District Fund, for as long as State participation exists, over
17 and above the Initial Sales Tax Amounts, Adjusted Initial Sales
18 Tax Amounts or the Revised Initial Sales Tax Amounts for such
19 taxes as certified by the Department of Revenue and paid under
20 those Acts by retailers and servicemen on transactions at
21 places of business located within the State Sales Tax Boundary
22 during the base year which shall be the calendar year
23 immediately prior to the year in which the municipality adopted
24 tax increment allocation financing, less 3.0% of such amounts
25 generated under the Retailers' Occupation Tax Act, Use Tax Act
26 and Service Use Tax Act and the Service Occupation Tax Act,

1 which sum shall be appropriated to the Department of Revenue to
2 cover its costs of administering and enforcing this Section.
3 For purposes of computing the aggregate amount of such taxes
4 for base years occurring prior to 1985, the Department of
5 Revenue shall compute the Initial Sales Tax Amount for such
6 taxes and deduct therefrom an amount equal to 4% of the
7 aggregate amount of taxes per year for each year the base year
8 is prior to 1985, but not to exceed a total deduction of 12%.
9 The amount so determined shall be known as the "Adjusted
10 Initial Sales Tax Amount". For purposes of determining the
11 State Sales Tax Increment the Department of Revenue shall for
12 each period subtract from the tax amounts received from
13 retailers and servicemen on transactions located in the State
14 Sales Tax Boundary, the certified Initial Sales Tax Amounts,
15 Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax
16 Amounts for the Retailers' Occupation Tax Act, the Use Tax Act,
17 the Service Use Tax Act and the Service Occupation Tax Act. For
18 the State Fiscal Year 1989 this calculation shall be made by
19 utilizing the calendar year 1987 to determine the tax amounts
20 received. For the State Fiscal Year 1990, this calculation
21 shall be made by utilizing the period from January 1, 1988,
22 until September 30, 1988, to determine the tax amounts received
23 from retailers and servicemen, which shall have deducted
24 therefrom nine-twelfths of the certified Initial Sales Tax
25 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
26 Initial Sales Tax Amounts as appropriate. For the State Fiscal

1 Year 1991, this calculation shall be made by utilizing the
2 period from October 1, 1988, until June 30, 1989, to determine
3 the tax amounts received from retailers and servicemen, which
4 shall have deducted therefrom nine-twelfths of the certified
5 Initial State Sales Tax Amounts, Adjusted Initial Sales Tax
6 Amounts or the Revised Initial Sales Tax Amounts as
7 appropriate. For every State Fiscal Year thereafter, the
8 applicable period shall be the 12 months beginning July 1 and
9 ending on June 30, to determine the tax amounts received which
10 shall have deducted therefrom the certified Initial Sales Tax
11 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
12 Initial Sales Tax Amounts. Municipalities intending to receive
13 a distribution of State Sales Tax Increment must report a list
14 of retailers to the Department of Revenue by October 31, 1988
15 and by July 31, of each year thereafter.

16 (t) "Taxing districts" means counties, townships, cities
17 and incorporated towns and villages, school, road, park,
18 sanitary, mosquito abatement, forest preserve, public health,
19 fire protection, river conservancy, tuberculosis sanitarium
20 and any other municipal corporations or districts with the
21 power to levy taxes.

22 (u) "Taxing districts' capital costs" means those costs of
23 taxing districts for capital improvements that are found by the
24 municipal corporate authorities to be necessary and directly
25 result from the redevelopment project.

26 (v) As used in subsection (a) of Section 11-74.4-3 of this

1 Act, "vacant land" means any parcel or combination of parcels
2 of real property without industrial, commercial, and
3 residential buildings which has not been used for commercial
4 agricultural purposes within 5 years prior to the designation
5 of the redevelopment project area, unless the parcel is
6 included in an industrial park conservation area or the parcel
7 has been subdivided; provided that if the parcel was part of a
8 larger tract that has been divided into 3 or more smaller
9 tracts that were accepted for recording during the period from
10 1950 to 1990, then the parcel shall be deemed to have been
11 subdivided, and all proceedings and actions of the municipality
12 taken in that connection with respect to any previously
13 approved or designated redevelopment project area or amended
14 redevelopment project area are hereby validated and hereby
15 declared to be legally sufficient for all purposes of this Act.
16 For purposes of this Section and only for land subject to the
17 subdivision requirements of the Plat Act, land is subdivided
18 when the original plat of the proposed Redevelopment Project
19 Area or relevant portion thereof has been properly certified,
20 acknowledged, approved, and recorded or filed in accordance
21 with the Plat Act and a preliminary plat, if any, for any
22 subsequent phases of the proposed Redevelopment Project Area or
23 relevant portion thereof has been properly approved and filed
24 in accordance with the applicable ordinance of the
25 municipality.

26 (w) "Annual Total Increment" means the sum of each

1 municipality's annual Net Sales Tax Increment and each
2 municipality's annual Net Utility Tax Increment. The ratio of
3 the Annual Total Increment of each municipality to the Annual
4 Total Increment for all municipalities, as most recently
5 calculated by the Department, shall determine the proportional
6 shares of the Illinois Tax Increment Fund to be distributed to
7 each municipality.

8 (x) "LEED certified" means any certification level of
9 construction elements by a qualified Leadership in Energy and
10 Environmental Design Accredited Professional as determined by
11 the U.S. Green Building Council.

12 (y) "Green Globes certified" means any certification level
13 of construction elements by a qualified Green Globes
14 Professional as determined by the Green Building Initiative.

15 (Source: P.A. 96-328, eff. 8-11-09; 96-630, eff. 1-1-10;
16 96-680, eff. 8-25-09; 96-1000, eff. 7-2-10; 97-101, eff.
17 1-1-12.)

18 (65 ILCS 5/11-74.4-8) (from Ch. 24, par. 11-74.4-8)

19 Sec. 11-74.4-8. Tax increment allocation financing. A
20 municipality may not adopt tax increment financing in a
21 redevelopment project area after the effective date of this
22 amendatory Act of 1997 that will encompass an area that is
23 currently included in an enterprise zone created under the
24 Illinois Enterprise Zone Act unless that municipality,
25 pursuant to Section 5.4 of the Illinois Enterprise Zone Act,

1 amends the enterprise zone designating ordinance to limit the
2 eligibility for tax abatements as provided in Section 5.4.1 of
3 the Illinois Enterprise Zone Act. A municipality, at the time a
4 redevelopment project area is designated, may adopt tax
5 increment allocation financing by passing an ordinance
6 providing that the ad valorem taxes, if any, arising from the
7 levies upon taxable real property in such redevelopment project
8 area by taxing districts and tax rates determined in the manner
9 provided in paragraph (c) of Section 11-74.4-9 each year after
10 the effective date of the ordinance until redevelopment project
11 costs and all municipal obligations financing redevelopment
12 project costs incurred under this Division have been paid shall
13 be divided as follows:

14 (a) That portion of taxes levied upon each taxable lot,
15 block, tract or parcel of real property which is attributable
16 to the lower of the current equalized assessed value or the
17 initial equalized assessed value of each such taxable lot,
18 block, tract or parcel of real property in the redevelopment
19 project area shall be allocated to and when collected shall be
20 paid by the county collector to the respective affected taxing
21 districts in the manner required by law in the absence of the
22 adoption of tax increment allocation financing.

23 (b) Except from a tax levied by a township to retire bonds
24 issued to satisfy court-ordered damages, that portion, if any,
25 of such taxes which is attributable to the increase in the
26 current equalized assessed valuation of each taxable lot,

1 block, tract or parcel of real property in the redevelopment
2 project area over and above the initial equalized assessed
3 value of each property in the project area shall be allocated
4 to and when collected shall be paid to the municipal treasurer
5 who shall deposit said taxes into a special fund called the
6 special tax allocation fund of the municipality for the purpose
7 of paying redevelopment project costs and obligations incurred
8 in the payment thereof. In any county with a population of
9 3,000,000 or more that has adopted a procedure for collecting
10 taxes that provides for one or more of the installments of the
11 taxes to be billed and collected on an estimated basis, the
12 municipal treasurer shall be paid for deposit in the special
13 tax allocation fund of the municipality, from the taxes
14 collected from estimated bills issued for property in the
15 redevelopment project area, the difference between the amount
16 actually collected from each taxable lot, block, tract, or
17 parcel of real property within the redevelopment project area
18 and an amount determined by multiplying the rate at which taxes
19 were last extended against the taxable lot, block, track, or
20 parcel of real property in the manner provided in subsection
21 (c) of Section 11-74.4-9 by the initial equalized assessed
22 value of the property divided by the number of installments in
23 which real estate taxes are billed and collected within the
24 county; provided that the payments on or before December 31,
25 1999 to a municipal treasurer shall be made only if each of the
26 following conditions are met:

1 (1) The total equalized assessed value of the
2 redevelopment project area as last determined was not less
3 than 175% of the total initial equalized assessed value.

4 (2) Not more than 50% of the total equalized assessed
5 value of the redevelopment project area as last determined
6 is attributable to a piece of property assigned a single
7 real estate index number.

8 (3) The municipal clerk has certified to the county
9 clerk that the municipality has issued its obligations to
10 which there has been pledged the incremental property taxes
11 of the redevelopment project area or taxes levied and
12 collected on any or all property in the municipality or the
13 full faith and credit of the municipality to pay or secure
14 payment for all or a portion of the redevelopment project
15 costs. The certification shall be filed annually no later
16 than September 1 for the estimated taxes to be distributed
17 in the following year; however, for the year 1992 the
18 certification shall be made at any time on or before March
19 31, 1992.

20 (4) The municipality has not requested that the total
21 initial equalized assessed value of real property be
22 adjusted as provided in subsection (b) of Section
23 11-74.4-9.

24 The conditions of paragraphs (1) through (4) do not apply
25 after December 31, 1999 to payments to a municipal treasurer
26 made by a county with 3,000,000 or more inhabitants that has

1 adopted an estimated billing procedure for collecting taxes. If
2 a county that has adopted the estimated billing procedure makes
3 an erroneous overpayment of tax revenue to the municipal
4 treasurer, then the county may seek a refund of that
5 overpayment. The county shall send the municipal treasurer a
6 notice of liability for the overpayment on or before the
7 mailing date of the next real estate tax bill within the
8 county. The refund shall be limited to the amount of the
9 overpayment.

10 It is the intent of this Division that after the effective
11 date of this amendatory Act of 1988 a municipality's own ad
12 valorem tax arising from levies on taxable real property be
13 included in the determination of incremental revenue in the
14 manner provided in paragraph (c) of Section 11-74.4-9. If the
15 municipality does not extend such a tax, it shall annually
16 deposit in the municipality's Special Tax Increment Fund an
17 amount equal to 10% of the total contributions to the fund from
18 all other taxing districts in that year. The annual 10% deposit
19 required by this paragraph shall be limited to the actual
20 amount of municipally produced incremental tax revenues
21 available to the municipality from taxpayers located in the
22 redevelopment project area in that year if: (a) the plan for
23 the area restricts the use of the property primarily to
24 industrial purposes, (b) the municipality establishing the
25 redevelopment project area is a home-rule community with a 1990
26 population of between 25,000 and 50,000, (c) the municipality

1 is wholly located within a county with a 1990 population of
2 over 750,000 and (d) the redevelopment project area was
3 established by the municipality prior to June 1, 1990. This
4 payment shall be in lieu of a contribution of ad valorem taxes
5 on real property. If no such payment is made, any redevelopment
6 project area of the municipality shall be dissolved.

7 If a municipality has adopted tax increment allocation
8 financing by ordinance and the County Clerk thereafter
9 certifies the "total initial equalized assessed value as
10 adjusted" of the taxable real property within such
11 redevelopment project area in the manner provided in paragraph
12 (b) of Section 11-74.4-9, each year after the date of the
13 certification of the total initial equalized assessed value as
14 adjusted until redevelopment project costs and all municipal
15 obligations financing redevelopment project costs have been
16 paid the ad valorem taxes, if any, arising from the levies upon
17 the taxable real property in such redevelopment project area by
18 taxing districts and tax rates determined in the manner
19 provided in paragraph (c) of Section 11-74.4-9 shall be divided
20 as follows:

21 (1) That portion of the taxes levied upon each taxable
22 lot, block, tract or parcel of real property which is
23 attributable to the lower of the current equalized assessed
24 value or "current equalized assessed value as adjusted" or
25 the initial equalized assessed value of each such taxable
26 lot, block, tract, or parcel of real property existing at

1 the time tax increment financing was adopted, minus the
2 total current homestead exemptions under Article 15 of the
3 Property Tax Code in the redevelopment project area shall
4 be allocated to and when collected shall be paid by the
5 county collector to the respective affected taxing
6 districts in the manner required by law in the absence of
7 the adoption of tax increment allocation financing.

8 (2) That portion, if any, of such taxes which is
9 attributable to the increase in the current equalized
10 assessed valuation of each taxable lot, block, tract, or
11 parcel of real property in the redevelopment project area,
12 over and above the initial equalized assessed value of each
13 property existing at the time tax increment financing was
14 adopted, minus the total current homestead exemptions
15 pertaining to each piece of property provided by Article 15
16 of the Property Tax Code in the redevelopment project area,
17 shall be allocated to and when collected shall be paid to
18 the municipal Treasurer, who shall deposit said taxes into
19 a special fund called the special tax allocation fund of
20 the municipality for the purpose of paying redevelopment
21 project costs and obligations incurred in the payment
22 thereof.

23 The municipality may pledge in the ordinance the funds in
24 and to be deposited in the special tax allocation fund for the
25 payment of such costs and obligations. No part of the current
26 equalized assessed valuation of each property in the

1 redevelopment project area attributable to any increase above
2 the total initial equalized assessed value, or the total
3 initial equalized assessed value as adjusted, of such
4 properties shall be used in calculating the general State
5 ~~school~~ aid formula, provided for in Section 18-8 of the School
6 Code, or the primary State aid formula, provided for in Section
7 18-8.15 of the School Code, until such time as all
8 redevelopment project costs have been paid as provided for in
9 this Section.

10 Whenever a municipality issues bonds for the purpose of
11 financing redevelopment project costs, such municipality may
12 provide by ordinance for the appointment of a trustee, which
13 may be any trust company within the State, and for the
14 establishment of such funds or accounts to be maintained by
15 such trustee as the municipality shall deem necessary to
16 provide for the security and payment of the bonds. If such
17 municipality provides for the appointment of a trustee, such
18 trustee shall be considered the assignee of any payments
19 assigned by the municipality pursuant to such ordinance and
20 this Section. Any amounts paid to such trustee as assignee
21 shall be deposited in the funds or accounts established
22 pursuant to such trust agreement, and shall be held by such
23 trustee in trust for the benefit of the holders of the bonds,
24 and such holders shall have a lien on and a security interest
25 in such funds or accounts so long as the bonds remain
26 outstanding and unpaid. Upon retirement of the bonds, the

1 trustee shall pay over any excess amounts held to the
2 municipality for deposit in the special tax allocation fund.

3 When such redevelopment projects costs, including without
4 limitation all municipal obligations financing redevelopment
5 project costs incurred under this Division, have been paid, all
6 surplus funds then remaining in the special tax allocation fund
7 shall be distributed by being paid by the municipal treasurer
8 to the Department of Revenue, the municipality and the county
9 collector; first to the Department of Revenue and the
10 municipality in direct proportion to the tax incremental
11 revenue received from the State and the municipality, but not
12 to exceed the total incremental revenue received from the State
13 or the municipality less any annual surplus distribution of
14 incremental revenue previously made; with any remaining funds
15 to be paid to the County Collector who shall immediately
16 thereafter pay said funds to the taxing districts in the
17 redevelopment project area in the same manner and proportion as
18 the most recent distribution by the county collector to the
19 affected districts of real property taxes from real property in
20 the redevelopment project area.

21 Upon the payment of all redevelopment project costs, the
22 retirement of obligations, the distribution of any excess
23 monies pursuant to this Section, and final closing of the books
24 and records of the redevelopment project area, the municipality
25 shall adopt an ordinance dissolving the special tax allocation
26 fund for the redevelopment project area and terminating the

1 designation of the redevelopment project area as a
2 redevelopment project area. Title to real or personal property
3 and public improvements acquired by or for the municipality as
4 a result of the redevelopment project and plan shall vest in
5 the municipality when acquired and shall continue to be held by
6 the municipality after the redevelopment project area has been
7 terminated. Municipalities shall notify affected taxing
8 districts prior to November 1 if the redevelopment project area
9 is to be terminated by December 31 of that same year. If a
10 municipality extends estimated dates of completion of a
11 redevelopment project and retirement of obligations to finance
12 a redevelopment project, as allowed by this amendatory Act of
13 1993, that extension shall not extend the property tax
14 increment allocation financing authorized by this Section.
15 Thereafter the rates of the taxing districts shall be extended
16 and taxes levied, collected and distributed in the manner
17 applicable in the absence of the adoption of tax increment
18 allocation financing.

19 Nothing in this Section shall be construed as relieving
20 property in such redevelopment project areas from being
21 assessed as provided in the Property Tax Code or as relieving
22 owners of such property from paying a uniform rate of taxes, as
23 required by Section 4 of Article IX of the Illinois
24 Constitution.

25 (Source: P.A. 98-463, eff. 8-16-13.)

1 (65 ILCS 5/11-74.6-35)

2 Sec. 11-74.6-35. Ordinance for tax increment allocation
3 financing.

4 (a) A municipality, at the time a redevelopment project
5 area is designated, may adopt tax increment allocation
6 financing by passing an ordinance providing that the ad valorem
7 taxes, if any, arising from the levies upon taxable real
8 property within the redevelopment project area by taxing
9 districts and tax rates determined in the manner provided in
10 subsection (b) of Section 11-74.6-40 each year after the
11 effective date of the ordinance until redevelopment project
12 costs and all municipal obligations financing redevelopment
13 project costs incurred under this Act have been paid shall be
14 divided as follows:

15 (1) That portion of the taxes levied upon each taxable
16 lot, block, tract or parcel of real property that is
17 attributable to the lower of the current equalized assessed
18 value or the initial equalized assessed value or the
19 updated initial equalized assessed value of each taxable
20 lot, block, tract or parcel of real property in the
21 redevelopment project area shall be allocated to and when
22 collected shall be paid by the county collector to the
23 respective affected taxing districts in the manner
24 required by law without regard to the adoption of tax
25 increment allocation financing.

26 (2) That portion, if any, of those taxes that is

1 attributable to the increase in the current equalized
2 assessed value of each taxable lot, block, tract or parcel
3 of real property in the redevelopment project area, over
4 and above the initial equalized assessed value or the
5 updated initial equalized assessed value of each property
6 in the project area, shall be allocated to and when
7 collected shall be paid by the county collector to the
8 municipal treasurer who shall deposit that portion of those
9 taxes into a special fund called the special tax allocation
10 fund of the municipality for the purpose of paying
11 redevelopment project costs and obligations incurred in
12 the payment of those costs and obligations. In any county
13 with a population of 3,000,000 or more that has adopted a
14 procedure for collecting taxes that provides for one or
15 more of the installments of the taxes to be billed and
16 collected on an estimated basis, the municipal treasurer
17 shall be paid for deposit in the special tax allocation
18 fund of the municipality, from the taxes collected from
19 estimated bills issued for property in the redevelopment
20 project area, the difference between the amount actually
21 collected from each taxable lot, block, tract, or parcel of
22 real property within the redevelopment project area and an
23 amount determined by multiplying the rate at which taxes
24 were last extended against the taxable lot, block, track,
25 or parcel of real property in the manner provided in
26 subsection (b) of Section 11-74.6-40 by the initial

1 equalized assessed value or the updated initial equalized
2 assessed value of the property divided by the number of
3 installments in which real estate taxes are billed and
4 collected within the county, provided that the payments on
5 or before December 31, 1999 to a municipal treasurer shall
6 be made only if each of the following conditions are met:

7 (A) The total equalized assessed value of the
8 redevelopment project area as last determined was not
9 less than 175% of the total initial equalized assessed
10 value.

11 (B) Not more than 50% of the total equalized
12 assessed value of the redevelopment project area as
13 last determined is attributable to a piece of property
14 assigned a single real estate index number.

15 (C) The municipal clerk has certified to the county
16 clerk that the municipality has issued its obligations
17 to which there has been pledged the incremental
18 property taxes of the redevelopment project area or
19 taxes levied and collected on any or all property in
20 the municipality or the full faith and credit of the
21 municipality to pay or secure payment for all or a
22 portion of the redevelopment project costs. The
23 certification shall be filed annually no later than
24 September 1 for the estimated taxes to be distributed
25 in the following year.

26 The conditions of paragraphs (A) through (C) do not apply

1 after December 31, 1999 to payments to a municipal treasurer
2 made by a county with 3,000,000 or more inhabitants that has
3 adopted an estimated billing procedure for collecting taxes. If
4 a county that has adopted the estimated billing procedure makes
5 an erroneous overpayment of tax revenue to the municipal
6 treasurer, then the county may seek a refund of that
7 overpayment. The county shall send the municipal treasurer a
8 notice of liability for the overpayment on or before the
9 mailing date of the next real estate tax bill within the
10 county. The refund shall be limited to the amount of the
11 overpayment.

12 (b) It is the intent of this Act that a municipality's own
13 ad valorem tax arising from levies on taxable real property be
14 included in the determination of incremental revenue in the
15 manner provided in paragraph (b) of Section 11-74.6-40.

16 (c) If a municipality has adopted tax increment allocation
17 financing for a redevelopment project area by ordinance and the
18 county clerk thereafter certifies the total initial equalized
19 assessed value or the total updated initial equalized assessed
20 value of the taxable real property within such redevelopment
21 project area in the manner provided in paragraph (a) or (b) of
22 Section 11-74.6-40, each year after the date of the
23 certification of the total initial equalized assessed value or
24 the total updated initial equalized assessed value until
25 redevelopment project costs and all municipal obligations
26 financing redevelopment project costs have been paid, the ad

1 valorem taxes, if any, arising from the levies upon the taxable
2 real property in the redevelopment project area by taxing
3 districts and tax rates determined in the manner provided in
4 paragraph (b) of Section 11-74.6-40 shall be divided as
5 follows:

6 (1) That portion of the taxes levied upon each taxable
7 lot, block, tract or parcel of real property that is
8 attributable to the lower of the current equalized assessed
9 value or the initial equalized assessed value, or the
10 updated initial equalized assessed value of each parcel if
11 the updated initial equalized assessed value of that parcel
12 has been certified in accordance with Section 11-74.6-40,
13 whichever has been most recently certified, of each taxable
14 lot, block, tract, or parcel of real property existing at
15 the time tax increment allocation financing was adopted in
16 the redevelopment project area, shall be allocated to and
17 when collected shall be paid by the county collector to the
18 respective affected taxing districts in the manner
19 required by law without regard to the adoption of tax
20 increment allocation financing.

21 (2) That portion, if any, of those taxes that is
22 attributable to the increase in the current equalized
23 assessed value of each taxable lot, block, tract, or parcel
24 of real property in the redevelopment project area, over
25 and above the initial equalized assessed value of each
26 property existing at the time tax increment allocation

1 financing was adopted in the redevelopment project area, or
2 the updated initial equalized assessed value of each parcel
3 if the updated initial equalized assessed value of that
4 parcel has been certified in accordance with Section
5 11-74.6-40, shall be allocated to and when collected shall
6 be paid to the municipal treasurer, who shall deposit those
7 taxes into a special fund called the special tax allocation
8 fund of the municipality for the purpose of paying
9 redevelopment project costs and obligations incurred in
10 the payment thereof.

11 (d) The municipality may pledge in the ordinance the funds
12 in and to be deposited in the special tax allocation fund for
13 the payment of redevelopment project costs and obligations. No
14 part of the current equalized assessed value of each property
15 in the redevelopment project area attributable to any increase
16 above the total initial equalized assessed value or the total
17 initial updated equalized assessed value of the property, shall
18 be used in calculating the general ~~General~~ State aid formula
19 ~~School Aid Formula~~, provided for in Section 18-8 of the School
20 Code, or the primary State aid formula, provided for in Section
21 18-8.15 of the School Code, until all redevelopment project
22 costs have been paid as provided for in this Section.

23 Whenever a municipality issues bonds for the purpose of
24 financing redevelopment project costs, that municipality may
25 provide by ordinance for the appointment of a trustee, which
26 may be any trust company within the State, and for the

1 establishment of any funds or accounts to be maintained by that
2 trustee, as the municipality deems necessary to provide for the
3 security and payment of the bonds. If the municipality provides
4 for the appointment of a trustee, the trustee shall be
5 considered the assignee of any payments assigned by the
6 municipality under that ordinance and this Section. Any amounts
7 paid to the trustee as assignee shall be deposited into the
8 funds or accounts established under the trust agreement, and
9 shall be held by the trustee in trust for the benefit of the
10 holders of the bonds. The holders of those bonds shall have a
11 lien on and a security interest in those funds or accounts
12 while the bonds remain outstanding and unpaid. Upon retirement
13 of the bonds, the trustee shall pay over any excess amounts
14 held to the municipality for deposit in the special tax
15 allocation fund.

16 When the redevelopment projects costs, including without
17 limitation all municipal obligations financing redevelopment
18 project costs incurred under this Law, have been paid, all
19 surplus funds then remaining in the special tax allocation fund
20 shall be distributed by being paid by the municipal treasurer
21 to the municipality and the county collector; first to the
22 municipality in direct proportion to the tax incremental
23 revenue received from the municipality, but not to exceed the
24 total incremental revenue received from the municipality,
25 minus any annual surplus distribution of incremental revenue
26 previously made. Any remaining funds shall be paid to the

1 county collector who shall immediately distribute that payment
2 to the taxing districts in the redevelopment project area in
3 the same manner and proportion as the most recent distribution
4 by the county collector to the affected districts of real
5 property taxes from real property situated in the redevelopment
6 project area.

7 Upon the payment of all redevelopment project costs,
8 retirement of obligations and the distribution of any excess
9 moneys under this Section, the municipality shall adopt an
10 ordinance dissolving the special tax allocation fund for the
11 redevelopment project area and terminating the designation of
12 the redevelopment project area as a redevelopment project area.
13 Thereafter the tax levies of taxing districts shall be
14 extended, collected and distributed in the same manner
15 applicable before the adoption of tax increment allocation
16 financing. Municipality shall notify affected taxing districts
17 prior to November if the redevelopment project area is to be
18 terminated by December 31 of that same year.

19 Nothing in this Section shall be construed as relieving
20 property in a redevelopment project area from being assessed as
21 provided in the Property Tax Code or as relieving owners of
22 that property from paying a uniform rate of taxes, as required
23 by Section 4 of Article IX of the Illinois Constitution.

24 (Source: P.A. 91-474, eff. 11-1-99.)

25 Section 940. The Economic Development Project Area Tax

1 Increment Allocation Act of 1995 is amended by changing Section
2 50 as follows:

3 (65 ILCS 110/50)

4 Sec. 50. Special tax allocation fund.

5 (a) If a county clerk has certified the "total initial
6 equalized assessed value" of the taxable real property within
7 an economic development project area in the manner provided in
8 Section 45, each year after the date of the certification by
9 the county clerk of the "total initial equalized assessed
10 value", until economic development project costs and all
11 municipal obligations financing economic development project
12 costs have been paid, the ad valorem taxes, if any, arising
13 from the levies upon the taxable real property in the economic
14 development project area by taxing districts and tax rates
15 determined in the manner provided in subsection (b) of Section
16 45 shall be divided as follows:

17 (1) That portion of the taxes levied upon each taxable
18 lot, block, tract, or parcel of real property that is
19 attributable to the lower of the current equalized assessed
20 value or the initial equalized assessed value of each
21 taxable lot, block, tract, or parcel of real property
22 existing at the time tax increment financing was adopted
23 shall be allocated to (and when collected shall be paid by
24 the county collector to) the respective affected taxing
25 districts in the manner required by law in the absence of

1 the adoption of tax increment allocation financing.

2 (2) That portion, if any, of the taxes that is
3 attributable to the increase in the current equalized
4 assessed valuation of each taxable lot, block, tract, or
5 parcel of real property in the economic development project
6 area, over and above the initial equalized assessed value
7 of each property existing at the time tax increment
8 financing was adopted, shall be allocated to (and when
9 collected shall be paid to) the municipal treasurer, who
10 shall deposit the taxes into a special fund (called the
11 special tax allocation fund of the municipality) for the
12 purpose of paying economic development project costs and
13 obligations incurred in the payment of those costs.

14 (b) The municipality, by an ordinance adopting tax
15 increment allocation financing, may pledge the monies in and to
16 be deposited into the special tax allocation fund for the
17 payment of obligations issued under this Act and for the
18 payment of economic development project costs. No part of the
19 current equalized assessed valuation of each property in the
20 economic development project area attributable to any increase
21 above the total initial equalized assessed value of those
22 properties shall be used in calculating the general State
23 ~~school~~ aid formula under Section 18-8 of the School Code or the
24 primary State aid formula under Section 18-8.15 of the School
25 Code, until all economic development projects costs have been
26 paid as provided for in this Section.

1 (c) When the economic development projects costs,
2 including without limitation all municipal obligations
3 financing economic development project costs incurred under
4 this Act, have been paid, all surplus monies then remaining in
5 the special tax allocation fund shall be distributed by being
6 paid by the municipal treasurer to the county collector, who
7 shall immediately pay the monies to the taxing districts having
8 taxable property in the economic development project area in
9 the same manner and proportion as the most recent distribution
10 by the county collector to those taxing districts of real
11 property taxes from real property in the economic development
12 project area.

13 (d) Upon the payment of all economic development project
14 costs, retirement of obligations, and distribution of any
15 excess monies under this Section and not later than 23 years
16 from the date of the adoption of the ordinance establishing the
17 economic development project area, the municipality shall
18 adopt an ordinance dissolving the special tax allocation fund
19 for the economic development project area and terminating the
20 designation of the economic development project area as an
21 economic development project area. Thereafter, the rates of the
22 taxing districts shall be extended and taxes shall be levied,
23 collected, and distributed in the manner applicable in the
24 absence of the adoption of tax increment allocation financing.

25 (e) Nothing in this Section shall be construed as relieving
26 property in the economic development project areas from being

1 assessed as provided in the Property Tax Code or as relieving
2 owners or lessees of that property from paying a uniform rate
3 of taxes as required by Section 4 of Article IX of the Illinois
4 Constitution.

5 (Source: P.A. 98-463, eff. 8-16-13.)

6 Section 945. The School Code is amended by changing
7 Sections 1A-8, 1B-5, 1B-6, 1B-7, 1B-8, 1C-1, 1C-2, 1D-1, 1E-20,
8 1F-20, 1F-62, 1H-20, 1H-70, 2-3.28, 2-3.33, 2-3.51.5, 2-3.66,
9 2-3.66b, 2-3.84, 2-3.109a, 3-14.21, 7-14A, 10-17a, 10-19,
10 10-22.5a, 10-22.20, 10-29, 11E-135, 13A-8, 13B-20.20, 13B-45,
11 13B-50, 13B-50.10, 13B-50.15, 14-7.02, 14-7.02b, 14-7.03,
12 14-13.01, 14C-1, 14C-12, 17-1, 17-1.2, 17-1.5, 17-2.11, 17-2A,
13 18-4.3, 18-8.05, 18-8.10, 18-9, 18-12, 26-16, 27-8.1, 27A-9,
14 27A-11, 29-5, 34-2.3, 34-8.4, 34-18, 34-18.30, 34-43.1, and
15 34-53 and by adding Sections 17-3.6 and 18-8.15 as follows:

16 (105 ILCS 5/1A-8) (from Ch. 122, par. 1A-8)

17 Sec. 1A-8. Powers of the Board in Assisting Districts
18 Deemed in Financial Difficulties. To promote the financial
19 integrity of school districts, the State Board of Education
20 shall be provided the necessary powers to promote sound
21 financial management and continue operation of the public
22 schools.

23 (a) The State Superintendent of Education may require a
24 school district, including any district subject to Article 34A

1 of this Code, to share financial information relevant to a
2 proper investigation of the district's financial condition and
3 the delivery of appropriate State financial, technical, and
4 consulting services to the district if the district (i) has
5 been designated, through the State Board of Education's School
6 District Financial Profile System, as on financial warning or
7 financial watch status, (ii) has failed to file an annual
8 financial report, annual budget, deficit reduction plan, or
9 other financial information as required by law, (iii) has been
10 identified, through the district's annual audit or other
11 financial and management information, as in serious financial
12 difficulty in the current or next school year, or (iv) is
13 determined to be likely to fail to fully meet any regularly
14 scheduled, payroll-period obligations when due or any debt
15 service payments when due or both. In addition to financial,
16 technical, and consulting services provided by the State Board
17 of Education, at the request of a school district, the State
18 Superintendent may provide for an independent financial
19 consultant to assist the district review its financial
20 condition and options.

21 (b) The State Board of Education, after proper
22 investigation of a district's financial condition, may certify
23 that a district, including any district subject to Article 34A,
24 is in financial difficulty when any of the following conditions
25 occur:

26 (1) The district has issued school or teacher orders

1 for wages as permitted in Sections 8-16, 32-7.2 and 34-76
2 of this Code.

3 (2) The district has issued tax anticipation warrants
4 or tax anticipation notes in anticipation of a second
5 year's taxes when warrants or notes in anticipation of
6 current year taxes are still outstanding, as authorized by
7 Sections 17-16, 34-23, 34-59 and 34-63 of this Code, or has
8 issued short-term debt against 2 future revenue sources,
9 such as, but not limited to, tax anticipation warrants and
10 general State aid or primary State aid ~~Aid~~ certificates or
11 tax anticipation warrants and revenue anticipation notes.

12 (3) The district has for 2 consecutive years shown an
13 excess of expenditures and other financing uses over
14 revenues and other financing sources and beginning fund
15 balances on its annual financial report for the aggregate
16 totals of the Educational, Operations and Maintenance,
17 Transportation, and Working Cash Funds.

18 (4) The district refuses to provide financial
19 information or cooperate with the State Superintendent in
20 an investigation of the district's financial condition.

21 (5) The district is likely to fail to fully meet any
22 regularly scheduled, payroll-period obligations when due
23 or any debt service payments when due or both.

24 No school district shall be certified by the State Board of
25 Education to be in financial difficulty solely by reason of any
26 of the above circumstances arising as a result of (i) the

1 failure of the county to make any distribution of property tax
2 money due the district at the time such distribution is due or
3 (ii) the failure of this State to make timely payments of
4 general State aid, primary State aid, or any of the mandated
5 categoricals; or if the district clearly demonstrates to the
6 satisfaction of the State Board of Education at the time of its
7 determination that such condition no longer exists. If the
8 State Board of Education certifies that a district in a city
9 with 500,000 inhabitants or more is in financial difficulty,
10 the State Board shall so notify the Governor and the Mayor of
11 the city in which the district is located. The State Board of
12 Education may require school districts certified in financial
13 difficulty, except those districts subject to Article 34A, to
14 develop, adopt and submit a financial plan within 45 days after
15 certification of financial difficulty. The financial plan
16 shall be developed according to guidelines presented to the
17 district by the State Board of Education within 14 days of
18 certification. Such guidelines shall address the specific
19 nature of each district's financial difficulties. Any proposed
20 budget of the district shall be consistent with the financial
21 plan submitted to and approved by the State Board of Education.

22 A district certified to be in financial difficulty, other
23 than a district subject to Article 34A, shall report to the
24 State Board of Education at such times and in such manner as
25 the State Board may direct, concerning the district's
26 compliance with each financial plan. The State Board may review

1 the district's operations, obtain budgetary data and financial
2 statements, require the district to produce reports, and have
3 access to any other information in the possession of the
4 district that it deems relevant. The State Board may issue
5 recommendations or directives within its powers to the district
6 to assist in compliance with the financial plan. The district
7 shall produce such budgetary data, financial statements,
8 reports and other information and comply with such directives.
9 If the State Board of Education determines that a district has
10 failed to comply with its financial plan, the State Board of
11 Education may rescind approval of the plan and appoint a
12 Financial Oversight Panel for the district as provided in
13 Section 1B-4. This action shall be taken only after the
14 district has been given notice and an opportunity to appear
15 before the State Board of Education to discuss its failure to
16 comply with its financial plan.

17 No bonds, notes, teachers orders, tax anticipation
18 warrants or other evidences of indebtedness shall be issued or
19 sold by a school district or be legally binding upon or
20 enforceable against a local board of education of a district
21 certified to be in financial difficulty unless and until the
22 financial plan required under this Section has been approved by
23 the State Board of Education.

24 Any financial profile compiled and distributed by the State
25 Board of Education in Fiscal Year 2009 or any fiscal year
26 thereafter shall incorporate such adjustments as may be needed

1 in the profile scores to reflect the financial effects of the
2 inability or refusal of the State of Illinois to make timely
3 disbursements of any general State aid, primary State aid, or
4 mandated categorical aid payments due school districts or to
5 fully reimburse school districts for mandated categorical
6 programs pursuant to reimbursement formulas provided in this
7 School Code.

8 (Source: P.A. 96-668, eff. 8-25-09; 96-1423, eff. 8-3-10;
9 97-429, eff. 8-16-11.)

10 (105 ILCS 5/1B-5) (from Ch. 122, par. 1B-5)

11 Sec. 1B-5. When a petition for emergency financial
12 assistance for a school district is allowed by the State Board
13 under Section 1B-4, the State Superintendent shall within 10
14 days thereafter appoint 3 members to serve at the State
15 Superintendent's pleasure on a Financial Oversight Panel for
16 the district. The State Superintendent shall designate one of
17 the members of the Panel to serve as its Chairman. In the event
18 of vacancy or resignation the State Superintendent shall
19 appoint a successor within 10 days of receiving notice thereof.

20 Members of the Panel shall be selected primarily on the
21 basis of their experience and education in financial
22 management, with consideration given to persons knowledgeable
23 in education finance. A member of the Panel may not be a board
24 member or employee of the district for which the Panel is
25 constituted, nor may a member have a direct financial interest

1 in that district.

2 Panel members shall serve without compensation, but may be
3 reimbursed for travel and other necessary expenses incurred in
4 the performance of their official duties by the State Board.
5 The amount reimbursed Panel members for their expenses shall be
6 charged to the school district as part of any emergency
7 financial assistance and incorporated as a part of the terms
8 and conditions for repayment of such assistance or shall be
9 deducted from the district's general State aid or primary State
10 aid as provided in Section 1B-8.

11 The first meeting of the Panel shall be held at the call of
12 the Chairman. The Panel may elect such other officers as it
13 deems appropriate. The Panel shall prescribe the times and
14 places for its meetings and the manner in which regular and
15 special meetings may be called, and shall comply with the Open
16 Meetings Act.

17 Two members of the Panel shall constitute a quorum, and the
18 affirmative vote of 2 members shall be necessary for any
19 decision or action to be taken by the Panel.

20 The Panel and the State Superintendent shall cooperate with
21 each other in the exercise of their respective powers. The
22 Panel shall report not later than September 1 annually to the
23 State Board and the State Superintendent with respect to its
24 activities and the condition of the school district for the
25 previous fiscal year.

26 Any Financial Oversight Panel established under this

1 Article shall remain in existence for not less than 3 years nor
2 more than 10 years from the date the State Board grants the
3 petition under Section 1B-4. If after 3 years the school
4 district has repaid all of its obligations resulting from
5 emergency State financial assistance provided under this
6 Article and has improved its financial situation, the board of
7 education may, not more frequently than once in any 12 month
8 period, petition the State Board to dissolve the Financial
9 Oversight Panel, terminate the oversight responsibility, and
10 remove the district's certification under Section 1A-8 as a
11 district in financial difficulty. In acting on such a petition
12 the State Board shall give additional weight to the
13 recommendations of the State Superintendent and the Financial
14 Oversight Panel.

15 (Source: P.A. 88-618, eff. 9-9-94.)

16 (105 ILCS 5/1B-6) (from Ch. 122, par. 1B-6)

17 Sec. 1B-6. General powers. The purpose of the Financial
18 Oversight Panel shall be to exercise financial control over the
19 board of education, and, when approved by the State Board and
20 the State Superintendent of Education, to furnish financial
21 assistance so that the board can provide public education
22 within the board's jurisdiction while permitting the board to
23 meet its obligations to its creditors and the holders of its
24 notes and bonds. Except as expressly limited by this Article,
25 the Panel shall have all powers necessary to meet its

1 responsibilities and to carry out its purposes and the purposes
2 of this Article, including, but not limited to, the following
3 powers:

4 (a) to sue and be sued;

5 (b) to provide for its organization and internal
6 management;

7 (c) to appoint a Financial Administrator to serve as the
8 chief executive officer of the Panel. The Financial
9 Administrator may be an individual, partnership, corporation,
10 including an accounting firm, or other entity determined by the
11 Panel to be qualified to serve; and to appoint other officers,
12 agents, and employees of the Panel, define their duties and
13 qualifications and fix their compensation and employee
14 benefits;

15 (d) to approve the local board of education appointments to
16 the positions of treasurer in a Class I county school unit and
17 in each school district which forms a part of a Class II county
18 school unit but which no longer is subject to the jurisdiction
19 and authority of a township treasurer or trustees of schools of
20 a township because the district has withdrawn from the
21 jurisdiction and authority of the township treasurer and the
22 trustees of schools of the township or because those offices
23 have been abolished as provided in subsection (b) or (c) of
24 Section 5-1, and chief school business official, if such
25 official is not the superintendent of the district. Either the
26 board or the Panel may remove such treasurer or chief school

1 business official;

2 (e) to approve any and all bonds, notes, teachers orders,
3 tax anticipation warrants, and other evidences of indebtedness
4 prior to issuance or sale by the school district; and
5 notwithstanding any other provision of The School Code, as now
6 or hereafter amended, no bonds, notes, teachers orders, tax
7 anticipation warrants or other evidences of indebtedness shall
8 be issued or sold by the school district or be legally binding
9 upon or enforceable against the local board of education unless
10 and until the approval of the Panel has been received;

11 (f) to approve all property tax levies of the school
12 district and require adjustments thereto as the Panel deems
13 necessary or advisable;

14 (g) to require and approve a school district financial
15 plan;

16 (h) to approve and require revisions of the school district
17 budget;

18 (i) to approve all contracts and other obligations as the
19 Panel deems necessary and appropriate;

20 (j) to authorize emergency State financial assistance,
21 including requirements regarding the terms and conditions of
22 repayment of such assistance, and to require the board of
23 education to levy a separate local property tax, subject to the
24 limitations of Section 1B-8, sufficient to repay such
25 assistance consistent with the terms and conditions of
26 repayment and the district's approved financial plan and

1 budget;

2 (k) to request the regional superintendent to make
3 appointments to fill all vacancies on the local school board as
4 provided in Section 10-10;

5 (l) to recommend dissolution or reorganization of the
6 school district to the General Assembly if in the Panel's
7 judgment the circumstances so require;

8 (m) to direct a phased reduction in the oversight
9 responsibilities of the Financial Administrator and of the
10 Panel as the circumstances permit;

11 (n) to determine the amount of emergency State financial
12 assistance to be made available to the school district, and to
13 establish an operating budget for the Panel to be supported by
14 funds available from such assistance, with the assistance and
15 the budget required to be approved by the State Superintendent;

16 (o) to procure insurance against any loss in such amounts
17 and from such insurers as it deems necessary;

18 (p) to engage the services of consultants for rendering
19 professional and technical assistance and advice on matters
20 within the Panel's power;

21 (q) to contract for and to accept any gifts, grants or
22 loans of funds or property or financial or other aid in any
23 form from the federal government, State government, unit of
24 local government, school district or any agency or
25 instrumentality thereof, or from any other private or public
26 source, and to comply with the terms and conditions thereof;

1 (r) to pay the expenses of its operations based on the
2 Panel's budget as approved by the State Superintendent from
3 emergency financial assistance funds available to the district
4 or from deductions from the district's general State aid or
5 primary State aid;

6 (s) to do any and all things necessary or convenient to
7 carry out its purposes and exercise the powers given to the
8 Panel by this Article; and

9 (t) to recommend the creation of a school finance authority
10 pursuant to Article 1F of this Code.

11 (Source: P.A. 91-357, eff. 7-29-99; 92-855, eff. 12-6-02.)

12 (105 ILCS 5/1B-7) (from Ch. 122, par. 1B-7)

13 Sec. 1B-7. Financial Administrator; Powers and Duties. The
14 Financial Administrator appointed by the Financial Oversight
15 Panel shall serve as the Panel's chief executive officer. The
16 Financial Administrator shall exercise the powers and duties
17 required by the Panel, including but not limited to the
18 following:

19 (a) to provide guidance and recommendations to the local
20 board and officials of the school district in developing the
21 district's financial plan and budget prior to board action;

22 (b) to direct the local board to reorganize its financial
23 accounts, budgetary systems, and internal accounting and
24 financial controls, in whatever manner the Panel deems
25 appropriate to achieve greater financial responsibility and to

1 reduce financial inefficiency, and to provide technical
2 assistance to aid the district in accomplishing the
3 reorganization;

4 (c) to make recommendations to the Financial Oversight
5 Panel concerning the school district's financial plan and
6 budget, and all other matters within the scope of the Panel's
7 authority;

8 (d) to prepare and recommend to the Panel a proposal for
9 emergency State financial assistance for the district,
10 including recommended terms and conditions of repayment, and an
11 operations budget for the Panel to be funded from the emergency
12 assistance or from deductions from the district's general State
13 aid or primary State aid;

14 (e) to require the local board to prepare and submit
15 preliminary staffing and budgetary analyses annually prior to
16 February 1 in such manner and form as the Financial
17 Administrator shall prescribe; and

18 (f) subject to the direction of the Panel, to do all other
19 things necessary or convenient to carry out its purposes and
20 exercise the powers given to the Panel under this Article.

21 (Source: P.A. 88-618, eff. 9-9-94.)

22 (105 ILCS 5/1B-8) (from Ch. 122, par. 1B-8)

23 Sec. 1B-8. There is created in the State Treasury a special
24 fund to be known as the School District Emergency Financial
25 Assistance Fund (the "Fund"). The School District Emergency

1 Financial Assistance Fund shall consist of appropriations,
2 loan repayments, grants from the federal government, and
3 donations from any public or private source. Moneys in the Fund
4 may be appropriated only to the Illinois Finance Authority and
5 the State Board for those purposes authorized under this
6 Article and Articles 1F and 1H of this Code. The appropriation
7 may be allocated and expended by the State Board for
8 contractual services to provide technical assistance or
9 consultation to school districts to assess their financial
10 condition and to Financial Oversight Panels that petition for
11 emergency financial assistance grants. The Illinois Finance
12 Authority may provide loans to school districts which are the
13 subject of an approved petition for emergency financial
14 assistance under Section 1B-4, 1F-62, or 1H-65 of this Code.
15 Neither the State Board of Education nor the Illinois Finance
16 Authority may collect any fees for providing these services.

17 From the amount allocated to each such school district
18 under this Article the State Board shall identify a sum
19 sufficient to cover all approved costs of the Financial
20 Oversight Panel established for the respective school
21 district. If the State Board and State Superintendent of
22 Education have not approved emergency financial assistance in
23 conjunction with the appointment of a Financial Oversight
24 Panel, the Panel's approved costs shall be paid from deductions
25 from the district's general State aid or primary State aid.

26 The Financial Oversight Panel may prepare and file with the

1 State Superintendent a proposal for emergency financial
2 assistance for the school district and for its operations
3 budget. No expenditures from the Fund shall be authorized by
4 the State Superintendent until he or she has approved the
5 request of the Panel, either as submitted or in such lesser
6 amount determined by the State Superintendent.

7 The maximum amount of an emergency financial assistance
8 loan which may be allocated to any school district under this
9 Article, including moneys necessary for the operations of the
10 Panel, shall not exceed \$4,000 times the number of pupils
11 enrolled in the school district during the school year ending
12 June 30 prior to the date of approval by the State Board of the
13 petition for emergency financial assistance, as certified to
14 the local board and the Panel by the State Superintendent. An
15 emergency financial assistance grant shall not exceed \$1,000
16 times the number of such pupils. A district may receive both a
17 loan and a grant.

18 The payment of an emergency State financial assistance
19 grant or loan shall be subject to appropriation by the General
20 Assembly. Payment of the emergency State financial assistance
21 loan is subject to the applicable provisions of the Illinois
22 Finance Authority Act. Emergency State financial assistance
23 allocated and paid to a school district under this Article may
24 be applied to any fund or funds from which the local board of
25 education of that district is authorized to make expenditures
26 by law.

1 Any emergency financial assistance grant proposed by the
2 Financial Oversight Panel and approved by the State
3 Superintendent may be paid in its entirety during the initial
4 year of the Panel's existence or spread in equal or declining
5 amounts over a period of years not to exceed the period of the
6 Panel's existence. An emergency financial assistance loan
7 proposed by the Financial Oversight Panel and approved by the
8 Illinois Finance Authority may be paid in its entirety during
9 the initial year of the Panel's existence or spread in equal or
10 declining amounts over a period of years not to exceed the
11 period of the Panel's existence. All loans made by the Illinois
12 Finance Authority for a school district shall be required to be
13 repaid, with simple interest over the term of the loan at a
14 rate equal to 50% of the one-year Constant Maturity Treasury
15 (CMT) yield as last published by the Board of Governors of the
16 Federal Reserve System before the date on which the district's
17 loan is approved by the Illinois Finance Authority, not later
18 than the date the Financial Oversight Panel ceases to exist.
19 The Panel shall establish and the Illinois Finance Authority
20 shall approve the terms and conditions, including the schedule,
21 of repayments. The schedule shall provide for repayments
22 commencing July 1 of each year or upon each fiscal year's
23 receipt of moneys from a tax levy for emergency financial
24 assistance. Repayment shall be incorporated into the annual
25 budget of the school district and may be made from any fund or
26 funds of the district in which there are moneys available. An

1 emergency financial assistance loan to the Panel or district
2 shall not be considered part of the calculation of a district's
3 debt for purposes of the limitation specified in Section 19-1
4 of this Code. Default on repayment is subject to the Illinois
5 Grant Funds Recovery Act. When moneys are repaid as provided
6 herein they shall not be made available to the local board for
7 further use as emergency financial assistance under this
8 Article at any time thereafter. All repayments required to be
9 made by a school district shall be received by the State Board
10 and deposited in the School District Emergency Financial
11 Assistance Fund.

12 In establishing the terms and conditions for the repayment
13 obligation of the school district the Panel shall annually
14 determine whether a separate local property tax levy is
15 required. The board of any school district with a tax rate for
16 educational purposes for the prior year of less than 120% of
17 the maximum rate for educational purposes authorized by Section
18 17-2 shall provide for a separate tax levy for emergency
19 financial assistance repayment purposes. Such tax levy shall
20 not be subject to referendum approval. The amount of the levy
21 shall be equal to the amount necessary to meet the annual
22 repayment obligations of the district as established by the
23 Panel, or 20% of the amount levied for educational purposes for
24 the prior year, whichever is less. However, no district shall
25 be required to levy the tax if the district's operating tax
26 rate as determined under Section 18-8, ~~or~~ 18-8.05, or 18-8.15

1 exceeds 200% of the district's tax rate for educational
2 purposes for the prior year.

3 (Source: P.A. 97-429, eff. 8-16-11.)

4 (105 ILCS 5/1C-1)

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

10 Through fiscal year 2016, this ~~This~~ Article does not apply
11 to school districts having a population in excess of 500,000
12 inhabitants.

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

15 (105 ILCS 5/1C-2)

16 Sec. 1C-2. Block grants.

17 (a) For fiscal year 1999, and each fiscal year thereafter,
18 the State Board of Education shall award to school districts
19 block grants as described in subsection (c). The State Board of
20 Education may adopt rules and regulations necessary to
21 implement this Section. In accordance with Section 2-3.32, all
22 state block grants are subject to an audit. Therefore, block
23 grant receipts and block grant expenditures shall be recorded
24 to the appropriate fund code.

1 (b) (Blank).

2 (c) An Early Childhood Education Block Grant shall be
3 created by combining the following programs: Preschool
4 Education, Parental Training and Prevention Initiative. These
5 funds shall be distributed to school districts and other
6 entities on a competitive basis, except that the State Board of
7 Education shall award to a school district having a population
8 exceeding 500,000 inhabitants 37% of the funds in each fiscal
9 year. Not less than 14% of this grant shall be used to fund
10 programs for children ages 0-3, which percentage shall increase
11 to at least 20% by Fiscal Year 2016. However, if, in a given
12 fiscal year, the amount appropriated for the Early Childhood
13 Education Block Grant is insufficient to increase the
14 percentage of the grant to fund programs for children ages 0-3
15 without reducing the amount of the grant for existing providers
16 of preschool education programs, then the percentage of the
17 grant to fund programs for children ages 0-3 may be held steady
18 instead of increased.

19 (Source: P.A. 98-645, eff. 7-1-14.)

20 (105 ILCS 5/1D-1)

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

22 (a) For fiscal year 1996 through fiscal year 2016 ~~and each~~
23 ~~fiscal year thereafter~~, the State Board of Education shall
24 award to a school district having a population exceeding
25 500,000 inhabitants a general education block grant and an

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

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

26 (c) The educational services block grant shall include the

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

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

1 (d) For fiscal year 1996 through fiscal year 2016 ~~and each~~
2 ~~fiscal year thereafter~~, the amount of the district's block
3 grants shall be determined as follows: (i) with respect to each
4 program that is included within each block grant, the district
5 shall receive an amount equal to the same percentage of the
6 current fiscal year appropriation made for that program as the
7 percentage of the appropriation received by the district from
8 the 1995 fiscal year appropriation made for that program, and
9 (ii) the total amount that is due the district under the block
10 grant shall be the aggregate of the amounts that the district
11 is entitled to receive for the fiscal year with respect to each
12 program that is included within the block grant that the State
13 Board of Education shall award the district under this Section
14 for that fiscal year. In the case of the Summer Bridges
15 program, the amount of the district's block grant shall be
16 equal to 44% of the amount of the current fiscal year
17 appropriation made for that program.

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

24 (f) A school district to which this Section applies shall
25 report to the State Board of Education on its use of the block
26 grants in such form and detail as the State Board of Education

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

9 (g) Through fiscal year 2016, this ~~This~~ paragraph provides
10 for the treatment of block grants under Article 1C for purposes
11 of calculating the amount of block grants for a district under
12 this Section. Those block grants under Article 1C are, for this
13 purpose, treated as included in the amount of appropriation for
14 the various programs set forth in paragraph (b) above. The
15 appropriation in each current fiscal year for each block grant
16 under Article 1C shall be treated for these purposes as
17 appropriations for the individual program included in that
18 block grant. The proportion of each block grant so allocated to
19 each such program included in it shall be the proportion which
20 the appropriation for that program was of all appropriations
21 for such purposes now in that block grant, in fiscal 1995.

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

1 to the provisions of this Code governing those programs.

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

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

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

12 (105 ILCS 5/1E-20)

13 (This Section scheduled to be repealed in accordance with
14 105 ILCS 5/1E-165)

15 Sec. 1E-20. Members of Authority; meetings.

16 (a) When a petition for a School Finance Authority is
17 allowed by the State Board under Section 1E-15 of this Code,
18 the State Superintendent shall within 10 days thereafter
19 appoint 5 members to serve on a School Finance Authority for
20 the district. Of the initial members, 2 shall be appointed to
21 serve a term of 2 years and 3 shall be appointed to serve a term
22 of 3 years. Thereafter, each member shall serve for a term of 3
23 years and until his or her successor has been appointed. The
24 State Superintendent shall designate one of the members of the
25 Authority to serve as its Chairperson. In the event of vacancy

1 or resignation, the State Superintendent shall, within 10 days
2 after receiving notice, appoint a successor to serve out that
3 member's term. The State Superintendent may remove a member for
4 incompetence, malfeasance, neglect of duty, or other just
5 cause.

6 Members of the Authority shall be selected primarily on the
7 basis of their experience and education in financial
8 management, with consideration given to persons knowledgeable
9 in education finance. Two members of the Authority shall be
10 residents of the school district that the Authority serves. A
11 member of the Authority may not be a member of the district's
12 school board or an employee of the district nor may a member
13 have a direct financial interest in the district.

14 Authority members shall serve without compensation, but
15 may be reimbursed by the State Board for travel and other
16 necessary expenses incurred in the performance of their
17 official duties. Unless paid from bonds issued under Section
18 1E-65 of this Code, the amount reimbursed members for their
19 expenses shall be charged to the school district as part of any
20 emergency financial assistance and incorporated as a part of
21 the terms and conditions for repayment of the assistance or
22 shall be deducted from the district's general State aid or
23 primary State aid as provided in Section 1B-8 of this Code.

24 The Authority may elect such officers as it deems
25 appropriate.

26 (b) The first meeting of the Authority shall be held at the

1 call of the Chairperson. The Authority shall prescribe the
2 times and places for its meetings and the manner in which
3 regular and special meetings may be called and shall comply
4 with the Open Meetings Act.

5 Three members of the Authority shall constitute a quorum.
6 When a vote is taken upon any measure before the Authority, a
7 quorum being present, a majority of the votes of the members
8 voting on the measure shall determine the outcome.

9 (Source: P.A. 92-547, eff. 6-13-02.)

10 (105 ILCS 5/1F-20)

11 (This Section scheduled to be repealed in accordance with 105
12 ILCS 5/1F-165)

13 Sec. 1F-20. Members of Authority; meetings.

14 (a) Upon establishment of a School Finance Authority under
15 Section 1F-15 of this Code, the State Superintendent shall
16 within 15 days thereafter appoint 5 members to serve on a
17 School Finance Authority for the district. Of the initial
18 members, 2 shall be appointed to serve a term of 2 years and 3
19 shall be appointed to serve a term of 3 years. Thereafter, each
20 member shall serve for a term of 3 years and until his or her
21 successor has been appointed. The State Superintendent shall
22 designate one of the members of the Authority to serve as its
23 Chairperson. In the event of vacancy or resignation, the State
24 Superintendent shall, within 10 days after receiving notice,
25 appoint a successor to serve out that member's term. The State

1 Superintendent may remove a member for incompetence,
2 malfeasance, neglect of duty, or other just cause.

3 Members of the Authority shall be selected primarily on the
4 basis of their experience and education in financial
5 management, with consideration given to persons knowledgeable
6 in education finance. Two members of the Authority shall be
7 residents of the school district that the Authority serves. A
8 member of the Authority may not be a member of the district's
9 school board or an employee of the district nor may a member
10 have a direct financial interest in the district.

11 Authority members shall be paid a stipend approved by the
12 State Superintendent of not more than \$100 per meeting and may
13 be reimbursed by the State Board for travel and other necessary
14 expenses incurred in the performance of their official duties.
15 Unless paid from bonds issued under Section 1F-65 of this Code,
16 the amount reimbursed members for their expenses shall be
17 charged to the school district as part of any emergency
18 financial assistance and incorporated as a part of the terms
19 and conditions for repayment of the assistance or shall be
20 deducted from the district's general State aid or primary State
21 aid as provided in Section 1B-8 of this Code.

22 The Authority may elect such officers as it deems
23 appropriate.

24 (b) The first meeting of the Authority shall be held at the
25 call of the Chairperson. The Authority shall prescribe the
26 times and places for its meetings and the manner in which

1 regular and special meetings may be called and shall comply
2 with the Open Meetings Act.

3 Three members of the Authority shall constitute a quorum.
4 When a vote is taken upon any measure before the Authority, a
5 quorum being present, a majority of the votes of the members
6 voting on the measure shall determine the outcome.

7 (Source: P.A. 94-234, eff. 7-1-06.)

8 (105 ILCS 5/1F-62)

9 (This Section scheduled to be repealed in accordance with 105
10 ILCS 5/1F-165)

11 Sec. 1F-62. School District Emergency Financial Assistance
12 Fund; grants and loans.

13 (a) Moneys in the School District Emergency Financial
14 Assistance Fund established under Section 1B-8 of this Code may
15 be allocated and expended by the State Board as grants to
16 provide technical and consulting services to school districts
17 to assess their financial condition and by the Illinois Finance
18 Authority for emergency financial assistance loans to a School
19 Finance Authority that petitions for emergency financial
20 assistance. An emergency financial assistance loan to a School
21 Finance Authority or borrowing from sources other than the
22 State shall not be considered as part of the calculation of a
23 district's debt for purposes of the limitation specified in
24 Section 19-1 of this Code. From the amount allocated to each
25 School Finance Authority, the State Board shall identify a sum

1 sufficient to cover all approved costs of the School Finance
2 Authority. If the State Board and State Superintendent have not
3 approved emergency financial assistance in conjunction with
4 the appointment of a School Finance Authority, the Authority's
5 approved costs shall be paid from deductions from the
6 district's general State aid or primary State aid.

7 The School Finance Authority may prepare and file with the
8 State Superintendent a proposal for emergency financial
9 assistance for the school district and for its operations
10 budget. No expenditures shall be authorized by the State
11 Superintendent until he or she has approved the proposal of the
12 School Finance Authority, either as submitted or in such lesser
13 amount determined by the State Superintendent.

14 (b) The amount of an emergency financial assistance loan
15 that may be allocated to a School Finance Authority under this
16 Article, including moneys necessary for the operations of the
17 School Finance Authority, and borrowing from sources other than
18 the State shall not exceed, in the aggregate, \$4,000 times the
19 number of pupils enrolled in the district during the school
20 year ending June 30 prior to the date of approval by the State
21 Board of the petition for emergency financial assistance, as
22 certified to the school board and the School Finance Authority
23 by the State Superintendent. However, this limitation does not
24 apply to borrowing by the district secured by amounts levied by
25 the district prior to establishment of the School Finance
26 Authority. An emergency financial assistance grant shall not

1 exceed \$1,000 times the number of such pupils. A district may
2 receive both a loan and a grant.

3 (c) The payment of a State emergency financial assistance
4 grant or loan shall be subject to appropriation by the General
5 Assembly. State emergency financial assistance allocated and
6 paid to a School Finance Authority under this Article may be
7 applied to any fund or funds from which the School Finance
8 Authority is authorized to make expenditures by law.

9 (d) Any State emergency financial assistance proposed by
10 the School Finance Authority and approved by the State
11 Superintendent may be paid in its entirety during the initial
12 year of the School Finance Authority's existence or spread in
13 equal or declining amounts over a period of years not to exceed
14 the period of the School Finance Authority's existence. The
15 State Superintendent shall not approve any loan to the School
16 Finance Authority unless the School Finance Authority has been
17 unable to borrow sufficient funds to operate the district.

18 All loan payments made from the School District Emergency
19 Financial Assistance Fund to a School Finance Authority shall
20 be required to be repaid not later than the date the School
21 Finance Authority ceases to exist, with simple interest over
22 the term of the loan at a rate equal to 50% of the one-year
23 Constant Maturity Treasury (CMT) yield as last published by the
24 Board of Governors of the Federal Reserve System before the
25 date on which the School Finance Authority's loan is approved
26 by the State Board.

1 The School Finance Authority shall establish and the
2 Illinois Finance Authority shall approve the terms and
3 conditions of the loan, including the schedule of repayments.
4 The schedule shall provide for repayments commencing July 1 of
5 each year or upon each fiscal year's receipt of moneys from a
6 tax levy for emergency financial assistance. Repayment shall be
7 incorporated into the annual budget of the district and may be
8 made from any fund or funds of the district in which there are
9 moneys available. Default on repayment is subject to the
10 Illinois Grant Funds Recovery Act. When moneys are repaid as
11 provided in this Section, they shall not be made available to
12 the School Finance Authority for further use as emergency
13 financial assistance under this Article at any time thereafter.
14 All repayments required to be made by a School Finance
15 Authority shall be received by the State Board and deposited in
16 the School District Emergency Financial Assistance Fund.

17 In establishing the terms and conditions for the repayment
18 obligation of the School Finance Authority, the School Finance
19 Authority shall annually determine whether a separate local
20 property tax levy is required to meet that obligation. The
21 School Finance Authority shall provide for a separate tax levy
22 for emergency financial assistance repayment purposes. This
23 tax levy shall not be subject to referendum approval. The
24 amount of the levy shall not exceed the amount necessary to
25 meet the annual emergency financial repayment obligations of
26 the district, including principal and interest, as established

1 by the School Finance Authority.

2 (Source: P.A. 94-234, eff. 7-1-06.)

3 (105 ILCS 5/1H-20)

4 Sec. 1H-20. Members of Panel; meetings.

5 (a) Upon establishment of a Financial Oversight Panel under
6 Section 1H-15 of this Code, the State Superintendent shall
7 within 15 working days thereafter appoint 5 members to serve on
8 a Financial Oversight Panel for the district. Members appointed
9 to the Panel shall serve at the pleasure of the State
10 Superintendent. The State Superintendent shall designate one
11 of the members of the Panel to serve as its Chairperson. In the
12 event of vacancy or resignation, the State Superintendent
13 shall, within 10 days after receiving notice, appoint a
14 successor to serve out that member's term.

15 (b) Members of the Panel shall be selected primarily on the
16 basis of their experience and education in financial
17 management, with consideration given to persons knowledgeable
18 in education finance. Two members of the Panel shall be
19 residents of the school district that the Panel serves. A
20 member of the Panel may not be a member of the district's
21 school board or an employee of the district nor may a member
22 have a direct financial interest in the district.

23 (c) Panel members may be reimbursed by the State Board for
24 travel and other necessary expenses incurred in the performance
25 of their official duties. The amount reimbursed members for

1 their expenses shall be charged to the school district as part
2 of any emergency financial assistance and incorporated as a
3 part of the terms and conditions for repayment of the
4 assistance or shall be deducted from the district's general
5 State aid or primary State aid as provided in Section 1H-65 of
6 this Code.

7 (d) With the exception of the chairperson, who shall be
8 designated as provided in subsection (a) of this Section, the
9 Panel may elect such officers as it deems appropriate.

10 (e) The first meeting of the Panel shall be held at the
11 call of the Chairperson. The Panel shall prescribe the times
12 and places for its meetings and the manner in which regular and
13 special meetings may be called and shall comply with the Open
14 Meetings Act. The Panel shall also comply with the Freedom of
15 Information Act.

16 (f) Three members of the Panel shall constitute a quorum. A
17 majority of members present is required to pass a measure.

18 (Source: P.A. 97-429, eff. 8-16-11.)

19 (105 ILCS 5/1H-70)

20 Sec. 1H-70. Tax anticipation warrants, tax anticipation
21 notes, revenue anticipation certificates or notes, general
22 State aid or primary State aid anticipation certificates, and
23 lines of credit. With the approval of the State Superintendent
24 and provided that the district is unable to secure short-term
25 financing after 3 attempts, a Panel shall have the same power

1 as a district to do the following:

2 (1) issue tax anticipation warrants under the
3 provisions of Section 17-16 of this Code against taxes
4 levied by either the school board or the Panel pursuant to
5 Section 1H-25 of this Code;

6 (2) issue tax anticipation notes under the provisions
7 of the Tax Anticipation Note Act against taxes levied by
8 either the school board or the Panel pursuant to Section
9 1H-25 of this Code;

10 (3) issue revenue anticipation certificates or notes
11 under the provisions of the Revenue Anticipation Act;

12 (4) issue general State aid or primary State aid
13 anticipation certificates under the provisions of Section
14 18-18 of this Code; and

15 (5) establish and utilize lines of credit under the
16 provisions of Section 17-17 of this Code.

17 Tax anticipation warrants, tax anticipation notes, revenue
18 anticipation certificates or notes, general State aid or
19 primary State aid anticipation certificates, and lines of
20 credit are considered borrowing from sources other than the
21 State and are subject to Section 1H-65 of this Code.

22 (Source: P.A. 97-429, eff. 8-16-11.)

23 (105 ILCS 5/2-3.28) (from Ch. 122, par. 2-3.28)

24 Sec. 2-3.28. Rules and regulations of budget and accounting
25 systems. To prescribe rules and regulations defining what shall

1 constitute a budget and accounting system required under this
2 Act. The rules and regulations shall prescribe the minimum
3 extent of verification, the type of audit, the extent of the
4 audit report and shall require compliance with statutory
5 requirements and standards and such requirements as the State
6 Board of Education deems necessary for an adequate budget and
7 accounting system. For the 2018-2019 school year and
8 thereafter, the rules and regulations shall prescribe a system
9 for accounting for revenues and expenditures at the individual
10 school level that includes without limitation the following:

11 (1) accounting for expenditures for school
12 administration, regular instruction, special education
13 instruction, instructional programs for children of
14 limited English-speaking ability, instructional support
15 services, and pupil support services;

16 (2) salary expenditures reflecting actual staff
17 salaries at each school;

18 (3) accounting for operations, including
19 non-instructional pupil services, facilities, and business
20 services; and

21 (4) such other requirements as the State Board of
22 Education deems necessary to provide for a uniform and
23 transparent system of accounting at the school level.

24 (Source: P.A. 81-1508.)

25 (105 ILCS 5/2-3.33) (from Ch. 122, par. 2-3.33)

1 Sec. 2-3.33. Recomputation of claims. To recompute within
2 3 years from the final date for filing of a claim any claim for
3 reimbursement to any school district if the claim has been
4 found to be incorrect and to adjust subsequent claims
5 accordingly, and to recompute and adjust any such claims within
6 6 years from the final date for filing when there has been an
7 adverse court or administrative agency decision on the merits
8 affecting the tax revenues of the school district. However, no
9 such adjustment shall be made regarding equalized assessed
10 valuation unless the district's equalized assessed valuation
11 is changed by greater than \$250,000 or 2%. Any adjustments for
12 claims recomputed for the 2015-2016 school year and prior
13 school years shall be applied to the apportionment of primary
14 State financial aid in Section 18-8.15 of this Code beginning
15 in the 2016-2017 school year and thereafter.

16 Except in the case of an adverse court or administrative
17 agency decision, no recomputation of a State aid claim shall be
18 made pursuant to this Section as a result of a reduction in the
19 assessed valuation of a school district from the assessed
20 valuation of the district reported to the State Board of
21 Education by the Department of Revenue under Section 18-8.05 or
22 18-8.15 of this Code unless the requirements of Section 16-15
23 of the Property Tax Code and Section 2-3.84 of this Code are
24 complied with in all respects.

25 This paragraph applies to all requests for recomputation of
26 a general State aid or primary State aid claim received after

1 June 30, 2003. In recomputing a general State aid or primary
2 State aid claim that was originally calculated using an
3 extension limitation equalized assessed valuation under
4 paragraph (3) of subsection (G) of Section 18-8.05 of this Code
5 or paragraph (2) of subsection (h) of Section 18-8.15 of this
6 Code, a qualifying reduction in equalized assessed valuation
7 shall be deducted from the extension limitation equalized
8 assessed valuation that was used in calculating the original
9 claim.

10 From the total amount of general State aid or primary State
11 aid to be provided to districts, adjustments as a result of
12 recomputation under this Section together with adjustments
13 under Section 2-3.84 must not exceed \$25 million, in the
14 aggregate for all districts under both Sections combined, of
15 the general State aid or primary State aid appropriation in any
16 fiscal year; if necessary, amounts shall be prorated among
17 districts. If it is necessary to prorate claims under this
18 paragraph, then that portion of each prorated claim that is
19 approved but not paid in the current fiscal year may be
20 resubmitted as a valid claim in the following fiscal year.

21 (Source: P.A. 93-845, eff. 7-30-04.)

22 (105 ILCS 5/2-3.51.5)

23 Sec. 2-3.51.5. School Safety and Educational Improvement
24 Block Grant Program. To improve the level of education and
25 safety of students from kindergarten through grade 12 in school

1 districts and State-recognized, non-public schools. The State
2 Board of Education is authorized to fund a School Safety and
3 Educational Improvement Block Grant Program.

4 (1) For school districts, the program shall provide funding
5 for school safety, textbooks and software, electronic
6 textbooks and the technological equipment necessary to gain
7 access to and use electronic textbooks, teacher training and
8 curriculum development, school improvements, school report
9 cards under Section 10-17a, and criminal history records checks
10 under Sections 10-21.9 and 34-18.5. For State-recognized,
11 non-public schools, the program shall provide funding for
12 secular textbooks and software, criminal history records
13 checks, and health and safety mandates to the extent that the
14 funds are expended for purely secular purposes. A school
15 district or laboratory school as defined in Section 18-8, ~~or~~
16 18-8.05, or 18-8.15 is not required to file an application in
17 order to receive the categorical funding to which it is
18 entitled under this Section. Funds for the School Safety and
19 Educational Improvement Block Grant Program shall be
20 distributed to school districts and laboratory schools based on
21 the prior year's best 3 months average daily attendance. Funds
22 for the School Safety and Educational Improvement Block Grant
23 Program shall be distributed to State-recognized, non-public
24 schools based on the average daily attendance figure for the
25 previous school year provided to the State Board of Education.
26 The State Board of Education shall develop an application that

1 requires State-recognized, non-public schools to submit
2 average daily attendance figures. A State-recognized,
3 non-public school must submit the application and average daily
4 attendance figure prior to receiving funds under this Section.
5 The State Board of Education shall promulgate rules and
6 regulations necessary for the implementation of this program.

7 (2) Distribution of moneys to school districts and
8 State-recognized, non-public schools shall be made in 2
9 semi-annual installments, one payment on or before October 30,
10 and one payment prior to April 30, of each fiscal year.

11 (3) Grants under the School Safety and Educational
12 Improvement Block Grant Program shall be awarded provided there
13 is an appropriation for the program, and funding levels for
14 each district shall be prorated according to the amount of the
15 appropriation.

16 (4) The provisions of this Section are in the public
17 interest, are for the public benefit, and serve secular public
18 purposes.

19 (Source: P.A. 98-972, eff. 8-15-14.)

20 (105 ILCS 5/2-3.66) (from Ch. 122, par. 2-3.66)

21 Sec. 2-3.66. Truants' alternative and optional education
22 programs. To establish projects to offer modified
23 instructional programs or other services designed to prevent
24 students from dropping out of school, including programs
25 pursuant to Section 2-3.41, and to serve as a part time or full

1 time option in lieu of regular school attendance and to award
2 grants to local school districts, educational service regions
3 or community college districts from appropriated funds to
4 assist districts in establishing such projects. The education
5 agency may operate its own program or enter into a contract
6 with another not-for-profit entity to implement the program.
7 The projects shall allow dropouts, up to and including age 21,
8 potential dropouts, including truants, uninvolved, unmotivated
9 and disaffected students, as defined by State Board of
10 Education rules and regulations, to enroll, as an alternative
11 to regular school attendance, in an optional education program
12 which may be established by school board policy and is in
13 conformance with rules adopted by the State Board of Education.
14 Truants' Alternative and Optional Education programs funded
15 pursuant to this Section shall be planned by a student, the
16 student's parents or legal guardians, unless the student is 18
17 years or older, and school officials and shall culminate in an
18 individualized optional education plan. Such plan shall focus
19 on academic or vocational skills, or both, and may include, but
20 not be limited to, evening school, summer school, community
21 college courses, adult education, preparation courses for high
22 school equivalency testing, vocational training, work
23 experience, programs to enhance self concept and parenting
24 courses. School districts which are awarded grants pursuant to
25 this Section shall be authorized to provide day care services
26 to children of students who are eligible and desire to enroll

1 in programs established and funded under this Section, but only
2 if and to the extent that such day care is necessary to enable
3 those eligible students to attend and participate in the
4 programs and courses which are conducted pursuant to this
5 Section. School districts and regional offices of education may
6 claim general State aid under Section 18-8.05 or primary State
7 aid under Section 18-8.15 for students enrolled in truants'
8 alternative and optional education programs, provided that
9 such students are receiving services that are supplemental to a
10 program leading to a high school diploma and are otherwise
11 eligible to be claimed for general State aid under Section
12 18-8.05 or primary State aid under Section 18-8.15, as
13 applicable.

14 (Source: P.A. 98-718, eff. 1-1-15.)

15 (105 ILCS 5/2-3.66b)

16 Sec. 2-3.66b. IHOPE Program.

17 (a) There is established the Illinois Hope and Opportunity
18 Pathways through Education (IHOPE) Program. The State Board of
19 Education shall implement and administer the IHOPE Program. The
20 goal of the IHOPE Program is to develop a comprehensive system
21 in this State to re-enroll significant numbers of high school
22 dropouts in programs that will enable them to earn their high
23 school diploma.

24 (b) The IHOPE Program shall award grants, subject to
25 appropriation for this purpose, to educational service regions

1 and a school district organized under Article 34 of this Code
2 from appropriated funds to assist in establishing
3 instructional programs and other services designed to
4 re-enroll high school dropouts. From any funds appropriated for
5 the IHOPE Program, the State Board of Education may use up to
6 5% for administrative costs, including the performance of a
7 program evaluation and the hiring of staff to implement and
8 administer the program.

9 The IHOPE Program shall provide incentive grant funds for
10 regional offices of education and a school district organized
11 under Article 34 of this Code to develop partnerships with
12 school districts, public community colleges, and community
13 groups to build comprehensive plans to re-enroll high school
14 dropouts in their regions or districts.

15 Programs funded through the IHOPE Program shall allow high
16 school dropouts, up to and including age 21 notwithstanding
17 Section 26-2 of this Code, to re-enroll in an educational
18 program in conformance with rules adopted by the State Board of
19 Education. Programs may include without limitation
20 comprehensive year-round programming, evening school, summer
21 school, community college courses, adult education, vocational
22 training, work experience, programs to enhance self-concept,
23 and parenting courses. Any student in the IHOPE Program who
24 wishes to earn a high school diploma must meet the
25 prerequisites to receiving a high school diploma specified in
26 Section 27-22 of this Code and any other graduation

1 requirements of the student's district of residence. Any
2 student who successfully completes the requirements for his or
3 her graduation shall receive a diploma identifying the student
4 as graduating from his or her district of residence.

5 (c) In order to be eligible for funding under the IHOPE
6 Program, an interested regional office of education or a school
7 district organized under Article 34 of this Code shall develop
8 an IHOPE Plan to be approved by the State Board of Education.
9 The State Board of Education shall develop rules for the IHOPE
10 Program that shall set forth the requirements for the
11 development of the IHOPE Plan. Each Plan shall involve school
12 districts, public community colleges, and key community
13 programs that work with high school dropouts located in an
14 educational service region or the City of Chicago before the
15 Plan is sent to the State Board for approval. No funds may be
16 distributed to a regional office of education or a school
17 district organized under Article 34 of this Code until the
18 State Board has approved the Plan.

19 (d) A regional office of education or a school district
20 organized under Article 34 of this Code may operate its own
21 program funded by the IHOPE Program or enter into a contract
22 with other not-for-profit entities, including school
23 districts, public community colleges, and not-for-profit
24 community-based organizations, to operate a program.

25 A regional office of education or a school district
26 organized under Article 34 of this Code that receives an IHOPE

1 grant from the State Board of Education may provide funds under
2 a sub-grant, as specified in the IHOPE Plan, to other
3 not-for-profit entities to provide services according to the
4 IHOPE Plan that was developed. These other entities may include
5 school districts, public community colleges, or not-for-profit
6 community-based organizations or a cooperative partnership
7 among these entities.

8 (e) In order to distribute funding based upon the need to
9 ensure delivery of programs that will have the greatest impact,
10 IHOPE Program funding must be distributed based upon the
11 proportion of dropouts in the educational service region or
12 school district, in the case of a school district organized
13 under Article 34 of this Code, to the total number of dropouts
14 in this State. This formula shall employ the dropout data
15 provided by school districts to the State Board of Education.

16 A regional office of education or a school district
17 organized under Article 34 of this Code may claim State aid
18 under Section 18-8.05 or 18-8.15 of this Code for students
19 enrolled in a program funded by the IHOPE Program, provided
20 that the State Board of Education has approved the IHOPE Plan
21 and that these students are receiving services that are meeting
22 the requirements of Section 27-22 of this Code for receipt of a
23 high school diploma and are otherwise eligible to be claimed
24 for general State aid under Section 18-8.05 of this Code or
25 primary State aid under Section 18-8.15 of this Code, including
26 provisions related to the minimum number of days of pupil

1 attendance pursuant to Section 10-19 of this Code and the
2 minimum number of daily hours of school work and any exceptions
3 thereto as defined by the State Board of Education in rules.

4 (f) IHOPE categories of programming may include the
5 following:

6 (1) Full-time programs that are comprehensive,
7 year-round programs.

8 (2) Part-time programs combining work and study
9 scheduled at various times that are flexible to the needs
10 of students.

11 (3) Online programs and courses in which students take
12 courses and complete on-site, supervised tests that
13 measure the student's mastery of a specific course needed
14 for graduation. Students may take courses online and earn
15 credit or students may prepare to take supervised tests for
16 specific courses for credit leading to receipt of a high
17 school diploma.

18 (4) Dual enrollment in which students attend high
19 school classes in combination with community college
20 classes or students attend community college classes while
21 simultaneously earning high school credit and eventually a
22 high school diploma.

23 (g) In order to have successful comprehensive programs
24 re-enrolling and graduating low-skilled high school dropouts,
25 programs funded through the IHOPE Program shall include all of
26 the following components:

1 (1) Small programs (70 to 100 students) at a separate
2 school site with a distinct identity. Programs may be
3 larger with specific need and justification, keeping in
4 mind that it is crucial to keep programs small to be
5 effective.

6 (2) Specific performance-based goals and outcomes and
7 measures of enrollment, attendance, skills, credits,
8 graduation, and the transition to college, training, and
9 employment.

10 (3) Strong, experienced leadership and teaching staff
11 who are provided with ongoing professional development.

12 (4) Voluntary enrollment.

13 (5) High standards for student learning, integrating
14 work experience, and education, including during the
15 school year and after school, and summer school programs
16 that link internships, work, and learning.

17 (6) Comprehensive programs providing extensive support
18 services.

19 (7) Small teams of students supported by full-time paid
20 mentors who work to retain and help those students
21 graduate.

22 (8) A comprehensive technology learning center with
23 Internet access and broad-based curriculum focusing on
24 academic and career subject areas.

25 (9) Learning opportunities that incorporate action
26 into study.

1 (h) Programs funded through the IHOPE Program must report
2 data to the State Board of Education as requested. This
3 information shall include, but is not limited to, student
4 enrollment figures, attendance information, course completion
5 data, graduation information, and post-graduation information,
6 as available.

7 (i) Rules must be developed by the State Board of Education
8 to set forth the fund distribution process to regional offices
9 of education and a school district organized under Article 34
10 of this Code, the planning and the conditions upon which an
11 IHOPE Plan would be approved by State Board, and other rules to
12 develop the IHOPE Program.

13 (Source: P.A. 96-106, eff. 7-30-09.)

14 (105 ILCS 5/2-3.84) (from Ch. 122, par. 2-3.84)

15 Sec. 2-3.84. In calculating the amount of State aid to be
16 apportioned to the various school districts in this State, the
17 State Board of Education shall incorporate and deduct the total
18 aggregate adjustments to assessments made by the State Property
19 Tax Appeal Board or Cook County Board of Appeals, as reported
20 pursuant to Section 16-15 of the Property Tax Code or Section
21 129.1 of the Revenue Act of 1939 by the Department of Revenue,
22 from the equalized assessed valuation that is otherwise to be
23 utilized in the initial calculation.

24 From the total amount of general State aid or primary State
25 aid to be provided to districts, adjustments under this Section

1 together with adjustments as a result of recomputation under
2 Section 2-3.33 must not exceed \$25 million, in the aggregate
3 for all districts under both Sections combined, of the general
4 State aid or primary State aid appropriation in any fiscal
5 year; if necessary, amounts shall be prorated among districts.
6 If it is necessary to prorate claims under this paragraph, then
7 that portion of each prorated claim that is approved but not
8 paid in the current fiscal year may be resubmitted as a valid
9 claim in the following fiscal year.

10 (Source: P.A. 93-845, eff. 7-30-04.)

11 (105 ILCS 5/2-3.109a)

12 Sec. 2-3.109a. Laboratory schools grant eligibility. A
13 laboratory school as defined in Section 18-8 or 18-8.15 may
14 apply for and be eligible to receive, subject to the same
15 restrictions applicable to school districts, any grant
16 administered by the State Board of Education that is available
17 for school districts.

18 (Source: P.A. 90-566, eff. 1-2-98.)

19 (105 ILCS 5/3-14.21) (from Ch. 122, par. 3-14.21)

20 Sec. 3-14.21. Inspection of schools.

21 (a) The regional superintendent shall inspect and survey
22 all public schools under his or her supervision and notify the
23 board of education, or the trustees of schools in a district
24 with trustees, in writing before July 30, whether or not the

1 several schools in their district have been kept as required by
2 law, using forms provided by the State Board of Education which
3 are based on the Health/Life Safety Code for Public Schools
4 adopted under Section 2-3.12. The regional superintendent
5 shall report his or her findings to the State Board of
6 Education on forms provided by the State Board of Education.

7 (b) If the regional superintendent determines that a school
8 board has failed in a timely manner to correct urgent items
9 identified in a previous life-safety report completed under
10 Section 2-3.12 or as otherwise previously ordered by the
11 regional superintendent, the regional superintendent shall
12 order the school board to adopt and submit to the regional
13 superintendent a plan for the immediate correction of the
14 building violations. This plan shall be adopted following a
15 public hearing that is conducted by the school board on the
16 violations and the plan and that is preceded by at least 7
17 days' prior notice of the hearing published in a newspaper of
18 general circulation within the school district. If the regional
19 superintendent determines in the next annual inspection that
20 the plan has not been completed and that the violations have
21 not been corrected, the regional superintendent shall submit a
22 report to the State Board of Education with a recommendation
23 that the State Board withhold from payments of general State
24 aid or primary State aid due to the district an amount
25 necessary to correct the outstanding violations. The State
26 Board, upon notice to the school board and to the regional

1 superintendent, shall consider the report at a meeting of the
2 State Board, and may order that a sufficient amount of general
3 State aid or primary State aid be withheld from payments due to
4 the district to correct the violations. This amount shall be
5 paid to the regional superintendent who shall contract on
6 behalf of the school board for the correction of the
7 outstanding violations.

8 (c) The Office of the State Fire Marshal or a qualified
9 fire official, as defined in Section 2-3.12 of this Code, to
10 whom the State Fire Marshal has delegated his or her authority
11 shall conduct an annual fire safety inspection of each school
12 building in this State. The State Fire Marshal or the fire
13 official shall coordinate its inspections with the regional
14 superintendent. The inspection shall be based on the fire
15 safety code authorized in Section 2-3.12 of this Code. Any
16 violations shall be reported in writing to the regional
17 superintendent and shall reference the specific code sections
18 where a discrepancy has been identified within 15 days after
19 the inspection has been conducted. The regional superintendent
20 shall address those violations that are not corrected in a
21 timely manner pursuant to subsection (b) of this Section. The
22 inspection must be at no cost to the school district.

23 (d) If a municipality or, in the case of an unincorporated
24 area, a county or, if applicable, a fire protection district
25 wishes to perform new construction inspections under the
26 jurisdiction of a regional superintendent, then the entity must

1 register this wish with the regional superintendent. These
2 inspections must be based on the building code authorized in
3 Section 2-3.12 of this Code. The inspections must be at no cost
4 to the school district.

5 (Source: P.A. 96-734, eff. 8-25-09.)

6 (105 ILCS 5/7-14A) (from Ch. 122, par. 7-14A)

7 Sec. 7-14A. Annexation Compensation. There shall be no
8 accounting made after a mere change in boundaries when no new
9 district is created, except that those districts whose
10 enrollment increases by 90% or more as a result of annexing
11 territory detached from another district pursuant to this
12 Article are eligible for supplementary State aid payments in
13 accordance with Section 11E-135 of this Code. Eligible annexing
14 districts shall apply to the State Board of Education for
15 supplementary State aid payments by submitting enrollment
16 figures for the year immediately preceding and the year
17 immediately following the effective date of the boundary change
18 for both the district gaining territory and the district losing
19 territory. Copies of any intergovernmental agreements between
20 the district gaining territory and the district losing
21 territory detailing any transfer of fund balances and staff
22 must also be submitted. In all instances of changes in
23 boundaries, the district losing territory shall not count the
24 average daily attendance of pupils living in the territory
25 during the year preceding the effective date of the boundary

1 change in its claim for reimbursement under Section 18-8 or
2 18-8.15 for the school year following the effective date of the
3 change in boundaries and the district receiving the territory
4 shall count the average daily attendance of pupils living in
5 the territory during the year preceding the effective date of
6 the boundary change in its claim for reimbursement under
7 Section 18-8 or 18-8.15 for the school year following the
8 effective date of the change in boundaries. The changes to this
9 Section made by this amendatory Act of the 95th General
10 Assembly are intended to be retroactive and applicable to any
11 annexation taking effect on or after July 1, 2004.

12 (Source: P.A. 95-707, eff. 1-11-08.)

13 (105 ILCS 5/10-17a) (from Ch. 122, par. 10-17a)

14 Sec. 10-17a. State, school district, and school report
15 cards.

16 (1) By October 31, 2013 and October 31 of each subsequent
17 school year, the State Board of Education, through the State
18 Superintendent of Education, shall prepare a State report card,
19 school district report cards, and school report cards, and
20 shall by the most economic means provide to each school
21 district in this State, including special charter districts and
22 districts subject to the provisions of Article 34, the report
23 cards for the school district and each of its schools.

24 (2) In addition to any information required by federal law,
25 the State Superintendent shall determine the indicators and

1 presentation of the school report card, which must include, at
2 a minimum, the most current data possessed by the State Board
3 of Education related to the following:

4 (A) school characteristics and student demographics,
5 including average class size, average teaching experience,
6 student racial/ethnic breakdown, and the percentage of
7 students classified as low-income; the percentage of
8 students classified as English learners; the percentage of
9 students who have individualized education plans or 504
10 plans that provide for special education services; the
11 percentage of students who annually transferred in or out
12 of the school district; the per-pupil operating
13 expenditure of the school district; and the per-pupil State
14 average operating expenditure for the district type
15 (elementary, high school, or unit);

16 (B) curriculum information, including, where
17 applicable, Advanced Placement, International
18 Baccalaureate or equivalent courses, dual enrollment
19 courses, foreign language classes, school personnel
20 resources (including Career Technical Education teachers),
21 before and after school programs, extracurricular
22 activities, subjects in which elective classes are
23 offered, health and wellness initiatives (including the
24 average number of days of Physical Education per week per
25 student), approved programs of study, awards received,
26 community partnerships, and special programs such as

1 programming for the gifted and talented, students with
2 disabilities, and work-study students;

3 (C) student outcomes, including, where applicable, the
4 percentage of students deemed proficient on assessments of
5 State standards, the percentage of students in the eighth
6 grade who pass Algebra, the percentage of students enrolled
7 in post-secondary institutions (including colleges,
8 universities, community colleges, trade/vocational
9 schools, and training programs leading to career
10 certification within 2 semesters of high school
11 graduation), the percentage of students graduating from
12 high school who are college and career ready, and the
13 percentage of graduates enrolled in community colleges,
14 colleges, and universities who are in one or more courses
15 that the community college, college, or university
16 identifies as a developmental course;

17 (D) student progress, including, where applicable, the
18 percentage of students in the ninth grade who have earned 5
19 credits or more without failing more than one core class, a
20 measure of students entering kindergarten ready to learn, a
21 measure of growth, and the percentage of students who enter
22 high school on track for college and career readiness;

23 (E) the school environment, including, where
24 applicable, the percentage of students with less than 10
25 absences in a school year, the percentage of teachers with
26 less than 10 absences in a school year for reasons other

1 than professional development, leaves taken pursuant to
2 the federal Family Medical Leave Act of 1993, long-term
3 disability, or parental leaves, the 3-year average of the
4 percentage of teachers returning to the school from the
5 previous year, the number of different principals at the
6 school in the last 6 years, 2 or more indicators from any
7 school climate survey selected or approved by the State and
8 administered pursuant to Section 2-3.153 of this Code, with
9 the same or similar indicators included on school report
10 cards for all surveys selected or approved by the State
11 pursuant to Section 2-3.153 of this Code, and the combined
12 percentage of teachers rated as proficient or excellent in
13 their most recent evaluation; and

14 (F) a school district's and its individual schools'
15 balanced accountability measure, in accordance with
16 Section 2-3.25a of this Code.

17 The school report card shall also provide information that
18 allows for comparing the current outcome, progress, and
19 environment data to the State average, to the school data from
20 the past 5 years, and to the outcomes, progress, and
21 environment of similar schools based on the type of school and
22 enrollment of low-income students, special education students,
23 and English learners.

24 (3) At the discretion of the State Superintendent, the
25 school district report card shall include a subset of the
26 information identified in paragraphs (A) through (E) of

1 subsection (2) of this Section, as well as information relating
2 to the operating expense per pupil and other finances of the
3 school district, and the State report card shall include a
4 subset of the information identified in paragraphs (A) through
5 (E) of subsection (2) of this Section. The school district
6 report card shall include the total and per pupil normal cost
7 amount the State contributed to the Teachers' Retirement System
8 of the State of Illinois in the prior fiscal year for the
9 district's employees, which shall be reported to the State
10 Board of Education by the Teachers' Retirement System of the
11 State of Illinois.

12 (4) Notwithstanding anything to the contrary in this
13 Section, in consultation with key education stakeholders, the
14 State Superintendent shall at any time have the discretion to
15 amend or update any and all metrics on the school, district, or
16 State report card.

17 (5) Annually, no more than 30 calendar days after receipt
18 of the school district and school report cards from the State
19 Superintendent of Education, each school district, including
20 special charter districts and districts subject to the
21 provisions of Article 34, shall present such report cards at a
22 regular school board meeting subject to applicable notice
23 requirements, post the report cards on the school district's
24 Internet web site, if the district maintains an Internet web
25 site, make the report cards available to a newspaper of general
26 circulation serving the district, and, upon request, send the

1 report cards home to a parent (unless the district does not
2 maintain an Internet web site, in which case the report card
3 shall be sent home to parents without request). If the district
4 posts the report card on its Internet web site, the district
5 shall send a written notice home to parents stating (i) that
6 the report card is available on the web site, (ii) the address
7 of the web site, (iii) that a printed copy of the report card
8 will be sent to parents upon request, and (iv) the telephone
9 number that parents may call to request a printed copy of the
10 report card.

11 (6) Nothing contained in this amendatory Act of the 98th
12 General Assembly repeals, supersedes, invalidates, or
13 nullifies final decisions in lawsuits pending on the effective
14 date of this amendatory Act of the 98th General Assembly in
15 Illinois courts involving the interpretation of Public Act
16 97-8.

17 (Source: P.A. 98-463, eff. 8-16-13; 98-648, eff. 7-1-14; 99-30,
18 eff. 7-10-15; 99-193, eff. 7-30-15; revised 10-21-15.)

19 (105 ILCS 5/10-19) (from Ch. 122, par. 10-19)

20 Sec. 10-19. Length of school term - experimental programs.
21 Each school board shall annually prepare a calendar for the
22 school term, specifying the opening and closing dates and
23 providing a minimum term of at least 185 days to insure 176
24 days of actual pupil attendance, computable under Section
25 18-8.05 or 18-8.15, except that for the 1980-1981 school year

1 only 175 days of actual pupil attendance shall be required
2 because of the closing of schools pursuant to Section 24-2 on
3 January 29, 1981 upon the appointment by the President of that
4 day as a day of thanksgiving for the freedom of the Americans
5 who had been held hostage in Iran. Any days allowed by law for
6 teachers' institutes but not used as such or used as parental
7 institutes as provided in Section 10-22.18d shall increase the
8 minimum term by the school days not so used. Except as provided
9 in Section 10-19.1, the board may not extend the school term
10 beyond such closing date unless that extension of term is
11 necessary to provide the minimum number of computable days. In
12 case of such necessary extension school employees shall be paid
13 for such additional time on the basis of their regular
14 contracts. A school board may specify a closing date earlier
15 than that set on the annual calendar when the schools of the
16 district have provided the minimum number of computable days
17 under this Section. Nothing in this Section prevents the board
18 from employing superintendents of schools, principals and
19 other nonteaching personnel for a period of 12 months, or in
20 the case of superintendents for a period in accordance with
21 Section 10-23.8, or prevents the board from employing other
22 personnel before or after the regular school term with payment
23 of salary proportionate to that received for comparable work
24 during the school term.

25 A school board may make such changes in its calendar for
26 the school term as may be required by any changes in the legal

1 school holidays prescribed in Section 24-2. A school board may
2 make changes in its calendar for the school term as may be
3 necessary to reflect the utilization of teachers' institute
4 days as parental institute days as provided in Section
5 10-22.18d.

6 The calendar for the school term and any changes must be
7 submitted to and approved by the regional superintendent of
8 schools before the calendar or changes may take effect.

9 With the prior approval of the State Board of Education and
10 subject to review by the State Board of Education every 3
11 years, any school board may, by resolution of its board and in
12 agreement with affected exclusive collective bargaining
13 agents, establish experimental educational programs, including
14 but not limited to programs for e-learning days as authorized
15 under Section 10-20.56 of this Code, self-directed learning, or
16 outside of formal class periods, which programs when so
17 approved shall be considered to comply with the requirements of
18 this Section as respects numbers of days of actual pupil
19 attendance and with the other requirements of this Act as
20 respects courses of instruction.

21 (Source: P.A. 98-756, eff. 7-16-14; 99-194, eff. 7-30-15.)

22 (105 ILCS 5/10-22.5a) (from Ch. 122, par. 10-22.5a)

23 Sec. 10-22.5a. Attendance by dependents of United States
24 military personnel, foreign exchange students, and certain
25 nonresident pupils.

1 (a) To enter into written agreements with cultural exchange
2 organizations, or with nationally recognized eleemosynary
3 institutions that promote excellence in the arts, mathematics,
4 or science. The written agreements may provide for tuition free
5 attendance at the local district school by foreign exchange
6 students, or by nonresident pupils of eleemosynary
7 institutions. The local board of education, as part of the
8 agreement, may require that the cultural exchange program or
9 the eleemosynary institutions provide services to the district
10 in exchange for the waiver of nonresident tuition.

11 To enter into written agreements with adjacent school
12 districts to provide for tuition free attendance by a student
13 of the adjacent district when requested for the student's
14 health and safety by the student or parent and both districts
15 determine that the student's health or safety will be served by
16 such attendance. Districts shall not be required to enter into
17 such agreements nor be required to alter existing
18 transportation services due to the attendance of such
19 non-resident pupils.

20 (a-5) If, at the time of enrollment, a dependent of United
21 States military personnel is housed in temporary housing
22 located outside of a school district, but will be living within
23 the district within 60 days after the time of initial
24 enrollment, the dependent must be allowed to enroll, subject to
25 the requirements of this subsection (a-5), and must not be
26 charged tuition. Any United States military personnel

1 attempting to enroll a dependent under this subsection (a-5)
2 shall provide proof that the dependent will be living within
3 the district within 60 days after the time of initial
4 enrollment. Proof of residency may include, but is not limited
5 to, postmarked mail addressed to the military personnel and
6 sent to an address located within the district, a lease
7 agreement for occupancy of a residence located within the
8 district, or proof of ownership of a residence located within
9 the district.

10 (b) Nonresident pupils and foreign exchange students
11 attending school on a tuition free basis under such agreements
12 and nonresident dependents of United States military personnel
13 attending school on a tuition free basis may be counted for the
14 purposes of determining the apportionment of State aid provided
15 under Section 18-8.05 or 18-8.15 of this Code. No organization
16 or institution participating in agreements authorized under
17 this Section may exclude any individual for participation in
18 its program on account of the person's race, color, sex,
19 religion or nationality.

20 (Source: P.A. 98-739, eff. 7-16-14.)

21 (105 ILCS 5/10-22.20) (from Ch. 122, par. 10-22.20)

22 Sec. 10-22.20. Classes for adults and youths whose
23 schooling has been interrupted; conditions for State
24 reimbursement; use of child care facilities.

25 (a) To establish special classes for the instruction (1) of

1 persons of age 21 years or over and (2) of persons less than
2 age 21 and not otherwise in attendance in public school, for
3 the purpose of providing adults in the community and youths
4 whose schooling has been interrupted with such additional basic
5 education, vocational skill training, and other instruction as
6 may be necessary to increase their qualifications for
7 employment or other means of self-support and their ability to
8 meet their responsibilities as citizens, including courses of
9 instruction regularly accepted for graduation from elementary
10 or high schools and for Americanization and high school
11 equivalency testing review classes.

12 The board shall pay the necessary expenses of such classes
13 out of school funds of the district, including costs of student
14 transportation and such facilities or provision for child-care
15 as may be necessary in the judgment of the board to permit
16 maximum utilization of the courses by students with children,
17 and other special needs of the students directly related to
18 such instruction. The expenses thus incurred shall be subject
19 to State reimbursement, as provided in this Section. The board
20 may make a tuition charge for persons taking instruction who
21 are not subject to State reimbursement, such tuition charge not
22 to exceed the per capita cost of such classes.

23 The cost of such instruction, including the additional
24 expenses herein authorized, incurred for recipients of
25 financial aid under the Illinois Public Aid Code, or for
26 persons for whom education and training aid has been authorized

1 under Section 9-8 of that Code, shall be assumed in its
2 entirety from funds appropriated by the State to the Illinois
3 Community College Board.

4 (b) The Illinois Community College Board shall establish
5 the standards for the courses of instruction reimbursed under
6 this Section. The Illinois Community College Board shall
7 supervise the administration of the programs. The Illinois
8 Community College Board shall determine the cost of instruction
9 in accordance with standards established by the Illinois
10 Community College Board, including therein other incidental
11 costs as herein authorized, which shall serve as the basis of
12 State reimbursement in accordance with the provisions of this
13 Section. In the approval of programs and the determination of
14 the cost of instruction, the Illinois Community College Board
15 shall provide for the maximum utilization of federal funds for
16 such programs. The Illinois Community College Board shall also
17 provide for:

18 (1) the development of an index of need for program
19 planning and for area funding allocations, as defined by
20 the Illinois Community College Board;

21 (2) the method for calculating hours of instruction, as
22 defined by the Illinois Community College Board, claimable
23 for reimbursement and a method to phase in the calculation
24 and for adjusting the calculations in cases where the
25 services of a program are interrupted due to circumstances
26 beyond the control of the program provider;

1 (3) a plan for the reallocation of funds to increase
2 the amount allocated for grants based upon program
3 performance as set forth in subsection (d) below; and

4 (4) the development of standards for determining
5 grants based upon performance as set forth in subsection
6 (d) below and a plan for the phased-in implementation of
7 those standards.

8 For instruction provided by school districts and community
9 college districts beginning July 1, 1996 and thereafter,
10 reimbursement provided by the Illinois Community College Board
11 for classes authorized by this Section shall be provided from
12 funds appropriated for the reimbursement criteria set forth in
13 subsection (c) below.

14 (c) Upon the annual approval of the Illinois Community
15 College Board, reimbursement shall be first provided for
16 transportation, child care services, and other special needs of
17 the students directly related to instruction and then from the
18 funds remaining an amount equal to the product of the total
19 credit hours or units of instruction approved by the Illinois
20 Community College Board, multiplied by the following:

21 (1) For adult basic education, the maximum
22 reimbursement per credit hour or per unit of instruction
23 shall be equal to (i) through fiscal year 2016, the general
24 state aid per pupil foundation level established in
25 subsection (B) of Section 18-8.05, divided by 60, or (ii)
26 in fiscal year 2017 and thereafter, the foundation level

1 established pursuant to subsection (b) of Section 18-8.15
2 of this Code, divided by 60;

3 (2) The maximum reimbursement per credit hour or per
4 unit of instruction in subparagraph (1) above shall be
5 weighted for students enrolled in classes defined as
6 vocational skills and approved by the Illinois Community
7 College Board by 1.25;

8 (3) The maximum reimbursement per credit hour or per
9 unit of instruction in subparagraph (1) above shall be
10 multiplied by .90 for students enrolled in classes defined
11 as adult secondary education programs and approved by the
12 Illinois Community College Board;

13 (4) (Blank); and

14 (5) Funding for program years after 1999-2000 shall be
15 determined by the Illinois Community College Board.

16 (d) Upon its annual approval, the Illinois Community
17 College Board shall provide grants to eligible programs for
18 supplemental activities to improve or expand services under the
19 Adult Education Act. Eligible programs shall be determined
20 based upon performance outcomes of students in the programs as
21 set by the Illinois Community College Board.

22 (e) Reimbursement under this Section shall not exceed the
23 actual costs of the approved program.

24 If the amount appropriated to the Illinois Community
25 College Board for reimbursement under this Section is less than
26 the amount required under this Act, the apportionment shall be

1 proportionately reduced.

2 School districts and community college districts may
3 assess students up to \$3.00 per credit hour, for classes other
4 than Adult Basic Education level programs, if needed to meet
5 program costs.

6 (f) An education plan shall be established for each adult
7 or youth whose schooling has been interrupted and who is
8 participating in the instructional programs provided under
9 this Section.

10 Each school board and community college shall keep an
11 accurate and detailed account of the students assigned to and
12 receiving instruction under this Section who are subject to
13 State reimbursement and shall submit reports of services
14 provided commencing with fiscal year 1997 as required by the
15 Illinois Community College Board.

16 For classes authorized under this Section, a credit hour or
17 unit of instruction is equal to 15 hours of direct instruction
18 for students enrolled in approved adult education programs at
19 midterm and making satisfactory progress, in accordance with
20 standards established by the Illinois Community College Board.

21 (g) Upon proof submitted to the Illinois Department of
22 Human Services of the payment of all claims submitted under
23 this Section, that Department shall apply for federal funds
24 made available therefor and any federal funds so received shall
25 be paid into the General Revenue Fund in the State Treasury.

26 School districts or community colleges providing classes

1 under this Section shall submit applications to the Illinois
2 Community College Board for preapproval in accordance with the
3 standards established by the Illinois Community College Board.
4 Payments shall be made by the Illinois Community College Board
5 based upon approved programs. Interim expenditure reports may
6 be required by the Illinois Community College Board. Final
7 claims for the school year shall be submitted to the regional
8 superintendents for transmittal to the Illinois Community
9 College Board. Final adjusted payments shall be made by
10 September 30.

11 If a school district or community college district fails to
12 provide, or is providing unsatisfactory or insufficient
13 classes under this Section, the Illinois Community College
14 Board may enter into agreements with public or private
15 educational or other agencies other than the public schools for
16 the establishment of such classes.

17 (h) If a school district or community college district
18 establishes child-care facilities for the children of
19 participants in classes established under this Section, it may
20 extend the use of these facilities to students who have
21 obtained employment and to other persons in the community whose
22 children require care and supervision while the parent or other
23 person in charge of the children is employed or otherwise
24 absent from the home during all or part of the day. It may make
25 the facilities available before and after as well as during
26 regular school hours to school age and preschool age children

1 who may benefit thereby, including children who require care
2 and supervision pending the return of their parent or other
3 person in charge of their care from employment or other
4 activity requiring absence from the home.

5 The Illinois Community College Board shall pay to the board
6 the cost of care in the facilities for any child who is a
7 recipient of financial aid under the Illinois Public Aid Code.

8 The board may charge for care of children for whom it
9 cannot make claim under the provisions of this Section. The
10 charge shall not exceed per capita cost, and to the extent
11 feasible, shall be fixed at a level which will permit
12 utilization by employed parents of low or moderate income. It
13 may also permit any other State or local governmental agency or
14 private agency providing care for children to purchase care.

15 After July 1, 1970 when the provisions of Section 10-20.20
16 become operative in the district, children in a child-care
17 facility shall be transferred to the kindergarten established
18 under that Section for such portion of the day as may be
19 required for the kindergarten program, and only the prorated
20 costs of care and training provided in the Center for the
21 remaining period shall be charged to the Illinois Department of
22 Human Services or other persons or agencies paying for such
23 care.

24 (i) The provisions of this Section shall also apply to
25 school districts having a population exceeding 500,000.

26 (j) In addition to claiming reimbursement under this

1 Section, a school district may claim general State aid under
2 Section 18-8.05 or primary State aid under Section 18-8.15 for
3 any student under age 21 who is enrolled in courses accepted
4 for graduation from elementary or high school and who otherwise
5 meets the requirements of Section 18-8.05 or 18-8.15, as
6 applicable.

7 (Source: P.A. 98-718, eff. 1-1-15.)

8 (105 ILCS 5/10-29)

9 Sec. 10-29. Remote educational programs.

10 (a) For purposes of this Section, "remote educational
11 program" means an educational program delivered to students in
12 the home or other location outside of a school building that
13 meets all of the following criteria:

14 (1) A student may participate in the program only after
15 the school district, pursuant to adopted school board
16 policy, and a person authorized to enroll the student under
17 Section 10-20.12b of this Code determine that a remote
18 educational program will best serve the student's
19 individual learning needs. The adopted school board policy
20 shall include, but not be limited to, all of the following:

21 (A) Criteria for determining that a remote
22 educational program will best serve a student's
23 individual learning needs. The criteria must include
24 consideration of, at a minimum, a student's prior
25 attendance, disciplinary record, and academic history.

1 (B) Any limitations on the number of students or
2 grade levels that may participate in a remote
3 educational program.

4 (C) A description of the process that the school
5 district will use to approve participation in the
6 remote educational program. The process must include
7 without limitation a requirement that, for any student
8 who qualifies to receive services pursuant to the
9 federal Individuals with Disabilities Education
10 Improvement Act of 2004, the student's participation
11 in a remote educational program receive prior approval
12 from the student's individualized education program
13 team.

14 (D) A description of the process the school
15 district will use to develop and approve a written
16 remote educational plan that meets the requirements of
17 subdivision (5) of this subsection (a).

18 (E) A description of the system the school district
19 will establish to calculate the number of clock hours a
20 student is participating in instruction in accordance
21 with the remote educational program.

22 (F) A description of the process for renewing a
23 remote educational program at the expiration of its
24 term.

25 (G) Such other terms and provisions as the school
26 district deems necessary to provide for the

1 establishment and delivery of a remote educational
2 program.

3 (2) The school district has determined that the remote
4 educational program's curriculum is aligned to State
5 learning standards and that the program offers instruction
6 and educational experiences consistent with those given to
7 students at the same grade level in the district.

8 (3) The remote educational program is delivered by
9 instructors that meet the following qualifications:

10 (A) they are certificated under Article 21 of this
11 Code;

12 (B) they meet applicable highly qualified criteria
13 under the federal No Child Left Behind Act of 2001; and

14 (C) they have responsibility for all of the
15 following elements of the program: planning
16 instruction, diagnosing learning needs, prescribing
17 content delivery through class activities, assessing
18 learning, reporting outcomes to administrators and
19 parents and guardians, and evaluating the effects of
20 instruction.

21 (4) During the period of time from and including the
22 opening date to the closing date of the regular school term
23 of the school district established pursuant to Section
24 10-19 of this Code, participation in a remote educational
25 program may be claimed for general State aid purposes under
26 Section 18-8.05 of this Code or primary State aid purposes

1 under Section 18-8.15 of this Code on any calendar day,
2 notwithstanding whether the day is a day of pupil
3 attendance or institute day on the school district's
4 calendar or any other provision of law restricting
5 instruction on that day. If the district holds year-round
6 classes in some buildings, the district shall classify each
7 student's participation in a remote educational program as
8 either on a year-round or a non-year-round schedule for
9 purposes of claiming general State aid or primary State
10 aid. Outside of the regular school term of the district,
11 the remote educational program may be offered as part of
12 any summer school program authorized by this Code.

13 (5) Each student participating in a remote educational
14 program must have a written remote educational plan that
15 has been approved by the school district and a person
16 authorized to enroll the student under Section 10-20.12b of
17 this Code. The school district and a person authorized to
18 enroll the student under Section 10-20.12b of this Code
19 must approve any amendment to a remote educational plan.
20 The remote educational plan must include, but is not
21 limited to, all of the following:

22 (A) Specific achievement goals for the student
23 aligned to State learning standards.

24 (B) A description of all assessments that will be
25 used to measure student progress, which description
26 shall indicate the assessments that will be

1 administered at an attendance center within the school
2 district.

3 (C) A description of the progress reports that will
4 be provided to the school district and the person or
5 persons authorized to enroll the student under Section
6 10-20.12b of this Code.

7 (D) Expectations, processes, and schedules for
8 interaction between a teacher and student.

9 (E) A description of the specific responsibilities
10 of the student's family and the school district with
11 respect to equipment, materials, phone and Internet
12 service, and any other requirements applicable to the
13 home or other location outside of a school building
14 necessary for the delivery of the remote educational
15 program.

16 (F) If applicable, a description of how the remote
17 educational program will be delivered in a manner
18 consistent with the student's individualized education
19 program required by Section 614(d) of the federal
20 Individuals with Disabilities Education Improvement
21 Act of 2004 or plan to ensure compliance with Section
22 504 of the federal Rehabilitation Act of 1973.

23 (G) A description of the procedures and
24 opportunities for participation in academic and
25 extra-curricular activities and programs within the
26 school district.

1 (H) The identification of a parent, guardian, or
2 other responsible adult who will provide direct
3 supervision of the program. The plan must include an
4 acknowledgment by the parent, guardian, or other
5 responsible adult that he or she may engage only in
6 non-teaching duties not requiring instructional
7 judgment or the evaluation of a student. The plan shall
8 designate the parent, guardian, or other responsible
9 adult as non-teaching personnel or volunteer personnel
10 under subsection (a) of Section 10-22.34 of this Code.

11 (I) The identification of a school district
12 administrator who will oversee the remote educational
13 program on behalf of the school district and who may be
14 contacted by the student's parents with respect to any
15 issues or concerns with the program.

16 (J) The term of the student's participation in the
17 remote educational program, which may not extend for
18 longer than 12 months, unless the term is renewed by
19 the district in accordance with subdivision (7) of this
20 subsection (a).

21 (K) A description of the specific location or
22 locations in which the program will be delivered. If
23 the remote educational program is to be delivered to a
24 student in any location other than the student's home,
25 the plan must include a written determination by the
26 school district that the location will provide a

1 learning environment appropriate for the delivery of
2 the program. The location or locations in which the
3 program will be delivered shall be deemed a long
4 distance teaching reception area under subsection (a)
5 of Section 10-22.34 of this Code.

6 (L) Certification by the school district that the
7 plan meets all other requirements of this Section.

8 (6) Students participating in a remote educational
9 program must be enrolled in a school district attendance
10 center pursuant to the school district's enrollment policy
11 or policies. A student participating in a remote
12 educational program must be tested as part of all
13 assessments administered by the school district pursuant
14 to Section 2-3.64a-5 of this Code at the attendance center
15 in which the student is enrolled and in accordance with the
16 attendance center's assessment policies and schedule. The
17 student must be included within all accountability
18 determinations for the school district and attendance
19 center under State and federal law.

20 (7) The term of a student's participation in a remote
21 educational program may not extend for longer than 12
22 months, unless the term is renewed by the school district.
23 The district may only renew a student's participation in a
24 remote educational program following an evaluation of the
25 student's progress in the program, a determination that the
26 student's continuation in the program will best serve the

1 student's individual learning needs, and an amendment to
2 the student's written remote educational plan addressing
3 any changes for the upcoming term of the program.

4 For purposes of this Section, a remote educational program
5 does not include instruction delivered to students through an
6 e-learning program approved under Section 10-20.56 of this
7 Code.

8 (b) A school district may, by resolution of its school
9 board, establish a remote educational program.

10 (c) Clock hours of instruction by students in a remote
11 educational program meeting the requirements of this Section
12 may be claimed by the school district and shall be counted as
13 school work for general State aid purposes in accordance with
14 and subject to the limitations of Section 18-8.05 of this Code
15 or primary State aid purposes in accordance with and subject to
16 the limitations of Section 18-8.15 of this Code.

17 (d) The impact of remote educational programs on wages,
18 hours, and terms and conditions of employment of educational
19 employees within the school district shall be subject to local
20 collective bargaining agreements.

21 (e) The use of a home or other location outside of a school
22 building for a remote educational program shall not cause the
23 home or other location to be deemed a public school facility.

24 (f) A remote educational program may be used, but is not
25 required, for instruction delivered to a student in the home or
26 other location outside of a school building that is not claimed

1 for general State aid purposes under Section 18-8.05 of this
2 Code or primary State aid purposes under Section 18-8.15 of
3 this Code.

4 (g) School districts that, pursuant to this Section, adopt
5 a policy for a remote educational program must submit to the
6 State Board of Education a copy of the policy and any
7 amendments thereto, as well as data on student participation in
8 a format specified by the State Board of Education. The State
9 Board of Education may perform or contract with an outside
10 entity to perform an evaluation of remote educational programs
11 in this State.

12 (h) The State Board of Education may adopt any rules
13 necessary to ensure compliance by remote educational programs
14 with the requirements of this Section and other applicable
15 legal requirements.

16 (Source: P.A. 98-972, eff. 8-15-14; 99-193, eff. 7-30-15;
17 99-194, eff. 7-30-15; revised 10-9-15.)

18 (105 ILCS 5/11E-135)

19 Sec. 11E-135. Incentives. For districts reorganizing under
20 this Article and for a district or districts that annex all of
21 the territory of one or more entire other school districts in
22 accordance with Article 7 of this Code, the following payments
23 shall be made from appropriations made for these purposes:

24 (a)(1) For a combined school district, as defined in
25 Section 11E-20 of this Code, or for a unit district, as defined

1 in Section 11E-25 of this Code, for its first year of
2 existence, the general State aid and supplemental general State
3 aid calculated under Section 18-8.05 of this Code or the
4 primary State aid and supplemental grants calculated under
5 Section 18-8.15 of this Code, as applicable, shall be computed
6 for the new district and for the previously existing districts
7 for which property is totally included within the new district.
8 If the computation on the basis of the previously existing
9 districts is greater, a supplementary payment equal to the
10 difference shall be made for the first 4 years of existence of
11 the new district.

12 (2) For a school district that annexes all of the territory
13 of one or more entire other school districts as defined in
14 Article 7 of this Code, for the first year during which the
15 change of boundaries attributable to the annexation becomes
16 effective for all purposes, as determined under Section 7-9 of
17 this Code, the general State aid and supplemental general State
18 aid calculated under Section 18-8.05 of this Code or the
19 primary State aid and supplemental grants calculated under
20 Section 18-8.15 of this Code, as applicable, shall be computed
21 for the annexing district as constituted after the annexation
22 and for the annexing and each annexed district as constituted
23 prior to the annexation; and if the computation on the basis of
24 the annexing and annexed districts as constituted prior to the
25 annexation is greater, then a supplementary payment equal to
26 the difference shall be made for the first 4 years of existence

1 of the annexing school district as constituted upon the
2 annexation.

3 (3) For 2 or more school districts that annex all of the
4 territory of one or more entire other school districts, as
5 defined in Article 7 of this Code, for the first year during
6 which the change of boundaries attributable to the annexation
7 becomes effective for all purposes, as determined under Section
8 7-9 of this Code, the general State aid and supplemental
9 general State aid calculated under Section 18-8.05 of this Code
10 or the primary State aid and supplemental grants calculated
11 under Section 18-8.15 of this Code, as applicable, shall be
12 computed for each annexing district as constituted after the
13 annexation and for each annexing and annexed district as
14 constituted prior to the annexation; and if the aggregate of
15 the general State aid and supplemental general State aid or
16 primary State aid and supplemental grants, as applicable, as so
17 computed for the annexing districts as constituted after the
18 annexation is less than the aggregate of the general State aid
19 and supplemental general State aid or primary State aid and
20 supplemental grants, as applicable, as so computed for the
21 annexing and annexed districts, as constituted prior to the
22 annexation, then a supplementary payment equal to the
23 difference shall be made and allocated between or among the
24 annexing districts, as constituted upon the annexation, for the
25 first 4 years of their existence. The total difference payment
26 shall be allocated between or among the annexing districts in

1 the same ratio as the pupil enrollment from that portion of the
2 annexed district or districts that is annexed to each annexing
3 district bears to the total pupil enrollment from the entire
4 annexed district or districts, as such pupil enrollment is
5 determined for the school year last ending prior to the date
6 when the change of boundaries attributable to the annexation
7 becomes effective for all purposes. The amount of the total
8 difference payment and the amount thereof to be allocated to
9 the annexing districts shall be computed by the State Board of
10 Education on the basis of pupil enrollment and other data that
11 shall be certified to the State Board of Education, on forms
12 that it shall provide for that purpose, by the regional
13 superintendent of schools for each educational service region
14 in which the annexing and annexed districts are located.

15 (4) For a school district conversion, as defined in Section
16 11E-15 of this Code, or a multi-unit conversion, as defined in
17 subsection (b) of Section 11E-30 of this Code, if in their
18 first year of existence the newly created elementary districts
19 and the newly created high school district, from a school
20 district conversion, or the newly created elementary district
21 or districts and newly created combined high school - unit
22 district, from a multi-unit conversion, qualify for less
23 general State aid under Section 18-8.05 of this Code or primary
24 State aid under Section 18-8.15 of this Code than would have
25 been payable under Section 18-8.05 or 18-8.15, as applicable,
26 for that same year to the previously existing districts, then a

1 supplementary payment equal to that difference shall be made
2 for the first 4 years of existence of the newly created
3 districts. The aggregate amount of each supplementary payment
4 shall be allocated among the newly created districts in the
5 proportion that the deemed pupil enrollment in each district
6 during its first year of existence bears to the actual
7 aggregate pupil enrollment in all of the districts during their
8 first year of existence. For purposes of each allocation:

9 (A) the deemed pupil enrollment of the newly created
10 high school district from a school district conversion
11 shall be an amount equal to its actual pupil enrollment for
12 its first year of existence multiplied by 1.25;

13 (B) the deemed pupil enrollment of each newly created
14 elementary district from a school district conversion
15 shall be an amount equal to its actual pupil enrollment for
16 its first year of existence reduced by an amount equal to
17 the product obtained when the amount by which the newly
18 created high school district's deemed pupil enrollment
19 exceeds its actual pupil enrollment for its first year of
20 existence is multiplied by a fraction, the numerator of
21 which is the actual pupil enrollment of the newly created
22 elementary district for its first year of existence and the
23 denominator of which is the actual aggregate pupil
24 enrollment of all of the newly created elementary districts
25 for their first year of existence;

26 (C) the deemed high school pupil enrollment of the

1 newly created combined high school - unit district from a
2 multi-unit conversion shall be an amount equal to its
3 actual grades 9 through 12 pupil enrollment for its first
4 year of existence multiplied by 1.25; and

5 (D) the deemed elementary pupil enrollment of each
6 newly created district from a multi-unit conversion shall
7 be an amount equal to each district's actual grade K
8 through 8 pupil enrollment for its first year of existence,
9 reduced by an amount equal to the product obtained when the
10 amount by which the newly created combined high school -
11 unit district's deemed high school pupil enrollment
12 exceeds its actual grade 9 through 12 pupil enrollment for
13 its first year of existence is multiplied by a fraction,
14 the numerator of which is the actual grade K through 8
15 pupil enrollment of each newly created district for its
16 first year of existence and the denominator of which is the
17 actual aggregate grade K through 8 pupil enrollment of all
18 such newly created districts for their first year of
19 existence.

20 The aggregate amount of each supplementary payment under
21 this subdivision (4) and the amount thereof to be allocated to
22 the newly created districts shall be computed by the State
23 Board of Education on the basis of pupil enrollment and other
24 data, which shall be certified to the State Board of Education,
25 on forms that it shall provide for that purpose, by the
26 regional superintendent of schools for each educational

1 service region in which the newly created districts are
2 located.

3 (5) For a partial elementary unit district, as defined in
4 subsection (a) or (c) of Section 11E-30 of this Code, if, in
5 the first year of existence, the newly created partial
6 elementary unit district qualifies for less general State aid
7 and supplemental general State aid under Section 18-8.05 of
8 this Code or less primary State aid and supplemental grants
9 under Section 18-8.15 of this Code, as applicable, than would
10 have been payable under those Sections ~~that Section~~ for that
11 same year to the previously existing districts that formed the
12 partial elementary unit district, then a supplementary payment
13 equal to that difference shall be made to the partial
14 elementary unit district for the first 4 years of existence of
15 that newly created district.

16 (6) For an elementary opt-in, as described in subsection
17 (d) of Section 11E-30 of this Code, the general State aid or
18 primary State aid difference shall be computed in accordance
19 with paragraph (5) of this subsection (a) as if the elementary
20 opt-in was included in an optional elementary unit district at
21 the optional elementary unit district's original effective
22 date. If the calculation in this paragraph (6) is less than
23 that calculated in paragraph (5) of this subsection (a) at the
24 optional elementary unit district's original effective date,
25 then no adjustments may be made. If the calculation in this
26 paragraph (6) is more than that calculated in paragraph (5) of

1 this subsection (a) at the optional elementary unit district's
2 original effective date, then the excess must be paid as
3 follows:

4 (A) If the effective date for the elementary opt-in is
5 one year after the effective date for the optional
6 elementary unit district, 100% of the calculated excess
7 shall be paid to the optional elementary unit district in
8 each of the first 4 years after the effective date of the
9 elementary opt-in.

10 (B) If the effective date for the elementary opt-in is
11 2 years after the effective date for the optional
12 elementary unit district, 75% of the calculated excess
13 shall be paid to the optional elementary unit district in
14 each of the first 4 years after the effective date of the
15 elementary opt-in.

16 (C) If the effective date for the elementary opt-in is
17 3 years after the effective date for the optional
18 elementary unit district, 50% of the calculated excess
19 shall be paid to the optional elementary unit district in
20 each of the first 4 years after the effective date of the
21 elementary opt-in.

22 (D) If the effective date for the elementary opt-in is
23 4 years after the effective date for the optional
24 elementary unit district, 25% of the calculated excess
25 shall be paid to the optional elementary unit district in
26 each of the first 4 years after the effective date of the

1 elementary opt-in.

2 (E) If the effective date for the elementary opt-in is
3 5 years after the effective date for the optional
4 elementary unit district, the optional elementary unit
5 district is not eligible for any additional incentives due
6 to the elementary opt-in.

7 (6.5) For a school district that annexes territory detached
8 from another school district whereby the enrollment of the
9 annexing district increases by 90% or more as a result of the
10 annexation, for the first year during which the change of
11 boundaries attributable to the annexation becomes effective
12 for all purposes as determined under Section 7-9 of this Code,
13 the general State aid and supplemental general State aid or
14 primary State aid and supplemental grants, as applicable,
15 calculated under this Section shall be computed for the
16 district gaining territory and the district losing territory as
17 constituted after the annexation and for the same districts as
18 constituted prior to the annexation; and if the aggregate of
19 the general State aid and supplemental general State aid or
20 primary State aid and supplemental grants, as applicable, as so
21 computed for the district gaining territory and the district
22 losing territory as constituted after the annexation is less
23 than the aggregate of the general State aid and supplemental
24 general State aid or primary State aid and supplemental grants,
25 as applicable, as so computed for the district gaining
26 territory and the district losing territory as constituted

1 prior to the annexation, then a supplementary payment shall be
2 made to the annexing district for the first 4 years of
3 existence after the annexation, equal to the difference
4 multiplied by the ratio of student enrollment in the territory
5 detached to the total student enrollment in the district losing
6 territory for the year prior to the effective date of the
7 annexation. The amount of the total difference and the
8 proportion paid to the annexing district shall be computed by
9 the State Board of Education on the basis of pupil enrollment
10 and other data that must be submitted to the State Board of
11 Education in accordance with Section 7-14A of this Code. The
12 changes to this Section made by Public Act 95-707 are intended
13 to be retroactive and applicable to any annexation taking
14 effect on or after July 1, 2004. For annexations that are
15 eligible for payments under this paragraph (6.5) and that are
16 effective on or after July 1, 2004, but before January 11, 2008
17 (the effective date of Public Act 95-707), the first required
18 yearly payment under this paragraph (6.5) shall be paid in the
19 fiscal year of January 11, 2008 (the effective date of Public
20 Act 95-707). Subsequent required yearly payments shall be paid
21 in subsequent fiscal years until the payment obligation under
22 this paragraph (6.5) is complete.

23 (7) Claims for financial assistance under this subsection
24 (a) may not be recomputed except as expressly provided under
25 Section 18-8.05 or 18-8.15 of this Code.

26 (8) Any supplementary payment made under this subsection

1 (a) must be treated as separate from all other payments made
2 pursuant to Section 18-8.05 or 18-8.15 of this Code.

3 (b) (1) After the formation of a combined school district,
4 as defined in Section 11E-20 of this Code, or a unit district,
5 as defined in Section 11E-25 of this Code, a computation shall
6 be made to determine the difference between the salaries
7 effective in each of the previously existing districts on June
8 30, prior to the creation of the new district. For the first 4
9 years after the formation of the new district, a supplementary
10 State aid reimbursement shall be paid to the new district equal
11 to the difference between the sum of the salaries earned by
12 each of the certificated members of the new district, while
13 employed in one of the previously existing districts during the
14 year immediately preceding the formation of the new district,
15 and the sum of the salaries those certificated members would
16 have been paid during the year immediately prior to the
17 formation of the new district if placed on the salary schedule
18 of the previously existing district with the highest salary
19 schedule.

20 (2) After the territory of one or more school districts is
21 annexed by one or more other school districts as defined in
22 Article 7 of this Code, a computation shall be made to
23 determine the difference between the salaries effective in each
24 annexed district and in the annexing district or districts as
25 they were each constituted on June 30 preceding the date when
26 the change of boundaries attributable to the annexation became

1 effective for all purposes, as determined under Section 7-9 of
2 this Code. For the first 4 years after the annexation, a
3 supplementary State aid reimbursement shall be paid to each
4 annexing district as constituted after the annexation equal to
5 the difference between the sum of the salaries earned by each
6 of the certificated members of the annexing district as
7 constituted after the annexation, while employed in an annexed
8 or annexing district during the year immediately preceding the
9 annexation, and the sum of the salaries those certificated
10 members would have been paid during the immediately preceding
11 year if placed on the salary schedule of whichever of the
12 annexing or annexed districts had the highest salary schedule
13 during the immediately preceding year.

14 (3) For each new high school district formed under a school
15 district conversion, as defined in Section 11E-15 of this Code,
16 the State shall make a supplementary payment for 4 years equal
17 to the difference between the sum of the salaries earned by
18 each certified member of the new high school district, while
19 employed in one of the previously existing districts, and the
20 sum of the salaries those certified members would have been
21 paid if placed on the salary schedule of the previously
22 existing district with the highest salary schedule.

23 (4) For each newly created partial elementary unit
24 district, the State shall make a supplementary payment for 4
25 years equal to the difference between the sum of the salaries
26 earned by each certified member of the newly created partial

1 elementary unit district, while employed in one of the
2 previously existing districts that formed the partial
3 elementary unit district, and the sum of the salaries those
4 certified members would have been paid if placed on the salary
5 schedule of the previously existing district with the highest
6 salary schedule. The salary schedules used in the calculation
7 shall be those in effect in the previously existing districts
8 for the school year prior to the creation of the new partial
9 elementary unit district.

10 (5) For an elementary district opt-in, as described in
11 subsection (d) of Section 11E-30 of this Code, the salary
12 difference incentive shall be computed in accordance with
13 paragraph (4) of this subsection (b) as if the opted-in
14 elementary district was included in the optional elementary
15 unit district at the optional elementary unit district's
16 original effective date. If the calculation in this paragraph
17 (5) is less than that calculated in paragraph (4) of this
18 subsection (b) at the optional elementary unit district's
19 original effective date, then no adjustments may be made. If
20 the calculation in this paragraph (5) is more than that
21 calculated in paragraph (4) of this subsection (b) at the
22 optional elementary unit district's original effective date,
23 then the excess must be paid as follows:

24 (A) If the effective date for the elementary opt-in is
25 one year after the effective date for the optional
26 elementary unit district, 100% of the calculated excess

1 shall be paid to the optional elementary unit district in
2 each of the first 4 years after the effective date of the
3 elementary opt-in.

4 (B) If the effective date for the elementary opt-in is
5 2 years after the effective date for the optional
6 elementary unit district, 75% of the calculated excess
7 shall be paid to the optional elementary unit district in
8 each of the first 4 years after the effective date of the
9 elementary opt-in.

10 (C) If the effective date for the elementary opt-in is
11 3 years after the effective date for the optional
12 elementary unit district, 50% of the calculated excess
13 shall be paid to the optional elementary unit district in
14 each of the first 4 years after the effective date of the
15 elementary opt-in.

16 (D) If the effective date for the elementary opt-in is
17 4 years after the effective date for the partial elementary
18 unit district, 25% of the calculated excess shall be paid
19 to the optional elementary unit district in each of the
20 first 4 years after the effective date of the elementary
21 opt-in.

22 (E) If the effective date for the elementary opt-in is
23 5 years after the effective date for the optional
24 elementary unit district, the optional elementary unit
25 district is not eligible for any additional incentives due
26 to the elementary opt-in.

1 (5.5) After the formation of a cooperative high school by 2
2 or more school districts under Section 10-22.22c of this Code,
3 a computation shall be made to determine the difference between
4 the salaries effective in each of the previously existing high
5 schools on June 30 prior to the formation of the cooperative
6 high school. For the first 4 years after the formation of the
7 cooperative high school, a supplementary State aid
8 reimbursement shall be paid to the cooperative high school
9 equal to the difference between the sum of the salaries earned
10 by each of the certificated members of the cooperative high
11 school while employed in one of the previously existing high
12 schools during the year immediately preceding the formation of
13 the cooperative high school and the sum of the salaries those
14 certificated members would have been paid during the year
15 immediately prior to the formation of the cooperative high
16 school if placed on the salary schedule of the previously
17 existing high school with the highest salary schedule.

18 (5.10) After the annexation of territory detached from
19 another school district whereby the enrollment of the annexing
20 district increases by 90% or more as a result of the
21 annexation, a computation shall be made to determine the
22 difference between the salaries effective in the district
23 gaining territory and the district losing territory as they
24 each were constituted on June 30 preceding the date when the
25 change of boundaries attributable to the annexation became
26 effective for all purposes as determined under Section 7-9 of

1 this Code. For the first 4 years after the annexation, a
2 supplementary State aid reimbursement shall be paid to the
3 annexing district equal to the difference between the sum of
4 the salaries earned by each of the certificated members of the
5 annexing district as constituted after the annexation while
6 employed in the district gaining territory or the district
7 losing territory during the year immediately preceding the
8 annexation and the sum of the salaries those certificated
9 members would have been paid during such immediately preceding
10 year if placed on the salary schedule of whichever of the
11 district gaining territory or district losing territory had the
12 highest salary schedule during the immediately preceding year.
13 To be eligible for supplementary State aid reimbursement under
14 this Section, the intergovernmental agreement to be submitted
15 pursuant to Section 7-14A of this Code must show that staff
16 members were transferred from the control of the district
17 losing territory to the control of the district gaining
18 territory in the annexation. The changes to this Section made
19 by Public Act 95-707 are intended to be retroactive and
20 applicable to any annexation taking effect on or after July 1,
21 2004. For annexations that are eligible for payments under this
22 paragraph (5.10) and that are effective on or after July 1,
23 2004, but before January 11, 2008 (the effective date of Public
24 Act 95-707), the first required yearly payment under this
25 paragraph (5.10) shall be paid in the fiscal year of January
26 11, 2008 (the effective date of Public Act 95-707). Subsequent

1 required yearly payments shall be paid in subsequent fiscal
2 years until the payment obligation under this paragraph (5.10)
3 is complete.

4 (5.15) After the deactivation of a school facility in
5 accordance with Section 10-22.22b of this Code, a computation
6 shall be made to determine the difference between the salaries
7 effective in the sending school district and each receiving
8 school district on June 30 prior to the deactivation of the
9 school facility. For the lesser of the first 4 years after the
10 deactivation of the school facility or the length of the
11 deactivation agreement, including any renewals of the original
12 deactivation agreement, a supplementary State aid
13 reimbursement shall be paid to each receiving district equal to
14 the difference between the sum of the salaries earned by each
15 of the certificated members transferred to that receiving
16 district as a result of the deactivation while employed in the
17 sending district during the year immediately preceding the
18 deactivation and the sum of the salaries those certificated
19 members would have been paid during the year immediately
20 preceding the deactivation if placed on the salary schedule of
21 the sending or receiving district with the highest salary
22 schedule.

23 (6) The supplementary State aid reimbursement under this
24 subsection (b) shall be treated as separate from all other
25 payments made pursuant to Section 18-8.05 of this Code. In the
26 case of the formation of a new district or cooperative high

1 school or a deactivation, reimbursement shall begin during the
2 first year of operation of the new district or cooperative high
3 school or the first year of the deactivation, and in the case
4 of an annexation of the territory of one or more school
5 districts by one or more other school districts or the
6 annexation of territory detached from a school district whereby
7 the enrollment of the annexing district increases by 90% or
8 more as a result of the annexation, reimbursement shall begin
9 during the first year when the change in boundaries
10 attributable to the annexation becomes effective for all
11 purposes as determined pursuant to Section 7-9 of this Code,
12 except that for an annexation of territory detached from a
13 school district that is effective on or after July 1, 2004, but
14 before January 11, 2008 (the effective date of Public Act
15 95-707), whereby the enrollment of the annexing district
16 increases by 90% or more as a result of the annexation,
17 reimbursement shall begin during the fiscal year of January 11,
18 2008 (the effective date of Public Act 95-707). Each year that
19 the new, annexing, or receiving district or cooperative high
20 school, as the case may be, is entitled to receive
21 reimbursement, the number of eligible certified members who are
22 employed on October 1 in the district or cooperative high
23 school shall be certified to the State Board of Education on
24 prescribed forms by October 15 and payment shall be made on or
25 before November 15 of that year.

26 (c) (1) For the first year after the formation of a combined

1 school district, as defined in Section 11E-20 of this Code or a
2 unit district, as defined in Section 11E-25 of this Code, a
3 computation shall be made totaling each previously existing
4 district's audited fund balances in the educational fund,
5 working cash fund, operations and maintenance fund, and
6 transportation fund for the year ending June 30 prior to the
7 referendum for the creation of the new district. The new
8 district shall be paid supplementary State aid equal to the sum
9 of the differences between the deficit of the previously
10 existing district with the smallest deficit and the deficits of
11 each of the other previously existing districts.

12 (2) For the first year after the annexation of all of the
13 territory of one or more entire school districts by another
14 school district, as defined in Article 7 of this Code,
15 computations shall be made, for the year ending June 30 prior
16 to the date that the change of boundaries attributable to the
17 annexation is allowed by the affirmative decision issued by the
18 regional board of school trustees under Section 7-6 of this
19 Code, notwithstanding any effort to seek administrative review
20 of the decision, totaling the annexing district's and totaling
21 each annexed district's audited fund balances in their
22 respective educational, working cash, operations and
23 maintenance, and transportation funds. The annexing district
24 as constituted after the annexation shall be paid supplementary
25 State aid equal to the sum of the differences between the
26 deficit of whichever of the annexing or annexed districts as

1 constituted prior to the annexation had the smallest deficit
2 and the deficits of each of the other districts as constituted
3 prior to the annexation.

4 (3) For the first year after the annexation of all of the
5 territory of one or more entire school districts by 2 or more
6 other school districts, as defined by Article 7 of this Code,
7 computations shall be made, for the year ending June 30 prior
8 to the date that the change of boundaries attributable to the
9 annexation is allowed by the affirmative decision of the
10 regional board of school trustees under Section 7-6 of this
11 Code, notwithstanding any action for administrative review of
12 the decision, totaling each annexing and annexed district's
13 audited fund balances in their respective educational, working
14 cash, operations and maintenance, and transportation funds.
15 The annexing districts as constituted after the annexation
16 shall be paid supplementary State aid, allocated as provided in
17 this paragraph (3), in an aggregate amount equal to the sum of
18 the differences between the deficit of whichever of the
19 annexing or annexed districts as constituted prior to the
20 annexation had the smallest deficit and the deficits of each of
21 the other districts as constituted prior to the annexation. The
22 aggregate amount of the supplementary State aid payable under
23 this paragraph (3) shall be allocated between or among the
24 annexing districts as follows:

25 (A) the regional superintendent of schools for each
26 educational service region in which an annexed district is

1 located prior to the annexation shall certify to the State
2 Board of Education, on forms that it shall provide for that
3 purpose, the value of all taxable property in each annexed
4 district, as last equalized or assessed by the Department
5 of Revenue prior to the annexation, and the equalized
6 assessed value of each part of the annexed district that
7 was annexed to or included as a part of an annexing
8 district;

9 (B) using equalized assessed values as certified by the
10 regional superintendent of schools under clause (A) of this
11 paragraph (3), the combined audited fund balance deficit of
12 each annexed district as determined under this Section
13 shall be apportioned between or among the annexing
14 districts in the same ratio as the equalized assessed value
15 of that part of the annexed district that was annexed to or
16 included as a part of an annexing district bears to the
17 total equalized assessed value of the annexed district; and

18 (C) the aggregate supplementary State aid payment
19 under this paragraph (3) shall be allocated between or
20 among, and shall be paid to, the annexing districts in the
21 same ratio as the sum of the combined audited fund balance
22 deficit of each annexing district as constituted prior to
23 the annexation, plus all combined audited fund balance
24 deficit amounts apportioned to that annexing district
25 under clause (B) of this subsection, bears to the aggregate
26 of the combined audited fund balance deficits of all of the

1 annexing and annexed districts as constituted prior to the
2 annexation.

3 (4) For the new elementary districts and new high school
4 district formed through a school district conversion, as
5 defined in Section 11E-15 of this Code or the new elementary
6 district or districts and new combined high school - unit
7 district formed through a multi-unit conversion, as defined in
8 subsection (b) of Section 11E-30 of this Code, a computation
9 shall be made totaling each previously existing district's
10 audited fund balances in the educational fund, working cash
11 fund, operations and maintenance fund, and transportation fund
12 for the year ending June 30 prior to the referendum
13 establishing the new districts. In the first year of the new
14 districts, the State shall make a one-time supplementary
15 payment equal to the sum of the differences between the deficit
16 of the previously existing district with the smallest deficit
17 and the deficits of each of the other previously existing
18 districts. A district with a combined balance among the 4 funds
19 that is positive shall be considered to have a deficit of zero.
20 The supplementary payment shall be allocated among the newly
21 formed high school and elementary districts in the manner
22 provided by the petition for the formation of the districts, in
23 the form in which the petition is approved by the regional
24 superintendent of schools or State Superintendent of Education
25 under Section 11E-50 of this Code.

26 (5) For each newly created partial elementary unit

1 district, as defined in subsection (a) or (c) of Section 11E-30
2 of this Code, a computation shall be made totaling the audited
3 fund balances of each previously existing district that formed
4 the new partial elementary unit district in the educational
5 fund, working cash fund, operations and maintenance fund, and
6 transportation fund for the year ending June 30 prior to the
7 referendum for the formation of the partial elementary unit
8 district. In the first year of the new partial elementary unit
9 district, the State shall make a one-time supplementary payment
10 to the new district equal to the sum of the differences between
11 the deficit of the previously existing district with the
12 smallest deficit and the deficits of each of the other
13 previously existing districts. A district with a combined
14 balance among the 4 funds that is positive shall be considered
15 to have a deficit of zero.

16 (6) For an elementary opt-in as defined in subsection (d)
17 of Section 11E-30 of this Code, the deficit fund balance
18 incentive shall be computed in accordance with paragraph (5) of
19 this subsection (c) as if the opted-in elementary was included
20 in the optional elementary unit district at the optional
21 elementary unit district's original effective date. If the
22 calculation in this paragraph (6) is less than that calculated
23 in paragraph (5) of this subsection (c) at the optional
24 elementary unit district's original effective date, then no
25 adjustments may be made. If the calculation in this paragraph
26 (6) is more than that calculated in paragraph (5) of this

1 subsection (c) at the optional elementary unit district's
2 original effective date, then the excess must be paid as
3 follows:

4 (A) If the effective date for the elementary opt-in is
5 one year after the effective date for the optional
6 elementary unit district, 100% of the calculated excess
7 shall be paid to the optional elementary unit district in
8 the first year after the effective date of the elementary
9 opt-in.

10 (B) If the effective date for the elementary opt-in is
11 2 years after the effective date for the optional
12 elementary unit district, 75% of the calculated excess
13 shall be paid to the optional elementary unit district in
14 the first year after the effective date of the elementary
15 opt-in.

16 (C) If the effective date for the elementary opt-in is
17 3 years after the effective date for the optional
18 elementary unit district, 50% of the calculated excess
19 shall be paid to the optional elementary unit district in
20 the first year after the effective date of the elementary
21 opt-in.

22 (D) If the effective date for the elementary opt-in is
23 4 years after the effective date for the optional
24 elementary unit district, 25% of the calculated excess
25 shall be paid to the optional elementary unit district in
26 the first year after the effective date of the elementary

1 opt-in.

2 (E) If the effective date for the elementary opt-in is
3 5 years after the effective date for the optional
4 elementary unit district, the optional elementary unit
5 district is not eligible for any additional incentives due
6 to the elementary opt-in.

7 (6.5) For the first year after the annexation of territory
8 detached from another school district whereby the enrollment of
9 the annexing district increases by 90% or more as a result of
10 the annexation, a computation shall be made totaling the
11 audited fund balances of the district gaining territory and the
12 audited fund balances of the district losing territory in the
13 educational fund, working cash fund, operations and
14 maintenance fund, and transportation fund for the year ending
15 June 30 prior to the date that the change of boundaries
16 attributable to the annexation is allowed by the affirmative
17 decision of the regional board of school trustees under Section
18 7-6 of this Code, notwithstanding any action for administrative
19 review of the decision. The annexing district as constituted
20 after the annexation shall be paid supplementary State aid
21 equal to the difference between the deficit of whichever
22 district included in this calculation as constituted prior to
23 the annexation had the smallest deficit and the deficit of each
24 other district included in this calculation as constituted
25 prior to the annexation, multiplied by the ratio of equalized
26 assessed value of the territory detached to the total equalized

1 assessed value of the district losing territory. The regional
2 superintendent of schools for the educational service region in
3 which a district losing territory is located prior to the
4 annexation shall certify to the State Board of Education the
5 value of all taxable property in the district losing territory
6 and the value of all taxable property in the territory being
7 detached, as last equalized or assessed by the Department of
8 Revenue prior to the annexation. To be eligible for
9 supplementary State aid reimbursement under this Section, the
10 intergovernmental agreement to be submitted pursuant to
11 Section 7-14A of this Code must show that fund balances were
12 transferred from the district losing territory to the district
13 gaining territory in the annexation. The changes to this
14 Section made by Public Act 95-707 are intended to be
15 retroactive and applicable to any annexation taking effect on
16 or after July 1, 2004. For annexations that are eligible for
17 payments under this paragraph (6.5) and that are effective on
18 or after July 1, 2004, but before January 11, 2008 (the
19 effective date of Public Act 95-707), the required payment
20 under this paragraph (6.5) shall be paid in the fiscal year of
21 January 11, 2008 (the effective date of Public Act 95-707).

22 (7) For purposes of any calculation required under
23 paragraph (1), (2), (3), (4), (5), (6), or (6.5) of this
24 subsection (c), a district with a combined fund balance that is
25 positive shall be considered to have a deficit of zero. For
26 purposes of determining each district's audited fund balances

1 in its educational fund, working cash fund, operations and
2 maintenance fund, and transportation fund for the specified
3 year ending June 30, as provided in paragraphs (1), (2), (3),
4 (4), (5), (6), and (6.5) of this subsection (c), the balance of
5 each fund shall be deemed decreased by an amount equal to the
6 amount of the annual property tax theretofore levied in the
7 fund by the district for collection and payment to the district
8 during the calendar year in which the June 30 fell, but only to
9 the extent that the tax so levied in the fund actually was
10 received by the district on or before or comprised a part of
11 the fund on such June 30. For purposes of determining each
12 district's audited fund balances, a calculation shall be made
13 for each fund to determine the average for the 3 years prior to
14 the specified year ending June 30, as provided in paragraphs
15 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c),
16 of the district's expenditures in the categories "purchased
17 services", "supplies and materials", and "capital outlay", as
18 those categories are defined in rules of the State Board of
19 Education. If this 3-year average is less than the district's
20 expenditures in these categories for the specified year ending
21 June 30, as provided in paragraphs (1), (2), (3), (4), (5),
22 (6), and (6.5) of this subsection (c), then the 3-year average
23 shall be used in calculating the amounts payable under this
24 Section in place of the amounts shown in these categories for
25 the specified year ending June 30, as provided in paragraphs
26 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c).

1 Any deficit because of State aid not yet received may not be
2 considered in determining the June 30 deficits. The same basis
3 of accounting shall be used by all previously existing
4 districts and by all annexing or annexed districts, as
5 constituted prior to the annexation, in making any computation
6 required under paragraphs (1), (2), (3), (4), (5), (6), and
7 (6.5) of this subsection (c).

8 (8) The supplementary State aid payments under this
9 subsection (c) shall be treated as separate from all other
10 payments made pursuant to Section 18-8.05 of this Code.

11 (d)(1) Following the formation of a combined school
12 district, as defined in Section 11E-20 of this Code, a new unit
13 district, as defined in Section 11E-25 of this Code, a new
14 elementary district or districts and a new high school district
15 formed through a school district conversion, as defined in
16 Section 11E-15 of this Code, a new partial elementary unit
17 district, as defined in Section 11E-30 of this Code, or a new
18 elementary district or districts formed through a multi-unit
19 conversion, as defined in subsection (b) of Section 11E-30 of
20 this Code, or the annexation of all of the territory of one or
21 more entire school districts by one or more other school
22 districts, as defined in Article 7 of this Code, a
23 supplementary State aid reimbursement shall be paid for the
24 number of school years determined under the following table to
25 each new or annexing district equal to the sum of \$4,000 for
26 each certified employee who is employed by the district on a

1 full-time basis for the regular term of the school year:

2	Reorganized District's Rank	Reorganized District's Rank		
3	by type of district (unit,	in Average Daily Attendance		
4	high school, elementary)	By Quintile		
5	in Equalized Assessed Value			
6	Per Pupil by Quintile			
7				3rd, 4th,
8		1st	2nd	or 5th
9		Quintile	Quintile	Quintile
10	1st Quintile	1 year	1 year	1 year
11	2nd Quintile	1 year	2 years	2 years
12	3rd Quintile	2 years	3 years	3 years
13	4th Quintile	2 years	3 years	3 years
14	5th Quintile	2 years	3 years	3 years

15 The State Board of Education shall make a one-time calculation
 16 of a reorganized district's quintile ranks. The average daily
 17 attendance used in this calculation shall be the best 3 months'
 18 average daily attendance for the district's first year. The
 19 equalized assessed value per pupil shall be the district's real
 20 property equalized assessed value used in calculating the
 21 district's first-year general State aid claim, under Section
 22 18-8.05 of this Code, or first-year primary State aid claim,
 23 under Section 18-8.15 of this Code, as applicable, divided by
 24 the best 3 months' average daily attendance.

1 No annexing or resulting school district shall be entitled
2 to supplementary State aid under this subsection (d) unless the
3 district acquires at least 30% of the average daily attendance
4 of the district from which the territory is being detached or
5 divided.

6 If a district results from multiple reorganizations that
7 would otherwise qualify the district for multiple payments
8 under this subsection (d) in any year, then the district shall
9 receive a single payment only for that year based solely on the
10 most recent reorganization.

11 (2) For an elementary opt-in, as defined in subsection (d)
12 of Section 11E-30 of this Code, the full-time certified staff
13 incentive shall be computed in accordance with paragraph (1) of
14 this subsection (d), equal to the sum of \$4,000 for each
15 certified employee of the elementary district that opts-in who
16 is employed by the optional elementary unit district on a
17 full-time basis for the regular term of the school year. The
18 calculation from this paragraph (2) must be paid as follows:

19 (A) If the effective date for the elementary opt-in is
20 one year after the effective date for the optional
21 elementary unit district, 100% of the amount calculated in
22 this paragraph (2) shall be paid to the optional elementary
23 unit district for the number of years calculated in
24 paragraph (1) of this subsection (d) at the optional
25 elementary unit district's original effective date,
26 starting in the second year after the effective date of the

1 elementary opt-in.

2 (B) If the effective date for the elementary opt-in is
3 2 years after the effective date for the optional
4 elementary unit district, 75% of the amount calculated in
5 this paragraph (2) shall be paid to the optional elementary
6 unit district for the number of years calculated in
7 paragraph (1) of this subsection (d) at the optional
8 elementary unit district's original effective date,
9 starting in the second year after the effective date of the
10 elementary opt-in.

11 (C) If the effective date for the elementary opt-in is
12 3 years after the effective date for the optional
13 elementary unit district, 50% of the amount calculated in
14 this paragraph (2) shall be paid to the optional elementary
15 unit district for the number of years calculated in
16 paragraph (1) of this subsection (d) at the optional
17 elementary unit district's original effective date,
18 starting in the second year after the effective date of the
19 elementary opt-in.

20 (D) If the effective date for the elementary opt-in is
21 4 years after the effective date for the optional
22 elementary unit district, 25% of the amount calculated in
23 this paragraph (2) shall be paid to the optional elementary
24 unit district for the number of years calculated in
25 paragraph (1) of this subsection (d) at the optional
26 elementary unit district's original effective date,

1 starting in the second year after the effective date of the
2 elementary opt-in.

3 (E) If the effective date for the elementary opt-in is
4 5 years after the effective date for the optional
5 elementary unit district, the optional elementary unit
6 district is not eligible for any additional incentives due
7 to the elementary opt-in.

8 (2.5) Following the formation of a cooperative high school
9 by 2 or more school districts under Section 10-22.22c of this
10 Code, a supplementary State aid reimbursement shall be paid for
11 3 school years to the cooperative high school equal to the sum
12 of \$4,000 for each certified employee who is employed by the
13 cooperative high school on a full-time basis for the regular
14 term of any such school year. If a cooperative high school
15 results from multiple agreements that would otherwise qualify
16 the cooperative high school for multiple payments under this
17 Section in any year, the cooperative high school shall receive
18 a single payment for that year based solely on the most recent
19 agreement.

20 (2.10) Following the annexation of territory detached from
21 another school district whereby the enrollment of the annexing
22 district increases 90% or more as a result of the annexation, a
23 supplementary State aid reimbursement shall be paid to the
24 annexing district equal to the sum of \$4,000 for each certified
25 employee who is employed by the annexing district on a
26 full-time basis and shall be calculated in accordance with

1 subsection (a) of this Section. To be eligible for
2 supplementary State aid reimbursement under this Section, the
3 intergovernmental agreement to be submitted pursuant to
4 Section 7-14A of this Code must show that certified staff
5 members were transferred from the control of the district
6 losing territory to the control of the district gaining
7 territory in the annexation. The changes to this Section made
8 by Public Act 95-707 are intended to be retroactive and
9 applicable to any annexation taking effect on or after July 1,
10 2004. For annexations that are eligible for payments under this
11 paragraph (2.10) and that are effective on or after July 1,
12 2004, but before January 11, 2008 (the effective date of Public
13 Act 95-707), the first required yearly payment under this
14 paragraph (2.10) shall be paid in the second fiscal year after
15 January 11, 2008 (the effective date of Public Act 95-707). Any
16 subsequent required yearly payments shall be paid in subsequent
17 fiscal years until the payment obligation under this paragraph
18 (2.10) is complete.

19 (2.15) Following the deactivation of a school facility in
20 accordance with Section 10-22.22b of this Code, a supplementary
21 State aid reimbursement shall be paid for the lesser of 3
22 school years or the length of the deactivation agreement,
23 including any renewals of the original deactivation agreement,
24 to each receiving school district equal to the sum of \$4,000
25 for each certified employee who is employed by that receiving
26 district on a full-time basis for the regular term of any such

1 school year who was originally transferred to the control of
2 that receiving district as a result of the deactivation.
3 Receiving districts are eligible for payments under this
4 paragraph (2.15) based on the certified employees transferred
5 to that receiving district as a result of the deactivation and
6 are not required to receive at least 30% of the deactivating
7 district's average daily attendance as required under
8 paragraph (1) of this subsection (d) to be eligible for
9 payments.

10 (3) The supplementary State aid reimbursement payable
11 under this subsection (d) shall be separate from and in
12 addition to all other payments made to the district pursuant to
13 any other Section of this Article.

14 (4) During May of each school year for which a
15 supplementary State aid reimbursement is to be paid to a new,
16 annexing, or receiving school district or cooperative high
17 school pursuant to this subsection (d), the school board or
18 governing board shall certify to the State Board of Education,
19 on forms furnished to the school board or governing board by
20 the State Board of Education for purposes of this subsection
21 (d), the number of certified employees for which the district
22 or cooperative high school is entitled to reimbursement under
23 this Section, together with the names, certificate numbers, and
24 positions held by the certified employees.

25 (5) Upon certification by the State Board of Education to
26 the State Comptroller of the amount of the supplementary State

1 aid reimbursement to which a school district or cooperative
2 high school is entitled under this subsection (d), the State
3 Comptroller shall draw his or her warrant upon the State
4 Treasurer for the payment thereof to the school district or
5 cooperative high school and shall promptly transmit the payment
6 to the school district or cooperative high school through the
7 appropriate school treasurer.

8 (Source: P.A. 95-331, eff. 8-21-07; 95-707, eff. 1-11-08;
9 95-903, eff. 8-25-08; 96-328, eff. 8-11-09.)

10 (105 ILCS 5/13A-8)

11 Sec. 13A-8. Funding.

12 (a) The State of Illinois shall provide funding for the
13 alternative school programs within each educational service
14 region and within the Chicago public school system by line item
15 appropriation made to the State Board of Education for that
16 purpose. This money, when appropriated, shall be provided to
17 the regional superintendent and to the Chicago Board of
18 Education, who shall establish a budget, including salaries,
19 for their alternative school programs. Each program shall
20 receive funding in the amount of \$30,000 plus an amount based
21 on the ratio of the region's or Chicago's best 3 months'
22 average daily attendance in grades pre-kindergarten through 12
23 to the statewide totals of these amounts. For purposes of this
24 calculation, the best 3 months' average daily attendance for
25 each region or Chicago shall be calculated by adding to the

1 best 3 months' average daily attendance the number of
2 low-income students identified in the most recently available
3 federal census multiplied by one-half times the percentage of
4 the region's or Chicago's low-income students to the State's
5 total low-income students. The State Board of Education shall
6 retain up to 1.1% of the appropriation to be used to provide
7 technical assistance, professional development, and
8 evaluations for the programs.

9 (a-5) Notwithstanding any other provisions of this
10 Section, for the 1998-1999 fiscal year, the total amount
11 distributed under subsection (a) for an alternative school
12 program shall be not less than the total amount that was
13 distributed under that subsection for that alternative school
14 program for the 1997-1998 fiscal year. If an alternative school
15 program is to receive a total distribution under subsection (a)
16 for the 1998-1999 fiscal year that is less than the total
17 distribution that the program received under that subsection
18 for the 1997-1998 fiscal year, that alternative school program
19 shall also receive, from a separate appropriation made for
20 purposes of this subsection (a-5), a supplementary payment
21 equal to the amount by which its total distribution under
22 subsection (a) for the 1997-1998 fiscal year exceeds the amount
23 of the total distribution that the alternative school program
24 receives under that subsection for the 1998-1999 fiscal year.
25 If the amount appropriated for supplementary payments to
26 alternative school programs under this subsection (a-5) is

1 insufficient for that purpose, those supplementary payments
2 shall be prorated among the alternative school programs
3 entitled to receive those supplementary payments according to
4 the aggregate amount of the appropriation made for purposes of
5 this subsection (a-5).

6 (b) An alternative school program shall be entitled to
7 receive general State aid as calculated in subsection (K) of
8 Section 18-8.05 or primary State aid as calculated in
9 subsection (i) of Section 18-8.15 upon filing a claim as
10 provided therein. Any time that a student who is enrolled in an
11 alternative school program spends in work-based learning,
12 community service, or a similar alternative educational
13 setting shall be included in determining the student's minimum
14 number of clock hours of daily school work that constitute a
15 day of attendance for purposes of calculating general State aid
16 or primary State aid.

17 (c) An alternative school program may receive additional
18 funding from its school districts in such amount as may be
19 agreed upon by the parties and necessary to support the
20 program. In addition, an alternative school program is
21 authorized to accept and expend gifts, legacies, and grants,
22 including but not limited to federal grants, from any source
23 for purposes directly related to the conduct and operation of
24 the program.

25 (Source: P.A. 89-383, eff. 8-18-95; 89-629, eff. 8-9-96;
26 89-636, eff. 8-9-96; 90-14, eff. 7-1-97; 90-283, eff. 7-31-97;

1 90-802, eff. 12-15-98.)

2 (105 ILCS 5/13B-20.20)

3 Sec. 13B-20.20. Enrollment in other programs. High school
4 equivalency testing preparation programs are not eligible for
5 funding under this Article. A student may enroll in a program
6 approved under Section 18-8.05 or 18-8.15 of this Code, as
7 appropriate, or attend both the alternative learning
8 opportunities program and the regular school program to enhance
9 student performance and facilitate on-time graduation.
10 (Source: P.A. 98-718, eff. 1-1-15.)

11 (105 ILCS 5/13B-45)

12 Sec. 13B-45. Days and hours of attendance. An alternative
13 learning opportunities program shall provide students with at
14 least the minimum number of days of pupil attendance required
15 under Section 10-19 of this Code and the minimum number of
16 daily hours of school work required under Section 18-8.05 or
17 18-8.15 of this Code, provided that the State Board may approve
18 exceptions to these requirements if the program meets all of
19 the following conditions:

20 (1) The district plan submitted under Section
21 13B-25.15 of this Code establishes that a program providing
22 the required minimum number of days of attendance or daily
23 hours of school work would not serve the needs of the
24 program's students.

1 (2) Each day of attendance shall provide no fewer than
2 3 clock hours of school work, as defined under paragraph
3 (1) of subsection (F) of Section 18-8.05 or subsection (f)
4 of Section 18-8.15 of this Code.

5 (3) Each day of attendance that provides fewer than 5
6 clock hours of school work shall also provide supplementary
7 services, including without limitation work-based
8 learning, student assistance programs, counseling, case
9 management, health and fitness programs, or life-skills or
10 conflict resolution training, in order to provide a total
11 daily program to the student of 5 clock hours. A program
12 may claim general State aid or primary State aid for up to
13 2 hours of the time each day that a student is receiving
14 supplementary services.

15 (4) Each program shall provide no fewer than 174 days
16 of actual pupil attendance during the school term; however,
17 approved evening programs that meet the requirements of
18 Section 13B-45 of this Code may offer less than 174 days of
19 actual pupil attendance during the school term.

20 (Source: P.A. 92-42, eff. 1-1-02.)

21 (105 ILCS 5/13B-50)

22 Sec. 13B-50. Eligibility to receive general State aid or
23 primary State aid. In order to receive general State aid or
24 primary State aid, alternative learning opportunities programs
25 must meet the requirements for claiming general State aid as

1 specified in Section 18-8.05 of this Code or primary State aid
2 as specified in Section 18-8.15 of this Code, as applicable,
3 with the exception of the length of the instructional day,
4 which may be less than 5 hours of school work if the program
5 meets the criteria set forth under Sections 13B-50.5 and
6 13B-50.10 of this Code and if the program is approved by the
7 State Board.

8 (Source: P.A. 92-42, eff. 1-1-02.)

9 (105 ILCS 5/13B-50.10)

10 Sec. 13B-50.10. Additional criteria for general State aid
11 or primary State aid. In order to claim general State aid or
12 primary State aid, an alternative learning opportunities
13 program must meet the following criteria:

14 (1) Teacher professional development plans should include
15 education in the instruction of at-risk students.

16 (2) Facilities must meet the health, life, and safety
17 requirements in this Code.

18 (3) The program must comply with all other State and
19 federal laws applicable to education providers.

20 (Source: P.A. 92-42, eff. 1-1-02.)

21 (105 ILCS 5/13B-50.15)

22 Sec. 13B-50.15. Level of funding. Approved alternative
23 learning opportunities programs are entitled to claim general
24 State aid or primary State aid, subject to Sections 13B-50,

1 13B-50.5, and 13B-50.10 of this Code. Approved programs
2 operated by regional offices of education are entitled to
3 receive general State aid or primary State aid at the
4 foundation level of support. A school district or consortium
5 must ensure that an approved program receives supplemental
6 general State aid, transportation reimbursements, and special
7 education resources, if appropriate, for students enrolled in
8 the program.

9 (Source: P.A. 92-42, eff. 1-1-02.)

10 (105 ILCS 5/14-7.02) (from Ch. 122, par. 14-7.02)

11 Sec. 14-7.02. Children attending private schools, public
12 out-of-state schools, public school residential facilities or
13 private special education facilities. The General Assembly
14 recognizes that non-public schools or special education
15 facilities provide an important service in the educational
16 system in Illinois.

17 If because of his or her disability the special education
18 program of a district is unable to meet the needs of a child
19 and the child attends a non-public school or special education
20 facility, a public out-of-state school or a special education
21 facility owned and operated by a county government unit that
22 provides special educational services required by the child and
23 is in compliance with the appropriate rules and regulations of
24 the State Superintendent of Education, the school district in
25 which the child is a resident shall pay the actual cost of

1 tuition for special education and related services provided
2 during the regular school term and during the summer school
3 term if the child's educational needs so require, excluding
4 room, board and transportation costs charged the child by that
5 non-public school or special education facility, public
6 out-of-state school or county special education facility, or
7 \$4,500 per year, whichever is less, and shall provide him any
8 necessary transportation. "Nonpublic special education
9 facility" shall include a residential facility, within or
10 without the State of Illinois, which provides special education
11 and related services to meet the needs of the child by
12 utilizing private schools or public schools, whether located on
13 the site or off the site of the residential facility.

14 The State Board of Education shall promulgate rules and
15 regulations for determining when placement in a private special
16 education facility is appropriate. Such rules and regulations
17 shall take into account the various types of services needed by
18 a child and the availability of such services to the particular
19 child in the public school. In developing these rules and
20 regulations the State Board of Education shall consult with the
21 Advisory Council on Education of Children with Disabilities and
22 hold public hearings to secure recommendations from parents,
23 school personnel, and others concerned about this matter.

24 The State Board of Education shall also promulgate rules
25 and regulations for transportation to and from a residential
26 school. Transportation to and from home to a residential school

1 more than once each school term shall be subject to prior
2 approval by the State Superintendent in accordance with the
3 rules and regulations of the State Board.

4 A school district making tuition payments pursuant to this
5 Section is eligible for reimbursement from the State for the
6 amount of such payments actually made in excess of the district
7 per capita tuition charge for students not receiving special
8 education services. Such reimbursement shall be approved in
9 accordance with Section 14-12.01 and each district shall file
10 its claims, computed in accordance with rules prescribed by the
11 State Board of Education, on forms prescribed by the State
12 Superintendent of Education. Data used as a basis of
13 reimbursement claims shall be for the preceding regular school
14 term and summer school term. Each school district shall
15 transmit its claims to the State Board of Education on or
16 before August 15. The State Board of Education, before
17 approving any such claims, shall determine their accuracy and
18 whether they are based upon services and facilities provided
19 under approved programs. Upon approval the State Board shall
20 cause vouchers to be prepared showing the amount due for
21 payment of reimbursement claims to school districts, for
22 transmittal to the State Comptroller on the 30th day of
23 September, December, and March, respectively, and the final
24 voucher, no later than June 20. If the money appropriated by
25 the General Assembly for such purpose for any year is
26 insufficient, it shall be apportioned on the basis of the

1 claims approved.

2 No child shall be placed in a special education program
3 pursuant to this Section if the tuition cost for special
4 education and related services increases more than 10 percent
5 over the tuition cost for the previous school year or exceeds
6 \$4,500 per year unless such costs have been approved by the
7 Illinois Purchased Care Review Board. The Illinois Purchased
8 Care Review Board shall consist of the following persons, or
9 their designees: the Directors of Children and Family Services,
10 Public Health, Public Aid, and the Governor's Office of
11 Management and Budget; the Secretary of Human Services; the
12 State Superintendent of Education; and such other persons as
13 the Governor may designate. The Review Board shall also consist
14 of one non-voting member who is an administrator of a private,
15 nonpublic, special education school. The Review Board shall
16 establish rules and regulations for its determination of
17 allowable costs and payments made by local school districts for
18 special education, room and board, and other related services
19 provided by non-public schools or special education facilities
20 and shall establish uniform standards and criteria which it
21 shall follow. The Review Board shall approve the usual and
22 customary rate or rates of a special education program that (i)
23 is offered by an out-of-state, non-public provider of
24 integrated autism specific educational and autism specific
25 residential services, (ii) offers 2 or more levels of
26 residential care, including at least one locked facility, and

1 (iii) serves 12 or fewer Illinois students.

2 The Review Board shall establish uniform definitions and
3 criteria for accounting separately by special education, room
4 and board and other related services costs. The Board shall
5 also establish guidelines for the coordination of services and
6 financial assistance provided by all State agencies to assure
7 that no otherwise qualified child with a disability receiving
8 services under Article 14 shall be excluded from participation
9 in, be denied the benefits of or be subjected to discrimination
10 under any program or activity provided by any State agency.

11 The Review Board shall review the costs for special
12 education and related services provided by non-public schools
13 or special education facilities and shall approve or disapprove
14 such facilities in accordance with the rules and regulations
15 established by it with respect to allowable costs.

16 The State Board of Education shall provide administrative
17 and staff support for the Review Board as deemed reasonable by
18 the State Superintendent of Education. This support shall not
19 include travel expenses or other compensation for any Review
20 Board member other than the State Superintendent of Education.

21 The Review Board shall seek the advice of the Advisory
22 Council on Education of Children with Disabilities on the rules
23 and regulations to be promulgated by it relative to providing
24 special education services.

25 If a child has been placed in a program in which the actual
26 per pupil costs of tuition for special education and related

1 services based on program enrollment, excluding room, board and
2 transportation costs, exceed \$4,500 and such costs have been
3 approved by the Review Board, the district shall pay such total
4 costs which exceed \$4,500. A district making such tuition
5 payments in excess of \$4,500 pursuant to this Section shall be
6 responsible for an amount in excess of \$4,500 equal to the
7 district per capita tuition charge and shall be eligible for
8 reimbursement from the State for the amount of such payments
9 actually made in excess of the districts per capita tuition
10 charge for students not receiving special education services.

11 If a child has been placed in an approved individual
12 program and the tuition costs including room and board costs
13 have been approved by the Review Board, then such room and
14 board costs shall be paid by the appropriate State agency
15 subject to the provisions of Section 14-8.01 of this Act. Room
16 and board costs not provided by a State agency other than the
17 State Board of Education shall be provided by the State Board
18 of Education on a current basis. In no event, however, shall
19 the State's liability for funding of these tuition costs begin
20 until after the legal obligations of third party payors have
21 been subtracted from such costs. If the money appropriated by
22 the General Assembly for such purpose for any year is
23 insufficient, it shall be apportioned on the basis of the
24 claims approved. Each district shall submit estimated claims to
25 the State Superintendent of Education. Upon approval of such
26 claims, the State Superintendent of Education shall direct the

1 State Comptroller to make payments on a monthly basis. The
2 frequency for submitting estimated claims and the method of
3 determining payment shall be prescribed in rules and
4 regulations adopted by the State Board of Education. Such
5 current state reimbursement shall be reduced by an amount equal
6 to the proceeds which the child or child's parents are eligible
7 to receive under any public or private insurance or assistance
8 program. Nothing in this Section shall be construed as
9 relieving an insurer or similar third party from an otherwise
10 valid obligation to provide or to pay for services provided to
11 a child with a disability.

12 If it otherwise qualifies, a school district is eligible
13 for the transportation reimbursement under Section 14-13.01
14 and for the reimbursement of tuition payments under this
15 Section whether the non-public school or special education
16 facility, public out-of-state school or county special
17 education facility, attended by a child who resides in that
18 district and requires special educational services, is within
19 or outside of the State of Illinois. However, a district is not
20 eligible to claim transportation reimbursement under this
21 Section unless the district certifies to the State
22 Superintendent of Education that the district is unable to
23 provide special educational services required by the child for
24 the current school year.

25 Nothing in this Section authorizes the reimbursement of a
26 school district for the amount paid for tuition of a child

1 attending a non-public school or special education facility,
2 public out-of-state school or county special education
3 facility unless the school district certifies to the State
4 Superintendent of Education that the special education program
5 of that district is unable to meet the needs of that child
6 because of his disability and the State Superintendent of
7 Education finds that the school district is in substantial
8 compliance with Section 14-4.01. However, if a child is
9 unilaterally placed by a State agency or any court in a
10 non-public school or special education facility, public
11 out-of-state school, or county special education facility, a
12 school district shall not be required to certify to the State
13 Superintendent of Education, for the purpose of tuition
14 reimbursement, that the special education program of that
15 district is unable to meet the needs of a child because of his
16 or her disability.

17 Any educational or related services provided, pursuant to
18 this Section in a non-public school or special education
19 facility or a special education facility owned and operated by
20 a county government unit shall be at no cost to the parent or
21 guardian of the child. However, current law and practices
22 relative to contributions by parents or guardians for costs
23 other than educational or related services are not affected by
24 this amendatory Act of 1978.

25 Reimbursement for children attending public school
26 residential facilities shall be made in accordance with the

1 provisions of this Section.

2 Notwithstanding any other provision of law, any school
3 district receiving a payment under this Section or under
4 Section 14-7.02b, 14-13.01, or 29-5 of this Code may classify
5 all or a portion of the funds that it receives in a particular
6 fiscal year or from general State aid pursuant to Section
7 18-8.05 of this Code as funds received in connection with any
8 funding program for which it is entitled to receive funds from
9 the State in that fiscal year (including, without limitation,
10 any funding program referenced in this Section), regardless of
11 the source or timing of the receipt. The district may not
12 classify more funds as funds received in connection with the
13 funding program than the district is entitled to receive in
14 that fiscal year for that program. Any classification by a
15 district must be made by a resolution of its board of
16 education. The resolution must identify the amount of any
17 payments or general State aid to be classified under this
18 paragraph and must specify the funding program to which the
19 funds are to be treated as received in connection therewith.
20 This resolution is controlling as to the classification of
21 funds referenced therein. A certified copy of the resolution
22 must be sent to the State Superintendent of Education. The
23 resolution shall still take effect even though a copy of the
24 resolution has not been sent to the State Superintendent of
25 Education in a timely manner. No classification under this
26 paragraph by a district shall affect the total amount or timing

1 of money the district is entitled to receive under this Code.
2 No classification under this paragraph by a district shall in
3 any way relieve the district from or affect any requirements
4 that otherwise would apply with respect to that funding
5 program, including any accounting of funds by source, reporting
6 expenditures by original source and purpose, reporting
7 requirements, or requirements of providing services.

8 Notwithstanding anything to the contrary contained in this
9 Section, the State Board of Education shall award to a school
10 district having a population exceeding 500,000 inhabitants
11 48.4% of the funds appropriated by the General Assembly for any
12 fiscal year for purposes of payments to school districts under
13 this Section.

14 (Source: P.A. 98-636, eff. 6-6-14; 98-1008, eff. 1-1-15; 99-78,
15 eff. 7-20-15; 99-143, eff. 7-27-15.)

16 (105 ILCS 5/14-7.02b)

17 Sec. 14-7.02b. Funding for children requiring special
18 education services. Payments to school districts for children
19 requiring special education services documented in their
20 individualized education program regardless of the program
21 from which these services are received, excluding children
22 claimed under Sections 14-7.02 and 14-7.03 of this Code, shall
23 be made in accordance with this Section. Funds received under
24 this Section may be used only for the provision of special
25 educational facilities and services as defined in Section

1 14-1.08 of this Code.

2 The appropriation for fiscal year 2005 through fiscal year
3 2016 ~~and thereafter~~ shall be based upon the IDEA child count of
4 all students in the State, excluding students claimed under
5 Sections 14-7.02 and 14-7.03 of this Code, on December 1 of the
6 fiscal year 2 years preceding, multiplied by 17.5% of the
7 general State aid foundation level of support established for
8 that fiscal year under Section 18-8.05 of this Code.

9 Beginning with fiscal year 2005 and through fiscal year
10 2007, individual school districts shall not receive payments
11 under this Section totaling less than they received under the
12 funding authorized under Section 14-7.02a of this Code during
13 fiscal year 2004, pursuant to the provisions of Section
14 14-7.02a as they were in effect before the effective date of
15 this amendatory Act of the 93rd General Assembly. This base
16 level funding shall be computed first.

17 Beginning with fiscal year 2008 through fiscal year 2016
18 ~~and each fiscal year thereafter~~, individual school districts
19 must not receive payments under this Section totaling less than
20 they received in fiscal year 2007. This funding shall be
21 computed last and shall be a separate calculation from any
22 other calculation set forth in this Section. This amount is
23 exempt from the requirements of Section 1D-1 of this Code.

24 Through fiscal year 2016, an ~~An~~ amount equal to 85% of the
25 funds remaining in the appropriation shall be allocated to
26 school districts based upon the district's average daily

1 attendance reported for purposes of Section 18-8.05 of this
2 Code for the preceding school year. Fifteen percent of the
3 funds remaining in the appropriation shall be allocated to
4 school districts based upon the district's low income eligible
5 pupil count used in the calculation of general State aid under
6 Section 18-8.05 of this Code for the same fiscal year. One
7 hundred percent of the funds computed and allocated to
8 districts under this Section shall be distributed and paid to
9 school districts.

10 For individual students with disabilities whose program
11 costs exceed 4 times the district's per capita tuition rate as
12 calculated under Section 10-20.12a of this Code, the costs in
13 excess of 4 times the district's per capita tuition rate shall
14 be paid by the State Board of Education from unexpended IDEA
15 discretionary funds originally designated for room and board
16 reimbursement pursuant to Section 14-8.01 of this Code. The
17 amount of tuition for these children shall be determined by the
18 actual cost of maintaining classes for these children, using
19 the per capita cost formula set forth in Section 14-7.01 of
20 this Code, with the program and cost being pre-approved by the
21 State Superintendent of Education. Reimbursement for
22 individual students with disabilities whose program costs
23 exceed 4 times the district's per capita tuition rate shall be
24 claimed beginning with costs encumbered for the 2004-2005
25 school year and thereafter.

26 The State Board of Education shall prepare vouchers equal

1 to one-fourth the amount allocated to districts, for
2 transmittal to the State Comptroller on the 30th day of
3 September, December, and March, respectively, and the final
4 voucher, no later than June 20. The Comptroller shall make
5 payments pursuant to this Section to school districts as soon
6 as possible after receipt of vouchers. If the money
7 appropriated from the General Assembly for such purposes for
8 any year is insufficient, it shall be apportioned on the basis
9 of the payments due to school districts.

10 Nothing in this Section shall be construed to decrease or
11 increase the percentage of all special education funds that are
12 allocated annually under Article 1D of this Code or to alter
13 the requirement that a school district provide special
14 education services.

15 Nothing in this amendatory Act of the 93rd General Assembly
16 shall eliminate any reimbursement obligation owed as of the
17 effective date of this amendatory Act of the 93rd General
18 Assembly to a school district with in excess of 500,000
19 inhabitants.

20 Except for reimbursement for individual students with
21 disabilities whose program costs exceed 4 times the district's
22 per capita tuition rate, no funding shall be provided to school
23 districts under this Section after fiscal year 2016.

24 (Source: P.A. 93-1022, eff. 8-24-08; 95-705, eff. 1-8-08.)

25 (105 ILCS 5/14-7.03) (from Ch. 122, par. 14-7.03)

1 Sec. 14-7.03. Special Education Classes for Children from
2 Orphanages, ~~Foster Family Homes~~, Children's Homes, or in State
3 Housing Units. If a school district maintains special education
4 classes on the site of orphanages and children's homes, or if
5 children from the orphanages, children's homes, ~~foster family~~
6 ~~homes~~, other State agencies, or State residential units for
7 children attend classes for children with disabilities in which
8 the school district is a participating member of a joint
9 agreement, or if the children from the orphanages, children's
10 homes, ~~foster family homes~~, other State agencies, or State
11 residential units attend classes for the children with
12 disabilities maintained by the school district, then
13 reimbursement shall be paid to eligible districts in accordance
14 with the provisions of this Section by the Comptroller as
15 directed by the State Superintendent of Education.

16 The amount of tuition for such children shall be determined
17 by the actual cost of maintaining such classes, using the per
18 capita cost formula set forth in Section 14-7.01, such program
19 and cost to be pre-approved by the State Superintendent of
20 Education.

21 If a school district makes a claim for reimbursement under
22 Section 18-3 ~~or 18-4~~ of this Code, ~~Act~~ it shall not include in
23 any claim filed under this Section a claim for such children.
24 Payments authorized by law, including State or federal grants
25 for education of children included in this Section, shall be
26 deducted in determining the tuition amount.

1 Nothing in this Act shall be construed so as to prohibit
2 reimbursement for the tuition of children placed in for profit
3 facilities. Private facilities shall provide adequate space at
4 the facility for special education classes provided by a school
5 district or joint agreement for children with disabilities who
6 are residents of the facility at no cost to the school district
7 or joint agreement upon request of the school district or joint
8 agreement. If such a private facility provides space at no cost
9 to the district or joint agreement for special education
10 classes provided to children with disabilities who are
11 residents of the facility, the district or joint agreement
12 shall not include any costs for the use of those facilities in
13 its claim for reimbursement.

14 Reimbursement for tuition may include the cost of providing
15 summer school programs for children with severe and profound
16 disabilities served under this Section. Claims for that
17 reimbursement shall be filed by November 1 and shall be paid on
18 or before December 15 from appropriations made for the purposes
19 of this Section.

20 The State Board of Education shall establish such rules and
21 regulations as may be necessary to implement the provisions of
22 this Section.

23 Claims filed on behalf of programs operated under this
24 Section housed in a jail, detention center, or county-owned
25 shelter care facility shall be on an individual student basis
26 only for eligible students with disabilities. These claims

1 shall be in accordance with applicable rules.

2 Each district claiming reimbursement for a program
3 operated as a group program shall have an approved budget on
4 file with the State Board of Education prior to the initiation
5 of the program's operation. On September 30, December 31, and
6 March 31, the State Board of Education shall voucher payments
7 to group programs based upon the approved budget during the
8 year of operation. Final claims for group payments shall be
9 filed on or before July 15. Final claims for group programs
10 received at the State Board of Education on or before June 15
11 shall be vouchered by June 30. Final claims received at the
12 State Board of Education between June 16 and July 15 shall be
13 vouchered by August 30. Claims for group programs received
14 after July 15 shall not be honored.

15 Each district claiming reimbursement for individual
16 students shall have the eligibility of those students verified
17 by the State Board of Education. On September 30, December 31,
18 and March 31, the State Board of Education shall voucher
19 payments for individual students based upon an estimated cost
20 calculated from the prior year's claim. Final claims for
21 individual students for the regular school term must be
22 received at the State Board of Education by July 15. Claims for
23 individual students received after July 15 shall not be
24 honored. Final claims for individual students shall be
25 vouchered by August 30.

26 Reimbursement shall be made based upon approved group

1 programs or individual students. The State Superintendent of
2 Education shall direct the Comptroller to pay a specified
3 amount to the district by the 30th day of September, December,
4 March, June, or August, respectively. However, notwithstanding
5 any other provisions of this Section or the School Code,
6 beginning with fiscal year 1994 and each fiscal year
7 thereafter, if the amount appropriated for any fiscal year is
8 less than the amount required for purposes of this Section, the
9 amount required to eliminate any insufficient reimbursement
10 for each district claim under this Section shall be reimbursed
11 on August 30 of the next fiscal year. Payments required to
12 eliminate any insufficiency for prior fiscal year claims shall
13 be made before any claims are paid for the current fiscal year.

14 The claim of a school district otherwise eligible to be
15 reimbursed in accordance with Section 14-12.01 for the 1976-77
16 school year but for this amendatory Act of 1977 shall not be
17 paid unless the district ceases to maintain such classes for
18 one entire school year.

19 If a school district's current reimbursement payment for
20 the 1977-78 school year only is less than the prior year's
21 reimbursement payment owed, the district shall be paid the
22 amount of the difference between the payments in addition to
23 the current reimbursement payment, and the amount so paid shall
24 be subtracted from the amount of prior year's reimbursement
25 payment owed to the district.

26 Regional superintendents may operate special education

1 classes for children from orphanages, ~~foster family homes,~~
2 children's homes, or State housing units located within the
3 educational services region upon consent of the school board
4 otherwise so obligated. In electing to assume the powers and
5 duties of a school district in providing and maintaining such a
6 special education program, the regional superintendent may
7 enter into joint agreements with other districts and may
8 contract with public or private schools or the orphanage,
9 ~~foster family home,~~ children's home, or State housing unit for
10 provision of the special education program. The regional
11 superintendent exercising the powers granted under this
12 Section shall claim the reimbursement authorized by this
13 Section directly from the State Board of Education.

14 Any child who is not a resident of Illinois who is placed
15 in a child welfare institution, private facility, ~~foster family~~
16 ~~home,~~ State operated program, orphanage, or children's home
17 shall have the payment for his educational tuition and any
18 related services assured by the placing agent.

19 For each student with a disability who is placed in a
20 residential facility by an Illinois public agency or by any
21 court in this State, the costs for educating the student are
22 eligible for reimbursement under this Section.

23 The district of residence of the student with a disability
24 as defined in Section 14-1.11a is responsible for the actual
25 costs of the student's special education program and is
26 eligible for reimbursement under this Section when placement is

1 made by a State agency or the courts.

2 When a dispute arises over the determination of the
3 district of residence under this Section, the district or
4 districts may appeal the decision in writing to the State
5 Superintendent of Education, who, upon review of materials
6 submitted and any other items or information he or she may
7 request for submission, shall issue a written decision on the
8 matter. The decision of the State Superintendent of Education
9 shall be final.

10 In the event a district does not make a tuition payment to
11 another district that is providing the special education
12 program and services, the State Board of Education shall
13 immediately withhold 125% of the then remaining annual tuition
14 cost from the State aid or categorical aid payment due to the
15 school district that is determined to be the resident school
16 district. All funds withheld by the State Board of Education
17 shall immediately be forwarded to the school district where the
18 student is being served.

19 When a child eligible for services under this Section
20 14-7.03 must be placed in a nonpublic facility, that facility
21 shall meet the programmatic requirements of Section 14-7.02 and
22 its regulations, and the educational services shall be funded
23 only in accordance with this Section 14-7.03.

24 (Source: P.A. 98-739, eff. 7-16-14; 99-143, eff. 7-27-15.)

25 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

1 Sec. 14-13.01. Reimbursement payable by State; amounts for
2 personnel and transportation.

3 (a) Through fiscal year 2016, for ~~For~~ staff working on
4 behalf of children who have not been identified as eligible for
5 special education and for eligible children with physical
6 disabilities, including all eligible children whose placement
7 has been determined under Section 14-8.02 in hospital or home
8 instruction, 1/2 of the teacher's salary but not more than
9 \$1,000 annually per child or \$9,000 per teacher, whichever is
10 less.

11 (a-5) A child qualifies for home or hospital instruction if
12 it is anticipated that, due to a medical condition, the child
13 will be unable to attend school, and instead must be instructed
14 at home or in the hospital, for a period of 2 or more
15 consecutive weeks or on an ongoing intermittent basis. For
16 purposes of this Section, "ongoing intermittent basis" means
17 that the child's medical condition is of such a nature or
18 severity that it is anticipated that the child will be absent
19 from school due to the medical condition for periods of at
20 least 2 days at a time multiple times during the school year
21 totaling at least 10 days or more of absences. There shall be
22 no requirement that a child be absent from school a minimum
23 number of days before the child qualifies for home or hospital
24 instruction. In order to establish eligibility for home or
25 hospital services, a student's parent or guardian must submit
26 to the child's school district of residence a written statement

1 from a physician licensed to practice medicine in all of its
2 branches stating the existence of such medical condition, the
3 impact on the child's ability to participate in education, and
4 the anticipated duration or nature of the child's absence from
5 school. Home or hospital instruction may commence upon receipt
6 of a written physician's statement in accordance with this
7 Section, but instruction shall commence not later than 5 school
8 days after the school district receives the physician's
9 statement. Special education and related services required by
10 the child's IEP or services and accommodations required by the
11 child's federal Section 504 plan must be implemented as part of
12 the child's home or hospital instruction, unless the IEP team
13 or federal Section 504 plan team determines that modifications
14 are necessary during the home or hospital instruction due to
15 the child's condition.

16 (a-10) Through fiscal year 2016, eligible ~~Eligible~~
17 children to be included in any reimbursement under this
18 paragraph must regularly receive a minimum of one hour of
19 instruction each school day, or in lieu thereof of a minimum of
20 5 hours of instruction in each school week in order to qualify
21 for full reimbursement under this Section. If the attending
22 physician for such a child has certified that the child should
23 not receive as many as 5 hours of instruction in a school week,
24 however, reimbursement under this paragraph on account of that
25 child shall be computed proportionate to the actual hours of
26 instruction per week for that child divided by 5.

1 (a-15) The State Board of Education shall establish rules
2 governing the required qualifications of staff providing home
3 or hospital instruction.

4 (b) For children described in Section 14-1.02, 80% of the
5 cost of transportation approved as a related service in the
6 Individualized Education Program for each student in order to
7 take advantage of special educational facilities.
8 Transportation costs shall be determined in the same fashion as
9 provided in Section 29-5 of this Code, provided that,
10 notwithstanding anything to the contrary contained in this
11 subsection (b) or Section 29-5 of this Code, the State Board of
12 Education shall award to a school district having a population
13 exceeding 500,000 inhabitants 30.7% of the funds appropriated
14 by the General Assembly for any fiscal year for purposes of
15 payment of transportation cost claims under this subsection
16 (b). For purposes of this subsection (b), the dates for
17 processing claims specified in Section 29-5 shall apply.

18 (c) Through fiscal year 2016, for ~~For~~ each qualified
19 worker, the annual sum of \$9,000.

20 (d) Through fiscal year 2016, for ~~For~~ one full time
21 qualified director of the special education program of each
22 school district which maintains a fully approved program of
23 special education the annual sum of \$9,000. Districts
24 participating in a joint agreement special education program
25 shall not receive such reimbursement if reimbursement is made
26 for a director of the joint agreement program.

1 (e) (Blank).

2 (f) (Blank).

3 (g) Through fiscal year 2016, for ~~For~~ readers, working with
4 blind or partially seeing children 1/2 of their salary but not
5 more than \$400 annually per child. Readers may be employed to
6 assist such children and shall not be required to be certified
7 but prior to employment shall meet standards set up by the
8 State Board of Education.

9 (h) Through fiscal year 2016, for ~~For~~ non-certified
10 employees, as defined by rules promulgated by the State Board
11 of Education, who deliver services to students with IEPs, 1/2
12 of the salary paid or \$3,500 per employee, whichever is less.

13 (i) The State Board of Education shall set standards and
14 prescribe rules for determining the allocation of
15 reimbursement under this section on less than a full time basis
16 and for less than a school year.

17 When any school district eligible for reimbursement under
18 this Section operates a school or program approved by the State
19 Superintendent of Education for a number of days in excess of
20 the adopted school calendar but not to exceed 235 school days,
21 such reimbursement shall be increased by 1/180 of the amount or
22 rate paid hereunder for each day such school is operated in
23 excess of 180 days per calendar year.

24 Notwithstanding any other provision of law, any school
25 district receiving a payment under this Section or under
26 Section 14-7.02, 14-7.02b, or 29-5 of this Code may classify

1 all or a portion of the funds that it receives in a particular
2 fiscal year or from primary ~~general~~ State aid pursuant to
3 Section 18-8.15 ~~18-8.05~~ of this Code as funds received in
4 connection with any funding program for which it is entitled to
5 receive funds from the State in that fiscal year (including,
6 without limitation, any funding program referenced in this
7 Section), regardless of the source or timing of the receipt.
8 The district may not classify more funds as funds received in
9 connection with the funding program than the district is
10 entitled to receive in that fiscal year for that program. Any
11 classification by a district must be made by a resolution of
12 its board of education. The resolution must identify the amount
13 of any payments or primary ~~general~~ State aid to be classified
14 under this paragraph and must specify the funding program to
15 which the funds are to be treated as received in connection
16 therewith. This resolution is controlling as to the
17 classification of funds referenced therein. A certified copy of
18 the resolution must be sent to the State Superintendent of
19 Education. The resolution shall still take effect even though a
20 copy of the resolution has not been sent to the State
21 Superintendent of Education in a timely manner. No
22 classification under this paragraph by a district shall affect
23 the total amount or timing of money the district is entitled to
24 receive under this Code. No classification under this paragraph
25 by a district shall in any way relieve the district from or
26 affect any requirements that otherwise would apply with respect

1 to that funding program, including any accounting of funds by
2 source, reporting expenditures by original source and purpose,
3 reporting requirements, or requirements of providing services.
4 (Source: P.A. 96-257, eff. 8-11-09; 97-123, eff. 7-14-11.)

5 (105 ILCS 5/14C-1) (from Ch. 122, par. 14C-1)

6 Sec. 14C-1. The General Assembly finds that there are large
7 numbers of children in this State who come from environments
8 where the primary language is other than English. Experience
9 has shown that public school classes in which instruction is
10 given only in English are often inadequate for the education of
11 children whose native tongue is another language. The General
12 Assembly believes that a program of transitional bilingual
13 education can meet the needs of these children and facilitate
14 their integration into the regular public school curriculum.
15 Therefore, pursuant to the policy of this State to ensure equal
16 educational opportunity to every child, and in recognition of
17 the educational needs of English learners, it is the purpose of
18 this Act to provide for the establishment of transitional
19 bilingual education programs in the public schools, to provide
20 supplemental financial assistance through fiscal year 2016 to
21 help local school districts meet the extra costs of such
22 programs, and to allow this State to directly or indirectly
23 provide technical assistance and professional development to
24 support transitional bilingual education programs statewide.

25 (Source: P.A. 99-30, eff. 7-10-15.)

1 (105 ILCS 5/14C-12) (from Ch. 122, par. 14C-12)

2 Sec. 14C-12. Account of expenditures; Cost report;
3 Reimbursement. Each school district with at least one English
4 learner shall keep an accurate, detailed and separate account
5 of all monies paid out by it for the programs in transitional
6 bilingual education required or permitted by this Article,
7 including transportation costs, and shall annually report
8 thereon for the school year ending June 30 indicating the
9 average per pupil expenditure. Through fiscal year 2016, each
10 ~~Each~~ school district shall be reimbursed for the amount by
11 which such costs exceed the average per pupil expenditure by
12 such school district for the education of children of
13 comparable age who are not in any special education program. No
14 funding shall be provided to school districts under this
15 Section after fiscal year 2016. In fiscal year 2017 and each
16 fiscal year thereafter, all funding received by a school
17 district from the State pursuant to Section 18-8.15 of this
18 Code that is attributable to English learner pupils must be
19 used for programs and services authorized under this Article.
20 At least 60% of transitional bilingual education funding
21 received from the State must be used for the instructional
22 costs of programs and services authorized under this Article
23 ~~transitional bilingual education.~~

24 Applications for preapproval ~~for reimbursement~~ for costs
25 of transitional bilingual education programs must be submitted

1 to the State Superintendent of Education at least 60 days
2 before a transitional bilingual education program is started,
3 unless a justifiable exception is granted by the State
4 Superintendent of Education. Applications shall set forth a
5 plan for transitional bilingual education established and
6 maintained in accordance with this Article.

7 Through fiscal year 2016, reimbursement ~~Reimbursement~~
8 claims for transitional bilingual education programs shall be
9 made as follows:

10 Each school district shall claim reimbursement on a current
11 basis for the first 3 quarters of the fiscal year and file a
12 final adjusted claim for the school year ended June 30
13 preceding computed in accordance with rules prescribed by the
14 State Superintendent's Office. The State Superintendent of
15 Education before approving any such claims shall determine
16 their accuracy and whether they are based upon services and
17 facilities provided under approved programs. Upon approval he
18 shall transmit to the Comptroller the vouchers showing the
19 amounts due for school district reimbursement claims. Upon
20 receipt of the final adjusted claims the State Superintendent
21 of Education shall make a final determination of the accuracy
22 of such claims. If the money appropriated by the General
23 Assembly for such purpose for any year is insufficient, it
24 shall be apportioned on the basis of the claims approved.

25 Failure on the part of the school district to prepare and
26 certify the final adjusted claims due under this Section may

1 constitute a forfeiture by the school district of its right to
2 be reimbursed by the State under this Section.

3 (Source: P.A. 96-1170, eff. 1-1-11.)

4 (105 ILCS 5/17-1) (from Ch. 122, par. 17-1)

5 Sec. 17-1. Annual Budget. The board of education of each
6 school district under 500,000 inhabitants shall, within or
7 before the first quarter of each fiscal year, adopt and file
8 with the State Board of Education an annual balanced budget
9 which it deems necessary to defray all necessary expenses and
10 liabilities of the district, and in such annual budget shall
11 specify the objects and purposes of each item and amount needed
12 for each object or purpose.

13 The budget shall be entered upon a School District Budget
14 form prepared and provided by the State Board of Education and
15 therein shall contain a statement of the cash on hand at the
16 beginning of the fiscal year, an estimate of the cash expected
17 to be received during such fiscal year from all sources, an
18 estimate of the expenditures contemplated for such fiscal year,
19 and a statement of the estimated cash expected to be on hand at
20 the end of such year. The estimate of taxes to be received may
21 be based upon the amount of actual cash receipts that may
22 reasonably be expected by the district during such fiscal year,
23 estimated from the experience of the district in prior years
24 and with due regard for other circumstances that may
25 substantially affect such receipts. Nothing in this Section

1 shall be construed as requiring any district to change or
2 preventing any district from changing from a cash basis of
3 financing to a surplus or deficit basis of financing; or as
4 requiring any district to change or preventing any district
5 from changing its system of accounting. For the 2018-2019
6 school year and thereafter, the budget shall conform to the
7 school level accounting requirements adopted by the State Board
8 of Education pursuant to Section 2-3.28 of this Code.

9 To the extent that a school district's budget is not
10 balanced, the district shall also adopt and file with the State
11 Board of Education a deficit reduction plan to balance the
12 district's budget within 3 years. The deficit reduction plan
13 must be filed at the same time as the budget, but the State
14 Superintendent of Education may extend this deadline if the
15 situation warrants.

16 If, as the result of an audit performed in compliance with
17 Section 3-7 of this Code, the resulting Annual Financial Report
18 required to be submitted pursuant to Section 3-15.1 of this
19 Code reflects a deficit as defined for purposes of the
20 preceding paragraph, then the district shall, within 30 days
21 after acceptance of such audit report, submit a deficit
22 reduction plan.

23 The board of education of each district shall fix a fiscal
24 year therefor. If the beginning of the fiscal year of a
25 district is subsequent to the time that the tax levy due to be
26 made in such fiscal year shall be made, then such annual budget

1 shall be adopted prior to the time such tax levy shall be made.
2 The failure by a board of education of any district to adopt an
3 annual budget, or to comply in any respect with the provisions
4 of this Section, shall not affect the validity of any tax levy
5 of the district otherwise in conformity with the law. With
6 respect to taxes levied either before, on, or after the
7 effective date of this amendatory Act of the 91st General
8 Assembly, (i) a tax levy is made for the fiscal year in which
9 the levy is due to be made regardless of which fiscal year the
10 proceeds of the levy are expended or are intended to be
11 expended, and (ii) except as otherwise provided by law, a board
12 of education's adoption of an annual budget in conformity with
13 this Section is not a prerequisite to the adoption of a valid
14 tax levy and is not a limit on the amount of the levy.

15 Such budget shall be prepared in tentative form by some
16 person or persons designated by the board, and in such
17 tentative form shall be made conveniently available to public
18 inspection for at least 30 days prior to final action thereon.
19 At least 1 public hearing shall be held as to such budget prior
20 to final action thereon. Notice of availability for public
21 inspection and of such public hearing shall be given by
22 publication in a newspaper published in such district, at least
23 30 days prior to the time of such hearing. If there is no
24 newspaper published in such district, notice of such public
25 hearing shall be given by posting notices thereof in 5 of the
26 most public places in such district. It shall be the duty of

1 the secretary of such board to make such tentative budget
2 available to public inspection, and to arrange for such public
3 hearing. The board may from time to time make transfers between
4 the various items in any fund not exceeding in the aggregate
5 10% of the total of such fund as set forth in the budget. The
6 board may from time to time amend such budget by the same
7 procedure as is herein provided for its original adoption.

8 Beginning July 1, 1976, the board of education, or regional
9 superintendent, or governing board responsible for the
10 administration of a joint agreement shall, by September 1 of
11 each fiscal year thereafter, adopt an annual budget for the
12 joint agreement in the same manner and subject to the same
13 requirements as are provided in this Section.

14 The State Board of Education shall exercise powers and
15 duties relating to budgets as provided in Section 2-3.27 of
16 this Code and shall require school districts to submit their
17 annual budgets, deficit reduction plans, and other financial
18 information, including revenue and expenditure reports and
19 borrowing and interfund transfer plans, in such form and within
20 the timelines designated by the State Board of Education.

21 By fiscal year 1982 all school districts shall use the
22 Program Budget Accounting System.

23 In the case of a school district receiving emergency State
24 financial assistance under Article 1B, the school board shall
25 also be subject to the requirements established under Article
26 1B with respect to the annual budget.

1 (Source: P.A. 97-429, eff. 8-16-11.)

2 (105 ILCS 5/17-1.2)

3 Sec. 17-1.2. Post annual budget on web site. If a school
4 district has an Internet web site, the school district shall
5 post its current annual budget, itemized by receipts and
6 expenditures, on the district's Internet web site. For the
7 2018-2019 school year and thereafter, the budget shall include
8 school level information conforming to the rules adopted by the
9 State Board of Education pursuant to Section 2-3.28 of this
10 Code. The school district shall notify the parents or guardians
11 of its students that the budget has been posted on the
12 district's web site and what the web site's address is.

13 (Source: P.A. 92-438, eff. 1-1-02.)

14 (105 ILCS 5/17-1.5)

15 Sec. 17-1.5. Limitation of administrative costs.

16 (a) It is the purpose of this Section to establish
17 limitations on the growth of administrative expenditures in
18 order to maximize the proportion of school district resources
19 available for the instructional program, building maintenance,
20 and safety services for the students of each district.

21 (b) Definitions. For the purposes of this Section:

22 "Administrative expenditures" mean the annual expenditures
23 of school districts properly attributable to expenditure
24 functions defined by the rules of the State Board of Education

1 as: 2320 (Executive Administration Services); 2330 (Special
2 Area Administration Services); 2490 (Other Support Services -
3 School Administration); 2510 (Direction of Business Support
4 Services); 2570 (Internal Services); and 2610 (Direction of
5 Central Support Services); provided, however, that
6 "administrative expenditures" shall not include early
7 retirement or other pension system obligations required by
8 State law.

9 "School district" means all school districts having a
10 population of less than 500,000.

11 (c) For the 1998-99 school year and each school year
12 thereafter, each school district shall undertake budgetary and
13 expenditure control actions so that the increase in
14 administrative expenditures for that school year over the prior
15 school year does not exceed 5%. School districts with
16 administrative expenditures per pupil in the 25th percentile
17 and below for all districts of the same type, as defined by the
18 State Board of Education, may waive the limitation imposed
19 under this Section for any year following a public hearing and
20 with the affirmative vote of at least two-thirds of the members
21 of the school board of the district. Any district waiving the
22 limitation shall notify the State Board within 45 days of such
23 action.

24 (d) School districts shall file with the State Board of
25 Education by November 15, 1998 and by each November 15th
26 thereafter a one-page report that lists (i) the actual

1 administrative expenditures for the prior year from the
2 district's audited Annual Financial Report, and (ii) the
3 projected administrative expenditures for the current year
4 from the budget adopted by the school board pursuant to Section
5 17-1 of this Code.

6 If a school district that is ineligible to waive the
7 limitation imposed by subsection (c) of this Section by board
8 action exceeds the limitation solely because of circumstances
9 beyond the control of the district and the district has
10 exhausted all available and reasonable remedies to comply with
11 the limitation, the district may request a waiver pursuant to
12 Section 2-3.25g. The waiver application shall specify the
13 amount, nature, and reason for the relief requested, as well as
14 all remedies the district has exhausted to comply with the
15 limitation. Any emergency relief so requested shall apply only
16 to the specific school year for which the request is made. The
17 State Board of Education shall analyze all such waivers
18 submitted and shall recommend that the General Assembly
19 disapprove any such waiver requested that is not due solely to
20 circumstances beyond the control of the district and for which
21 the district has not exhausted all available and reasonable
22 remedies to comply with the limitation. The State
23 Superintendent shall have no authority to impose any sanctions
24 pursuant to this Section for any expenditures for which a
25 waiver has been requested until such waiver has been reviewed
26 by the General Assembly.

1 If the report and information required under this
2 subsection (d) are not provided by the school district in a
3 timely manner, or are subsequently determined by the State
4 Superintendent of Education to be incomplete or inaccurate, the
5 State Superintendent shall notify the district in writing of
6 reporting deficiencies. The school district shall, within 60
7 days of the notice, address the reporting deficiencies
8 identified.

9 (e) If the State Superintendent determines that a school
10 district has failed to comply with the administrative
11 expenditure limitation imposed in subsection (c) of this
12 Section, the State Superintendent shall notify the district of
13 the violation and direct the district to undertake corrective
14 action to bring the district's budget into compliance with the
15 administrative expenditure limitation. The district shall,
16 within 60 days of the notice, provide adequate assurance to the
17 State Superintendent that appropriate corrective actions have
18 been or will be taken. If the district fails to provide
19 adequate assurance or fails to undertake the necessary
20 corrective actions, the State Superintendent may impose
21 progressive sanctions against the district that may culminate
22 in withholding all subsequent payments of general State aid due
23 the district under Section 18-8.05 of this Code or primary
24 State aid due the district under Section 18-8.15 of this Code
25 until the assurance is provided or the corrective actions
26 taken.

1 (f) The State Superintendent shall publish a list each year
2 of the school districts that violate the limitation imposed by
3 subsection (c) of this Section and a list of the districts that
4 waive the limitation by board action as provided in subsection
5 (c) of this Section.

6 (Source: P.A. 90-548, eff. 1-1-98; 90-653, eff. 7-29-98.)

7 (105 ILCS 5/17-2.11) (from Ch. 122, par. 17-2.11)

8 Sec. 17-2.11. School board power to levy a tax or to borrow
9 money and issue bonds for fire prevention, safety, energy
10 conservation, accessibility, school security, and specified
11 repair purposes.

12 (a) Whenever, as a result of any lawful order of any
13 agency, other than a school board, having authority to enforce
14 any school building code applicable to any facility that houses
15 students, or any law or regulation for the protection and
16 safety of the environment, pursuant to the Environmental
17 Protection Act, any school district having a population of less
18 than 500,000 inhabitants is required to alter or reconstruct
19 any school building or permanent, fixed equipment; the district
20 may, by proper resolution, levy a tax for the purpose of making
21 such alteration or reconstruction, based on a survey report by
22 an architect or engineer licensed in this State, upon all of
23 the taxable property of the district at the value as assessed
24 by the Department of Revenue and at a rate not to exceed 0.05%
25 per year for a period sufficient to finance such alteration or

1 reconstruction, upon the following conditions:

2 (1) When there are not sufficient funds available in
3 the operations and maintenance fund of the school district,
4 the school facility occupation tax fund of the district, or
5 the fire prevention and safety fund of the district, as
6 determined by the district on the basis of rules adopted by
7 the State Board of Education, to make such alteration or
8 reconstruction or to purchase and install such permanent,
9 fixed equipment so ordered or determined as necessary.
10 Appropriate school district records must be made available
11 to the State Superintendent of Education, upon request, to
12 confirm this insufficiency.

13 (2) When a certified estimate of an architect or
14 engineer licensed in this State stating the estimated
15 amount necessary to make the alteration or reconstruction
16 or to purchase and install the equipment so ordered has
17 been secured by the school district, and the estimate has
18 been approved by the regional superintendent of schools
19 having jurisdiction over the district and the State
20 Superintendent of Education. Approval must not be granted
21 for any work that has already started without the prior
22 express authorization of the State Superintendent of
23 Education. If the estimate is not approved or is denied
24 approval by the regional superintendent of schools within 3
25 months after the date on which it is submitted to him or
26 her, the school board of the district may submit the

1 estimate directly to the State Superintendent of Education
2 for approval or denial.

3 In the case of an emergency situation, where the estimated
4 cost to effectuate emergency repairs is less than the amount
5 specified in Section 10-20.21 of this Code, the school district
6 may proceed with such repairs prior to approval by the State
7 Superintendent of Education, but shall comply with the
8 provisions of subdivision (2) of this subsection (a) as soon
9 thereafter as may be as well as Section 10-20.21 of this Code.
10 If the estimated cost to effectuate emergency repairs is
11 greater than the amount specified in Section 10-20.21 of this
12 Code, then the school district shall proceed in conformity with
13 Section 10-20.21 of this Code and with rules established by the
14 State Board of Education to address such situations. The rules
15 adopted by the State Board of Education to deal with these
16 situations shall stipulate that emergency situations must be
17 expedited and given priority consideration. For purposes of
18 this paragraph, an emergency is a situation that presents an
19 imminent and continuing threat to the health and safety of
20 students or other occupants of a facility, requires complete or
21 partial evacuation of a building or part of a building, or
22 consumes one or more of the 5 emergency days built into the
23 adopted calendar of the school or schools or would otherwise be
24 expected to cause such school or schools to fall short of the
25 minimum school calendar requirements.

26 (b) Whenever any such district determines that it is

1 necessary for energy conservation purposes that any school
2 building or permanent, fixed equipment should be altered or
3 reconstructed and that such alterations or reconstruction will
4 be made with funds not necessary for the completion of approved
5 and recommended projects contained in any safety survey report
6 or amendments thereto authorized by Section 2-3.12 of this Act;
7 the district may levy a tax or issue bonds as provided in
8 subsection (a) of this Section.

9 (c) Whenever any such district determines that it is
10 necessary for accessibility purposes and to comply with the
11 school building code that any school building or equipment
12 should be altered or reconstructed and that such alterations or
13 reconstruction will be made with funds not necessary for the
14 completion of approved and recommended projects contained in
15 any safety survey report or amendments thereto authorized under
16 Section 2-3.12 of this Act, the district may levy a tax or
17 issue bonds as provided in subsection (a) of this Section.

18 (d) Whenever any such district determines that it is
19 necessary for school security purposes and the related
20 protection and safety of pupils and school personnel that any
21 school building or property should be altered or reconstructed
22 or that security systems and equipment (including but not
23 limited to intercom, early detection and warning, access
24 control and television monitoring systems) should be purchased
25 and installed, and that such alterations, reconstruction or
26 purchase and installation of equipment will be made with funds

1 not necessary for the completion of approved and recommended
2 projects contained in any safety survey report or amendment
3 thereto authorized by Section 2-3.12 of this Act and will deter
4 and prevent unauthorized entry or activities upon school
5 property by unknown or dangerous persons, assure early
6 detection and advance warning of any such actual or attempted
7 unauthorized entry or activities and help assure the continued
8 safety of pupils and school staff if any such unauthorized
9 entry or activity is attempted or occurs; the district may levy
10 a tax or issue bonds as provided in subsection (a) of this
11 Section.

12 (e) If a school district does not need funds for other fire
13 prevention and safety projects, including the completion of
14 approved and recommended projects contained in any safety
15 survey report or amendments thereto authorized by Section
16 2-3.12 of this Act, and it is determined after a public hearing
17 (which is preceded by at least one published notice (i)
18 occurring at least 7 days prior to the hearing in a newspaper
19 of general circulation within the school district and (ii)
20 setting forth the time, date, place, and general subject matter
21 of the hearing) that there is a substantial, immediate, and
22 otherwise unavoidable threat to the health, safety, or welfare
23 of pupils due to disrepair of school sidewalks, playgrounds,
24 parking lots, or school bus turnarounds and repairs must be
25 made; then the district may levy a tax or issue bonds as
26 provided in subsection (a) of this Section.

1 (f) For purposes of this Section a school district may
2 replace a school building or build additions to replace
3 portions of a building when it is determined that the
4 effectuation of the recommendations for the existing building
5 will cost more than the replacement costs. Such determination
6 shall be based on a comparison of estimated costs made by an
7 architect or engineer licensed in the State of Illinois. The
8 new building or addition shall be equivalent in area (square
9 feet) and comparable in purpose and grades served and may be on
10 the same site or another site. Such replacement may only be
11 done upon order of the regional superintendent of schools and
12 the approval of the State Superintendent of Education.

13 (g) The filing of a certified copy of the resolution
14 levying the tax when accompanied by the certificates of the
15 regional superintendent of schools and State Superintendent of
16 Education shall be the authority of the county clerk to extend
17 such tax.

18 (h) The county clerk of the county in which any school
19 district levying a tax under the authority of this Section is
20 located, in reducing raised levies, shall not consider any such
21 tax as a part of the general levy for school purposes and shall
22 not include the same in the limitation of any other tax rate
23 which may be extended.

24 Such tax shall be levied and collected in like manner as
25 all other taxes of school districts, subject to the provisions
26 contained in this Section.

1 (i) The tax rate limit specified in this Section may be
2 increased to .10% upon the approval of a proposition to effect
3 such increase by a majority of the electors voting on that
4 proposition at a regular scheduled election. Such proposition
5 may be initiated by resolution of the school board and shall be
6 certified by the secretary to the proper election authorities
7 for submission in accordance with the general election law.

8 (j) When taxes are levied by any school district for fire
9 prevention, safety, energy conservation, and school security
10 purposes as specified in this Section, and the purposes for
11 which the taxes have been levied are accomplished and paid in
12 full, and there remain funds on hand in the Fire Prevention and
13 Safety Fund from the proceeds of the taxes levied, including
14 interest earnings thereon, the school board by resolution shall
15 use such excess and other board restricted funds, excluding
16 bond proceeds and earnings from such proceeds, as follows:

17 (1) for other authorized fire prevention, safety,
18 energy conservation, and school security purposes and for
19 required safety inspections; or

20 (2) for transfer to the Operations and Maintenance Fund
21 for the purpose of abating an equal amount of operations
22 and maintenance purposes taxes.

23 Notwithstanding subdivision (2) of this subsection (j) and
24 subsection (k) of this Section, through June 30, 2019 ~~2016~~, the
25 school board may, by proper resolution following a public
26 hearing set by the school board or the president of the school

1 board (that is preceded (i) by at least one published notice
2 over the name of the clerk or secretary of the board, occurring
3 at least 7 days and not more than 30 days prior to the hearing,
4 in a newspaper of general circulation within the school
5 district and (ii) by posted notice over the name of the clerk
6 or secretary of the board, at least 48 hours before the
7 hearing, at the principal office of the school board or at the
8 building where the hearing is to be held if a principal office
9 does not exist, with both notices setting forth the time, date,
10 place, and subject matter of the hearing), transfer surplus
11 life safety taxes and interest earnings thereon to the
12 Operations and Maintenance Fund for building repair work.

13 (k) If any transfer is made to the Operation and
14 Maintenance Fund, the secretary of the school board shall
15 within 30 days notify the county clerk of the amount of that
16 transfer and direct the clerk to abate the taxes to be extended
17 for the purposes of operations and maintenance authorized under
18 Section 17-2 of this Act by an amount equal to such transfer.

19 (l) If the proceeds from the tax levy authorized by this
20 Section are insufficient to complete the work approved under
21 this Section, the school board is authorized to sell bonds
22 without referendum under the provisions of this Section in an
23 amount that, when added to the proceeds of the tax levy
24 authorized by this Section, will allow completion of the
25 approved work.

26 (m) Any bonds issued pursuant to this Section shall bear

1 interest at a rate not to exceed the maximum rate authorized by
2 law at the time of the making of the contract, shall mature
3 within 20 years from date, and shall be signed by the president
4 of the school board and the treasurer of the school district.

5 (n) In order to authorize and issue such bonds, the school
6 board shall adopt a resolution fixing the amount of bonds, the
7 date thereof, the maturities thereof, rates of interest
8 thereof, place of payment and denomination, which shall be in
9 denominations of not less than \$100 and not more than \$5,000,
10 and provide for the levy and collection of a direct annual tax
11 upon all the taxable property in the school district sufficient
12 to pay the principal and interest on such bonds to maturity.
13 Upon the filing in the office of the county clerk of the county
14 in which the school district is located of a certified copy of
15 the resolution, it is the duty of the county clerk to extend
16 the tax therefor in addition to and in excess of all other
17 taxes heretofore or hereafter authorized to be levied by such
18 school district.

19 (o) After the time such bonds are issued as provided for by
20 this Section, if additional alterations or reconstructions are
21 required to be made because of surveys conducted by an
22 architect or engineer licensed in the State of Illinois, the
23 district may levy a tax at a rate not to exceed .05% per year
24 upon all the taxable property of the district or issue
25 additional bonds, whichever action shall be the most feasible.

26 (p) This Section is cumulative and constitutes complete

1 authority for the issuance of bonds as provided in this Section
2 notwithstanding any other statute or law to the contrary.

3 (q) With respect to instruments for the payment of money
4 issued under this Section either before, on, or after the
5 effective date of Public Act 86-004 (June 6, 1989), it is, and
6 always has been, the intention of the General Assembly (i) that
7 the Omnibus Bond Acts are, and always have been, supplementary
8 grants of power to issue instruments in accordance with the
9 Omnibus Bond Acts, regardless of any provision of this Act that
10 may appear to be or to have been more restrictive than those
11 Acts, (ii) that the provisions of this Section are not a
12 limitation on the supplementary authority granted by the
13 Omnibus Bond Acts, and (iii) that instruments issued under this
14 Section within the supplementary authority granted by the
15 Omnibus Bond Acts are not invalid because of any provision of
16 this Act that may appear to be or to have been more restrictive
17 than those Acts.

18 (r) When the purposes for which the bonds are issued have
19 been accomplished and paid for in full and there remain funds
20 on hand from the proceeds of the bond sale and interest
21 earnings therefrom, the board shall, by resolution, use such
22 excess funds in accordance with the provisions of Section
23 10-22.14 of this Act.

24 (s) Whenever any tax is levied or bonds issued for fire
25 prevention, safety, energy conservation, and school security
26 purposes, such proceeds shall be deposited and accounted for

1 separately within the Fire Prevention and Safety Fund.
2 (Source: P.A. 98-26, eff. 6-21-13; 98-1066, eff. 8-26-14;
3 99-143, eff. 7-27-15.)

4 (105 ILCS 5/17-2A) (from Ch. 122, par. 17-2A)
5 Sec. 17-2A. Interfund Transfers.

6 (a) The school board of any district having a population of
7 less than 500,000 inhabitants may, by proper resolution
8 following a public hearing set by the school board or the
9 president of the school board (that is preceded (i) by at least
10 one published notice over the name of the clerk or secretary of
11 the board, occurring at least 7 days and not more than 30 days
12 prior to the hearing, in a newspaper of general circulation
13 within the school district and (ii) by posted notice over the
14 name of the clerk or secretary of the board, at least 48 hours
15 before the hearing, at the principal office of the school board
16 or at the building where the hearing is to be held if a
17 principal office does not exist, with both notices setting
18 forth the time, date, place, and subject matter of the
19 hearing), transfer money from (1) the Educational Fund to the
20 Operations and Maintenance Fund or the Transportation Fund, (2)
21 the Operations and Maintenance Fund to the Educational Fund or
22 the Transportation Fund, or (3) the Transportation Fund to the
23 Educational Fund or the Operations and Maintenance Fund of said
24 district, provided that, except during the period from July 1,
25 2003 through June 30, 2019 ~~2016~~, such transfer is made solely

1 for the purpose of meeting one-time, non-recurring expenses.
2 Except during the period from July 1, 2003 through June 30,
3 2019 ~~2016~~ and except as otherwise provided in subsection (b) of
4 this Section, any other permanent interfund transfers
5 authorized by any provision or judicial interpretation of this
6 Code for which the transferee fund is not precisely and
7 specifically set forth in the provision of this Code
8 authorizing such transfer shall be made to the fund of the
9 school district most in need of the funds being transferred, as
10 determined by resolution of the school board.

11 (b) Notwithstanding subsection (a) of this Section or any
12 other provision of this Code to the contrary, the school board
13 of any school district (i) that is subject to the Property Tax
14 Extension Limitation Law, (ii) that has a population of less
15 than 500,000 inhabitants, (iii) that is levying at its maximum
16 tax rate, (iv) whose total equalized assessed valuation has
17 declined 20% in the prior 2 years, (v) in which 80% or more of
18 its students receive free or reduced-price lunch, and (vi) that
19 had an equalized assessed valuation of less than \$207 million
20 but more than \$203 million in the 2011 levy year may annually,
21 until July 1, 2016, transfer money from any fund of the
22 district, other than the Illinois Municipal Retirement Fund and
23 the Bonds and Interest Fund, to the educational fund, the
24 operations and maintenance fund, or the transportation fund of
25 the district by proper resolution following a public hearing
26 set by the school board or the president of the school board,

1 with notice as provided in subsection (a) of this Section, so
2 long as the district meets the qualifications set forth in this
3 subsection (b) on the effective date of this amendatory Act of
4 the 98th General Assembly even if the district does not meet
5 those qualifications at the time a given transfer is made.

6 (Source: P.A. 98-26, eff. 6-21-13; 98-131, eff. 1-1-14.)

7 (105 ILCS 5/17-3.6 new)

8 Sec. 17-3.6. Educational purposes tax rate for school
9 districts subject to Property Tax Extension Limitation Law.
10 Notwithstanding the provisions, requirements, or limitations
11 of this Code or any other law, any tax levied for educational
12 purposes by a school district subject to the Property Tax
13 Extension Limitation Law for the 2015 levy year or any
14 subsequent levy year may be extended at a rate exceeding the
15 rate established for educational purposes by referendum or this
16 Code, provided that the rate does not cause the school district
17 to exceed the limiting rate applicable to the school district
18 under the Property Tax Extension Limitation Law for that levy
19 year.

20 (105 ILCS 5/18-4.3) (from Ch. 122, par. 18-4.3)

21 Sec. 18-4.3. Summer school grants. Through fiscal year
22 2016, grants ~~Grants~~ shall be determined for pupil attendance in
23 summer schools conducted under Sections 10-22.33A and 34-18 and
24 approved under Section 2-3.25 in the following manner.

1 The amount of grant for each accredited summer school
2 attendance pupil shall be obtained by dividing the total amount
3 of apportionments determined under Section 18-8.05 by the
4 actual number of pupils in average daily attendance used for
5 such apportionments. The number of credited summer school
6 attendance pupils shall be determined (a) by counting clock
7 hours of class instruction by pupils enrolled in grades 1
8 through 12 in approved courses conducted at least 60 clock
9 hours in summer sessions; (b) by dividing such total of clock
10 hours of class instruction by 4 to produce days of credited
11 pupil attendance; (c) by dividing such days of credited pupil
12 attendance by the actual number of days in the regular term as
13 used in computation in the general apportionment in Section
14 18-8.05; and (d) by multiplying by 1.25.

15 The amount of the grant for a summer school program
16 approved by the State Superintendent of Education for children
17 with disabilities, as defined in Sections 14-1.02 through
18 14-1.07, shall be determined in the manner contained above
19 except that average daily membership shall be utilized in lieu
20 of average daily attendance.

21 In the case of an apportionment based on summer school
22 attendance or membership pupils, the claim therefor shall be
23 presented as a separate claim for the particular school year in
24 which such summer school session ends. On or before November 1
25 of each year the superintendent of each eligible school
26 district shall certify to the State Superintendent of Education

1 the claim of the district for the summer session just ended.
2 Failure on the part of the school board to so certify shall
3 constitute a forfeiture of its right to such payment. The State
4 Superintendent of Education shall transmit to the Comptroller
5 no later than December 15th of each year vouchers for payment
6 of amounts due school districts for summer school. The State
7 Superintendent of Education shall direct the Comptroller to
8 draw his warrants for payments thereof by the 30th day of
9 December. If the money appropriated by the General Assembly for
10 such purpose for any year is insufficient, it shall be
11 apportioned on the basis of claims approved.

12 However, notwithstanding the foregoing provisions, for
13 each fiscal year the money appropriated by the General Assembly
14 for the purposes of this Section shall only be used for grants
15 for approved summer school programs for those children with
16 disabilities served pursuant to Section 14-7.02 or 14-7.02b of
17 this Code.

18 No funding shall be provided to school districts under this
19 Section after fiscal year 2016.

20 (Source: P.A. 93-1022, eff. 8-24-04.)

21 (105 ILCS 5/18-8.05)

22 Sec. 18-8.05. Basis for apportionment of general State
23 financial aid and supplemental general State aid to the common
24 schools for the 1998-1999 through the 2015-2016 ~~and subsequent~~
25 school years.

1 (A) General Provisions.

2 (1) The provisions of this Section relating to the
3 calculation and apportionment of general State financial aid
4 and supplemental general State aid apply to the 1998-1999
5 through the 2015-2016 ~~and subsequent~~ school years. The system
6 of general State financial aid provided for in this Section is
7 designed to assure that, through a combination of State
8 financial aid and required local resources, the financial
9 support provided each pupil in Average Daily Attendance equals
10 or exceeds a prescribed per pupil Foundation Level. This
11 formula approach imputes a level of per pupil Available Local
12 Resources and provides for the basis to calculate a per pupil
13 level of general State financial aid that, when added to
14 Available Local Resources, equals or exceeds the Foundation
15 Level. The amount of per pupil general State financial aid for
16 school districts, in general, varies in inverse relation to
17 Available Local Resources. Per pupil amounts are based upon
18 each school district's Average Daily Attendance as that term is
19 defined in this Section.

20 (2) In addition to general State financial aid, school
21 districts with specified levels or concentrations of pupils
22 from low income households are eligible to receive supplemental
23 general State financial aid grants as provided pursuant to
24 subsection (H). The supplemental State aid grants provided for
25 school districts under subsection (H) shall be appropriated for

1 distribution to school districts as part of the same line item
2 in which the general State financial aid of school districts is
3 appropriated under this Section.

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

7 (a) Any school district which fails for any given
8 school year to maintain school as required by law, or to
9 maintain a recognized school is not eligible to file for
10 such school year any claim upon the Common School Fund. In
11 case of nonrecognition of one or more attendance centers in
12 a school district otherwise operating recognized schools,
13 the claim of the district shall be reduced in the
14 proportion which the Average Daily Attendance in the
15 attendance center or centers bear to the Average Daily
16 Attendance in the school district. A "recognized school"
17 means any public school which meets the standards as
18 established for recognition by the State Board of
19 Education. A school district or attendance center not
20 having recognition status at the end of a school term is
21 entitled to receive State aid payments due upon a legal
22 claim which was filed while it was recognized.

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

26 (c) If a school district operates a full year school

1 under Section 10-19.1, the general State aid to the school
2 district shall be determined by the State Board of
3 Education in accordance with this Section as near as may be
4 applicable.

5 (d) (Blank).

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

10 School districts are not required to exert a minimum
11 Operating Tax Rate in order to qualify for assistance under
12 this Section.

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

15 (a) "Average Daily Attendance": A count of pupil
16 attendance in school, averaged as provided for in
17 subsection (C) and utilized in deriving per pupil financial
18 support levels.

19 (b) "Available Local Resources": A computation of
20 local financial support, calculated on the basis of Average
21 Daily Attendance and derived as provided pursuant to
22 subsection (D).

23 (c) "Corporate Personal Property Replacement Taxes":
24 Funds paid to local school districts pursuant to "An Act in
25 relation to the abolition of ad valorem personal property
26 tax and the replacement of revenues lost thereby, and

1 amending and repealing certain Acts and parts of Acts in
2 connection therewith", certified August 14, 1979, as
3 amended (Public Act 81-1st S.S.-1).

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

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

10 (B) Foundation Level.

11 (1) The Foundation Level is a figure established by the
12 State representing the minimum level of per pupil financial
13 support that should be available to provide for the basic
14 education of each pupil in Average Daily Attendance. As set
15 forth in this Section, each school district is assumed to exert
16 a sufficient local taxing effort such that, in combination with
17 the aggregate of general State financial aid provided the
18 district, an aggregate of State and local resources are
19 available to meet the basic education needs of pupils in the
20 district.

21 (2) For the 1998-1999 school year, the Foundation Level of
22 support is \$4,225. For the 1999-2000 school year, the
23 Foundation Level of support is \$4,325. For the 2000-2001 school
24 year, the Foundation Level of support is \$4,425. For the
25 2001-2002 school year and 2002-2003 school year, the Foundation

1 Level of support is \$4,560. For the 2003-2004 school year, the
2 Foundation Level of support is \$4,810. For the 2004-2005 school
3 year, the Foundation Level of support is \$4,964. For the
4 2005-2006 school year, the Foundation Level of support is
5 \$5,164. For the 2006-2007 school year, the Foundation Level of
6 support is \$5,334. For the 2007-2008 school year, the
7 Foundation Level of support is \$5,734. For the 2008-2009 school
8 year, the Foundation Level of support is \$5,959.

9 (3) For the 2009-2010 school year and each school year
10 thereafter, the Foundation Level of support is \$6,119 or such
11 greater amount as may be established by law by the General
12 Assembly.

13 (C) Average Daily Attendance.

14 (1) For purposes of calculating general State aid pursuant
15 to subsection (E), an Average Daily Attendance figure shall be
16 utilized. The Average Daily Attendance figure for formula
17 calculation purposes shall be the monthly average of the actual
18 number of pupils in attendance of each school district, as
19 further averaged for the best 3 months of pupil attendance for
20 each school district. In compiling the figures for the number
21 of pupils in attendance, school districts and the State Board
22 of Education shall, for purposes of general State aid funding,
23 conform attendance figures to the requirements of subsection
24 (F).

25 (2) The Average Daily Attendance figures utilized in

1 subsection (E) shall be the requisite attendance data for the
2 school year immediately preceding the school year for which
3 general State aid is being calculated or the average of the
4 attendance data for the 3 preceding school years, whichever is
5 greater. The Average Daily Attendance figures utilized in
6 subsection (H) shall be the requisite attendance data for the
7 school year immediately preceding the school year for which
8 general State aid is being calculated.

9 (D) Available Local Resources.

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

20 (2) In determining a school district's revenue from local
21 property taxes, the State Board of Education shall utilize the
22 equalized assessed valuation of all taxable property of each
23 school district as of September 30 of the previous year. The
24 equalized assessed valuation utilized shall be obtained and
25 determined as provided in subsection (G).

1 (3) For school districts maintaining grades kindergarten
2 through 12, local property tax revenues per pupil shall be
3 calculated as the product of the applicable equalized assessed
4 valuation for the district multiplied by 3.00%, and divided by
5 the district's Average Daily Attendance figure. For school
6 districts maintaining grades kindergarten through 8, local
7 property tax revenues per pupil shall be calculated as the
8 product of the applicable equalized assessed valuation for the
9 district multiplied by 2.30%, and divided by the district's
10 Average Daily Attendance figure. For school districts
11 maintaining grades 9 through 12, local property tax revenues
12 per pupil shall be the applicable equalized assessed valuation
13 of the district multiplied by 1.05%, and divided by the
14 district's Average Daily Attendance figure.

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

26 (4) The Corporate Personal Property Replacement Taxes paid

1 to each school district during the calendar year one year
2 before the calendar year in which a school year begins, divided
3 by the Average Daily Attendance figure for that district, shall
4 be added to the local property tax revenues per pupil as
5 derived by the application of the immediately preceding
6 paragraph (3). The sum of these per pupil figures for each
7 school district shall constitute Available Local Resources as
8 that term is utilized in subsection (E) in the calculation of
9 general State aid.

10 (E) Computation of General State Aid.

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

14 (2) For any school district for which Available Local
15 Resources per pupil is less than the product of 0.93 times the
16 Foundation Level, general State aid for that district shall be
17 calculated as an amount equal to the Foundation Level minus
18 Available Local Resources, multiplied by the Average Daily
19 Attendance of the school district.

20 (3) For any school district for which Available Local
21 Resources per pupil is equal to or greater than the product of
22 0.93 times the Foundation Level and less than the product of
23 1.75 times the Foundation Level, the general State aid per
24 pupil shall be a decimal proportion of the Foundation Level
25 derived using a linear algorithm. Under this linear algorithm,

1 the calculated general State aid per pupil shall decline in
2 direct linear fashion from 0.07 times the Foundation Level for
3 a school district with Available Local Resources equal to the
4 product of 0.93 times the Foundation Level, to 0.05 times the
5 Foundation Level for a school district with Available Local
6 Resources equal to the product of 1.75 times the Foundation
7 Level. The allocation of general State aid for school districts
8 subject to this paragraph 3 shall be the calculated general
9 State aid per pupil figure multiplied by the Average Daily
10 Attendance of the school district.

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

16 (5) The amount of general State aid allocated to a school
17 district for the 1999-2000 school year meeting the requirements
18 set forth in paragraph (4) of subsection (G) shall be increased
19 by an amount equal to the general State aid that would have
20 been received by the district for the 1998-1999 school year by
21 utilizing the Extension Limitation Equalized Assessed
22 Valuation as calculated in paragraph (4) of subsection (G) less
23 the general State aid allotted for the 1998-1999 school year.
24 This amount shall be deemed a one time increase, and shall not
25 affect any future general State aid allocations.

1 (F) Compilation of Average Daily Attendance.

2 (1) Each school district shall, by July 1 of each year,
3 submit to the State Board of Education, on forms prescribed by
4 the State Board of Education, attendance figures for the school
5 year that began in the preceding calendar year. The attendance
6 information so transmitted shall identify the average daily
7 attendance figures for each month of the school year. Beginning
8 with the general State aid claim form for the 2002-2003 school
9 year, districts shall calculate Average Daily Attendance as
10 provided in subdivisions (a), (b), and (c) of this paragraph
11 (1).

12 (a) In districts that do not hold year-round classes,
13 days of attendance in August shall be added to the month of
14 September and any days of attendance in June shall be added
15 to the month of May.

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

20 (c) In districts in which some buildings, but not all,
21 hold year-round classes, for the non-year-round buildings,
22 days of attendance in August shall be added to the month of
23 September and any days of attendance in June shall be added
24 to the month of May. The average daily attendance for the
25 year-round buildings shall be computed as provided in
26 subdivision (b) of this paragraph (1). To calculate the

1 Average Daily Attendance for the district, the average
2 daily attendance for the year-round buildings shall be
3 multiplied by the days in session for the non-year-round
4 buildings for each month and added to the monthly
5 attendance of the non-year-round buildings.

6 Except as otherwise provided in this Section, days of
7 attendance by pupils shall be counted only for sessions of not
8 less than 5 clock hours of school work per day under direct
9 supervision of: (i) teachers, or (ii) non-teaching personnel or
10 volunteer personnel when engaging in non-teaching duties and
11 supervising in those instances specified in subsection (a) of
12 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils
13 of legal school age and in kindergarten and grades 1 through
14 12. Days of attendance by pupils through verified participation
15 in an e-learning program approved by the State Board of
16 Education under Section 10-20.56 of the Code shall be
17 considered as full days of attendance for purposes of this
18 Section.

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

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

25 (a) Pupils regularly enrolled in a public school for
26 only a part of the school day may be counted on the basis

1 of 1/6 day for every class hour of instruction of 40
2 minutes or more attended pursuant to such enrollment,
3 unless a pupil is enrolled in a block-schedule format of 80
4 minutes or more of instruction, in which case the pupil may
5 be counted on the basis of the proportion of minutes of
6 school work completed each day to the minimum number of
7 minutes that school work is required to be held that day.

8 (b) (Blank).

9 (c) A session of 4 or more clock hours may be counted
10 as a day of attendance upon certification by the regional
11 superintendent, and approved by the State Superintendent
12 of Education to the extent that the district has been
13 forced to use daily multiple sessions.

14 (d) A session of 3 or more clock hours may be counted
15 as a day of attendance (1) when the remainder of the school
16 day or at least 2 hours in the evening of that day is
17 utilized for an in-service training program for teachers,
18 up to a maximum of 5 days per school year, provided a
19 district conducts an in-service training program for
20 teachers in accordance with Section 10-22.39 of this Code;
21 or, in lieu of 4 such days, 2 full days may be used, in
22 which event each such day may be counted as a day required
23 for a legal school calendar pursuant to Section 10-19 of
24 this Code; (1.5) when, of the 5 days allowed under item
25 (1), a maximum of 4 days are used for parent-teacher
26 conferences, or, in lieu of 4 such days, 2 full days are

1 used, in which case each such day may be counted as a
2 calendar day required under Section 10-19 of this Code,
3 provided that the full-day, parent-teacher conference
4 consists of (i) a minimum of 5 clock hours of
5 parent-teacher conferences, (ii) both a minimum of 2 clock
6 hours of parent-teacher conferences held in the evening
7 following a full day of student attendance, as specified in
8 subsection (F)(1)(c), and a minimum of 3 clock hours of
9 parent-teacher conferences held on the day immediately
10 following evening parent-teacher conferences, or (iii)
11 multiple parent-teacher conferences held in the evenings
12 following full days of student attendance, as specified in
13 subsection (F)(1)(c), in which the time used for the
14 parent-teacher conferences is equivalent to a minimum of 5
15 clock hours; and (2) when days in addition to those
16 provided in items (1) and (1.5) are scheduled by a school
17 pursuant to its school improvement plan adopted under
18 Article 34 or its revised or amended school improvement
19 plan adopted under Article 2, provided that (i) such
20 sessions of 3 or more clock hours are scheduled to occur at
21 regular intervals, (ii) the remainder of the school days in
22 which such sessions occur are utilized for in-service
23 training programs or other staff development activities
24 for teachers, and (iii) a sufficient number of minutes of
25 school work under the direct supervision of teachers are
26 added to the school days between such regularly scheduled

1 sessions to accumulate not less than the number of minutes
2 by which such sessions of 3 or more clock hours fall short
3 of 5 clock hours. Any full days used for the purposes of
4 this paragraph shall not be considered for computing
5 average daily attendance. Days scheduled for in-service
6 training programs, staff development activities, or
7 parent-teacher conferences may be scheduled separately for
8 different grade levels and different attendance centers of
9 the district.

10 (e) A session of not less than one clock hour of
11 teaching hospitalized or homebound pupils on-site or by
12 telephone to the classroom may be counted as 1/2 day of
13 attendance, however these pupils must receive 4 or more
14 clock hours of instruction to be counted for a full day of
15 attendance.

16 (f) A session of at least 4 clock hours may be counted
17 as a day of attendance for first grade pupils, and pupils
18 in full day kindergartens, and a session of 2 or more hours
19 may be counted as 1/2 day of attendance by pupils in
20 kindergartens which provide only 1/2 day of attendance.

21 (g) For children with disabilities who are below the
22 age of 6 years and who cannot attend 2 or more clock hours
23 because of their disability or immaturity, a session of not
24 less than one clock hour may be counted as 1/2 day of
25 attendance; however for such children whose educational
26 needs so require a session of 4 or more clock hours may be

1 counted as a full day of attendance.

2 (h) A recognized kindergarten which provides for only
3 1/2 day of attendance by each pupil shall not have more
4 than 1/2 day of attendance counted in any one day. However,
5 kindergartens may count 2 1/2 days of attendance in any 5
6 consecutive school days. When a pupil attends such a
7 kindergarten for 2 half days on any one school day, the
8 pupil shall have the following day as a day absent from
9 school, unless the school district obtains permission in
10 writing from the State Superintendent of Education.
11 Attendance at kindergartens which provide for a full day of
12 attendance by each pupil shall be counted the same as
13 attendance by first grade pupils. Only the first year of
14 attendance in one kindergarten shall be counted, except in
15 case of children who entered the kindergarten in their
16 fifth year whose educational development requires a second
17 year of kindergarten as determined under the rules and
18 regulations of the State Board of Education.

19 (i) On the days when the assessment that includes a
20 college and career ready determination is administered
21 under subsection (c) of Section 2-3.64a-5 of this Code, the
22 day of attendance for a pupil whose school day must be
23 shortened to accommodate required testing procedures may
24 be less than 5 clock hours and shall be counted towards the
25 176 days of actual pupil attendance required under Section
26 10-19 of this Code, provided that a sufficient number of

1 minutes of school work in excess of 5 clock hours are first
2 completed on other school days to compensate for the loss
3 of school work on the examination days.

4 (j) Pupils enrolled in a remote educational program
5 established under Section 10-29 of this Code may be counted
6 on the basis of one-fifth day of attendance for every clock
7 hour of instruction attended in the remote educational
8 program, provided that, in any month, the school district
9 may not claim for a student enrolled in a remote
10 educational program more days of attendance than the
11 maximum number of days of attendance the district can claim
12 (i) for students enrolled in a building holding year-round
13 classes if the student is classified as participating in
14 the remote educational program on a year-round schedule or
15 (ii) for students enrolled in a building not holding
16 year-round classes if the student is not classified as
17 participating in the remote educational program on a
18 year-round schedule.

19 (G) Equalized Assessed Valuation Data.

20 (1) For purposes of the calculation of Available Local
21 Resources required pursuant to subsection (D), the State Board
22 of Education shall secure from the Department of Revenue the
23 value as equalized or assessed by the Department of Revenue of
24 all taxable property of every school district, together with
25 (i) the applicable tax rate used in extending taxes for the

1 funds of the district as of September 30 of the previous year
2 and (ii) the limiting rate for all school districts subject to
3 property tax extension limitations as imposed under the
4 Property Tax Extension Limitation Law.

5 The Department of Revenue shall add to the equalized
6 assessed value of all taxable property of each school district
7 situated entirely or partially within a county that is or was
8 subject to the provisions of Section 15-176 or 15-177 of the
9 Property Tax Code (a) an amount equal to the total amount by
10 which the homestead exemption allowed under Section 15-176 or
11 15-177 of the Property Tax Code for real property situated in
12 that school district exceeds the total amount that would have
13 been allowed in that school district if the maximum reduction
14 under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in
15 all other counties in tax year 2003 or (ii) \$5,000 in all
16 counties in tax year 2004 and thereafter and (b) an amount
17 equal to the aggregate amount for the taxable year of all
18 additional exemptions under Section 15-175 of the Property Tax
19 Code for owners with a household income of \$30,000 or less. The
20 county clerk of any county that is or was subject to the
21 provisions of Section 15-176 or 15-177 of the Property Tax Code
22 shall annually calculate and certify to the Department of
23 Revenue for each school district all homestead exemption
24 amounts under Section 15-176 or 15-177 of the Property Tax Code
25 and all amounts of additional exemptions under Section 15-175
26 of the Property Tax Code for owners with a household income of

1 \$30,000 or less. It is the intent of this paragraph that if the
2 general homestead exemption for a parcel of property is
3 determined under Section 15-176 or 15-177 of the Property Tax
4 Code rather than Section 15-175, then the calculation of
5 Available Local Resources shall not be affected by the
6 difference, if any, between the amount of the general homestead
7 exemption allowed for that parcel of property under Section
8 15-176 or 15-177 of the Property Tax Code and the amount that
9 would have been allowed had the general homestead exemption for
10 that parcel of property been determined under Section 15-175 of
11 the Property Tax Code. It is further the intent of this
12 paragraph that if additional exemptions are allowed under
13 Section 15-175 of the Property Tax Code for owners with a
14 household income of less than \$30,000, then the calculation of
15 Available Local Resources shall not be affected by the
16 difference, if any, because of those additional exemptions.

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

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

22 (a) For the purposes of calculating State aid under
23 this Section, with respect to any part of a school district
24 within a redevelopment project area in respect to which a
25 municipality has adopted tax increment allocation
26 financing pursuant to the Tax Increment Allocation

1 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11
2 of the Illinois Municipal Code or the Industrial Jobs
3 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the
4 Illinois Municipal Code, no part of the current equalized
5 assessed valuation of real property located in any such
6 project area which is attributable to an increase above the
7 total initial equalized assessed valuation of such
8 property shall be used as part of the equalized assessed
9 valuation of the district, until such time as all
10 redevelopment project costs have been paid, as provided in
11 Section 11-74.4-8 of the Tax Increment Allocation
12 Redevelopment Act or in Section 11-74.6-35 of the
13 Industrial Jobs Recovery Law. For the purpose of the
14 equalized assessed valuation of the district, the total
15 initial equalized assessed valuation or the current
16 equalized assessed valuation, whichever is lower, shall be
17 used until such time as all redevelopment project costs
18 have been paid.

19 (b) The real property equalized assessed valuation for
20 a school district shall be adjusted by subtracting from the
21 real property value as equalized or assessed by the
22 Department of Revenue for the district an amount computed
23 by dividing the amount of any abatement of taxes under
24 Section 18-170 of the Property Tax Code by 3.00% for a
25 district maintaining grades kindergarten through 12, by
26 2.30% for a district maintaining grades kindergarten

1 through 8, or by 1.05% for a district maintaining grades 9
2 through 12 and adjusted by an amount computed by dividing
3 the amount of any abatement of taxes under subsection (a)
4 of Section 18-165 of the Property Tax Code by the same
5 percentage rates for district type as specified in this
6 subparagraph (b).

7 (3) For the 1999-2000 school year and each school year
8 thereafter, if a school district meets all of the criteria of
9 this subsection (G) (3), the school district's Available Local
10 Resources shall be calculated under subsection (D) using the
11 district's Extension Limitation Equalized Assessed Valuation
12 as calculated under this subsection (G) (3).

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

15 "Budget Year": The school year for which general State
16 aid is calculated and awarded under subsection (E).

17 "Base Tax Year": The property tax levy year used to
18 calculate the Budget Year allocation of general State aid.

19 "Preceding Tax Year": The property tax levy year
20 immediately preceding the Base Tax Year.

21 "Base Tax Year's Tax Extension": The product of the
22 equalized assessed valuation utilized by the County Clerk
23 in the Base Tax Year multiplied by the limiting rate as
24 calculated by the County Clerk and defined in the Property
25 Tax Extension Limitation Law.

26 "Preceding Tax Year's Tax Extension": The product of

1 the equalized assessed valuation utilized by the County
2 Clerk in the Preceding Tax Year multiplied by the Operating
3 Tax Rate as defined in subsection (A).

4 "Extension Limitation Ratio": A numerical ratio,
5 certified by the County Clerk, in which the numerator is
6 the Base Tax Year's Tax Extension and the denominator is
7 the Preceding Tax Year's Tax Extension.

8 "Operating Tax Rate": The operating tax rate as defined
9 in subsection (A).

10 If a school district is subject to property tax extension
11 limitations as imposed under the Property Tax Extension
12 Limitation Law, the State Board of Education shall calculate
13 the Extension Limitation Equalized Assessed Valuation of that
14 district. For the 1999-2000 school year, the Extension
15 Limitation Equalized Assessed Valuation of a school district as
16 calculated by the State Board of Education shall be equal to
17 the product of the district's 1996 Equalized Assessed Valuation
18 and the district's Extension Limitation Ratio. Except as
19 otherwise provided in this paragraph for a school district that
20 has approved or does approve an increase in its limiting rate,
21 for the 2000-2001 school year and each school year thereafter,
22 the Extension Limitation Equalized Assessed Valuation of a
23 school district as calculated by the State Board of Education
24 shall be equal to the product of the Equalized Assessed
25 Valuation last used in the calculation of general State aid and
26 the district's Extension Limitation Ratio. If the Extension

1 Limitation Equalized Assessed Valuation of a school district as
2 calculated under this subsection (G)(3) is less than the
3 district's equalized assessed valuation as calculated pursuant
4 to subsections (G)(1) and (G)(2), then for purposes of
5 calculating the district's general State aid for the Budget
6 Year pursuant to subsection (E), that Extension Limitation
7 Equalized Assessed Valuation shall be utilized to calculate the
8 district's Available Local Resources under subsection (D). For
9 the 2009-2010 school year and each school year thereafter, if a
10 school district has approved or does approve an increase in its
11 limiting rate, pursuant to Section 18-190 of the Property Tax
12 Code, affecting the Base Tax Year, the Extension Limitation
13 Equalized Assessed Valuation of the school district, as
14 calculated by the State Board of Education, shall be equal to
15 the product of the Equalized Assessed Valuation last used in
16 the calculation of general State aid times an amount equal to
17 one plus the percentage increase, if any, in the Consumer Price
18 Index for all Urban Consumers for all items published by the
19 United States Department of Labor for the 12-month calendar
20 year preceding the Base Tax Year, plus the Equalized Assessed
21 Valuation of new property, annexed property, and recovered tax
22 increment value and minus the Equalized Assessed Valuation of
23 disconnected property. New property and recovered tax
24 increment value shall have the meanings set forth in the
25 Property Tax Extension Limitation Law.

26 Partial elementary unit districts created in accordance

1 with Article 11E of this Code shall not be eligible for the
2 adjustment in this subsection (G)(3) until the fifth year
3 following the effective date of the reorganization.

4 (3.5) For the 2010-2011 school year and each school year
5 thereafter, if a school district's boundaries span multiple
6 counties, then the Department of Revenue shall send to the
7 State Board of Education, for the purpose of calculating
8 general State aid, the limiting rate and individual rates by
9 purpose for the county that contains the majority of the school
10 district's Equalized Assessed Valuation.

11 (4) For the purposes of calculating general State aid for
12 the 1999-2000 school year only, if a school district
13 experienced a triennial reassessment on the equalized assessed
14 valuation used in calculating its general State financial aid
15 apportionment for the 1998-1999 school year, the State Board of
16 Education shall calculate the Extension Limitation Equalized
17 Assessed Valuation that would have been used to calculate the
18 district's 1998-1999 general State aid. This amount shall equal
19 the product of the equalized assessed valuation used to
20 calculate general State aid for the 1997-1998 school year and
21 the district's Extension Limitation Ratio. If the Extension
22 Limitation Equalized Assessed Valuation of the school district
23 as calculated under this paragraph (4) is less than the
24 district's equalized assessed valuation utilized in
25 calculating the district's 1998-1999 general State aid
26 allocation, then for purposes of calculating the district's

1 general State aid pursuant to paragraph (5) of subsection (E),
2 that Extension Limitation Equalized Assessed Valuation shall
3 be utilized to calculate the district's Available Local
4 Resources.

5 (5) For school districts having a majority of their
6 equalized assessed valuation in any county except Cook, DuPage,
7 Kane, Lake, McHenry, or Will, if the amount of general State
8 aid allocated to the school district for the 1999-2000 school
9 year under the provisions of subsection (E), (H), and (J) of
10 this Section is less than the amount of general State aid
11 allocated to the district for the 1998-1999 school year under
12 these subsections, then the general State aid of the district
13 for the 1999-2000 school year only shall be increased by the
14 difference between these amounts. The total payments made under
15 this paragraph (5) shall not exceed \$14,000,000. Claims shall
16 be prorated if they exceed \$14,000,000.

17 (H) Supplemental General State Aid.

18 (1) In addition to the general State aid a school district
19 is allotted pursuant to subsection (E), qualifying school
20 districts shall receive a grant, paid in conjunction with a
21 district's payments of general State aid, for supplemental
22 general State aid based upon the concentration level of
23 children from low-income households within the school
24 district. Supplemental State aid grants provided for school
25 districts under this subsection shall be appropriated for

1 distribution to school districts as part of the same line item
2 in which the general State financial aid of school districts is
3 appropriated under this Section.

4 (1.5) This paragraph (1.5) applies only to those school
5 years preceding the 2003-2004 school year. For purposes of this
6 subsection (H), the term "Low-Income Concentration Level"
7 shall be the low-income eligible pupil count from the most
8 recently available federal census divided by the Average Daily
9 Attendance of the school district. If, however, (i) the
10 percentage decrease from the 2 most recent federal censuses in
11 the low-income eligible pupil count of a high school district
12 with fewer than 400 students exceeds by 75% or more the
13 percentage change in the total low-income eligible pupil count
14 of contiguous elementary school districts, whose boundaries
15 are coterminous with the high school district, or (ii) a high
16 school district within 2 counties and serving 5 elementary
17 school districts, whose boundaries are coterminous with the
18 high school district, has a percentage decrease from the 2 most
19 recent federal censuses in the low-income eligible pupil count
20 and there is a percentage increase in the total low-income
21 eligible pupil count of a majority of the elementary school
22 districts in excess of 50% from the 2 most recent federal
23 censuses, then the high school district's low-income eligible
24 pupil count from the earlier federal census shall be the number
25 used as the low-income eligible pupil count for the high school
26 district, for purposes of this subsection (H). The changes made

1 to this paragraph (1) by Public Act 92-28 shall apply to
2 supplemental general State aid grants for school years
3 preceding the 2003-2004 school year that are paid in fiscal
4 year 1999 or thereafter and to any State aid payments made in
5 fiscal year 1994 through fiscal year 1998 pursuant to
6 subsection 1(n) of Section 18-8 of this Code (which was
7 repealed on July 1, 1998), and any high school district that is
8 affected by Public Act 92-28 is entitled to a recomputation of
9 its supplemental general State aid grant or State aid paid in
10 any of those fiscal years. This recomputation shall not be
11 affected by any other funding.

12 (1.10) This paragraph (1.10) applies to the 2003-2004
13 school year and each school year thereafter through the
14 2015-2016 school year. For purposes of this subsection (H), the
15 term "Low-Income Concentration Level" shall, for each fiscal
16 year, be the low-income eligible pupil count as of July 1 of
17 the immediately preceding fiscal year (as determined by the
18 Department of Human Services based on the number of pupils who
19 are eligible for at least one of the following low income
20 programs: Medicaid, the Children's Health Insurance Program,
21 TANF, or Food Stamps, excluding pupils who are eligible for
22 services provided by the Department of Children and Family
23 Services, averaged over the 2 immediately preceding fiscal
24 years for fiscal year 2004 and over the 3 immediately preceding
25 fiscal years for each fiscal year thereafter) divided by the
26 Average Daily Attendance of the school district.

1 (2) Supplemental general State aid pursuant to this
2 subsection (H) shall be provided as follows for the 1998-1999,
3 1999-2000, and 2000-2001 school years only:

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

8 (b) For any school district with a Low Income
9 Concentration Level of at least 35% and less than 50%, the
10 grant for the 1998-1999 school year shall be \$1,100
11 multiplied by the low income eligible pupil count.

12 (c) For any school district with a Low Income
13 Concentration Level of at least 50% and less than 60%, the
14 grant for the 1998-99 school year shall be \$1,500
15 multiplied by the low income eligible pupil count.

16 (d) For any school district with a Low Income
17 Concentration Level of 60% or more, the grant for the
18 1998-99 school year shall be \$1,900 multiplied by the low
19 income eligible pupil count.

20 (e) For the 1999-2000 school year, the per pupil amount
21 specified in subparagraphs (b), (c), and (d) immediately
22 above shall be increased to \$1,243, \$1,600, and \$2,000,
23 respectively.

24 (f) For the 2000-2001 school year, the per pupil
25 amounts specified in subparagraphs (b), (c), and (d)
26 immediately above shall be \$1,273, \$1,640, and \$2,050,

1 respectively.

2 (2.5) Supplemental general State aid pursuant to this
3 subsection (H) shall be provided as follows for the 2002-2003
4 school year:

5 (a) For any school district with a Low Income
6 Concentration Level of less than 10%, the grant for each
7 school year shall be \$355 multiplied by the low income
8 eligible pupil count.

9 (b) For any school district with a Low Income
10 Concentration Level of at least 10% and less than 20%, the
11 grant for each school year shall be \$675 multiplied by the
12 low income eligible pupil count.

13 (c) For any school district with a Low Income
14 Concentration Level of at least 20% and less than 35%, the
15 grant for each school year shall be \$1,330 multiplied by
16 the low income eligible pupil count.

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

21 (e) For any school district with a Low Income
22 Concentration Level of at least 50% and less than 60%, the
23 grant for each school year shall be \$1,680 multiplied by
24 the low income eligible pupil count.

25 (f) For any school district with a Low Income
26 Concentration Level of 60% or more, the grant for each

1 school year shall be \$2,080 multiplied by the low income
2 eligible pupil count.

3 (2.10) Except as otherwise provided, supplemental general
4 State aid pursuant to this subsection (H) shall be provided as
5 follows for the 2003-2004 school year and each school year
6 thereafter:

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

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

16 For the 2003-2004 school year and each school year
17 thereafter through the 2008-2009 school year only, the grant
18 shall be no less than the grant for the 2002-2003 school year.
19 For the 2009-2010 school year only, the grant shall be no less
20 than the grant for the 2002-2003 school year multiplied by
21 0.66. For the 2010-2011 school year only, the grant shall be no
22 less than the grant for the 2002-2003 school year multiplied by
23 0.33. Notwithstanding the provisions of this paragraph to the
24 contrary, if for any school year supplemental general State aid
25 grants are prorated as provided in paragraph (1) of this
26 subsection (H), then the grants under this paragraph shall be

1 prorated.

2 For the 2003-2004 school year only, the grant shall be no
3 greater than the grant received during the 2002-2003 school
4 year added to the product of 0.25 multiplied by the difference
5 between the grant amount calculated under subsection (a) or (b)
6 of this paragraph (2.10), whichever is applicable, and the
7 grant received during the 2002-2003 school year. For the
8 2004-2005 school year only, the grant shall be no greater than
9 the grant received during the 2002-2003 school year added to
10 the product of 0.50 multiplied by the difference between the
11 grant amount calculated under subsection (a) or (b) of this
12 paragraph (2.10), whichever is applicable, and the grant
13 received during the 2002-2003 school year. For the 2005-2006
14 school year only, the grant shall be no greater than the grant
15 received during the 2002-2003 school year added to the product
16 of 0.75 multiplied by the difference between the grant amount
17 calculated under subsection (a) or (b) of this paragraph
18 (2.10), whichever is applicable, and the grant received during
19 the 2002-2003 school year.

20 (3) School districts with an Average Daily Attendance of
21 more than 1,000 and less than 50,000 that qualify for
22 supplemental general State aid pursuant to this subsection
23 shall submit a plan to the State Board of Education prior to
24 October 30 of each year for the use of the funds resulting from
25 this grant of supplemental general State aid for the
26 improvement of instruction in which priority is given to

1 meeting the education needs of disadvantaged children. Such
2 plan shall be submitted in accordance with rules and
3 regulations promulgated by the State Board of Education.

4 (4) School districts with an Average Daily Attendance of
5 50,000 or more that qualify for supplemental general State aid
6 pursuant to this subsection shall be required to distribute
7 from funds available pursuant to this Section, no less than
8 \$261,000,000 in accordance with the following requirements:

9 (a) The required amounts shall be distributed to the
10 attendance centers within the district in proportion to the
11 number of pupils enrolled at each attendance center who are
12 eligible to receive free or reduced-price lunches or
13 breakfasts under the federal Child Nutrition Act of 1966
14 and under the National School Lunch Act during the
15 immediately preceding school year.

16 (b) The distribution of these portions of supplemental
17 and general State aid among attendance centers according to
18 these requirements shall not be compensated for or
19 contravened by adjustments of the total of other funds
20 appropriated to any attendance centers, and the Board of
21 Education shall utilize funding from one or several sources
22 in order to fully implement this provision annually prior
23 to the opening of school.

24 (c) Each attendance center shall be provided by the
25 school district a distribution of noncategorical funds and
26 other categorical funds to which an attendance center is

1 entitled under law in order that the general State aid and
2 supplemental general State aid provided by application of
3 this subsection supplements rather than supplants the
4 noncategorical funds and other categorical funds provided
5 by the school district to the attendance centers.

6 (d) Any funds made available under this subsection that
7 by reason of the provisions of this subsection are not
8 required to be allocated and provided to attendance centers
9 may be used and appropriated by the board of the district
10 for any lawful school purpose.

11 (e) Funds received by an attendance center pursuant to
12 this subsection shall be used by the attendance center at
13 the discretion of the principal and local school council
14 for programs to improve educational opportunities at
15 qualifying schools through the following programs and
16 services: early childhood education, reduced class size or
17 improved adult to student classroom ratio, enrichment
18 programs, remedial assistance, attendance improvement, and
19 other educationally beneficial expenditures which
20 supplement the regular and basic programs as determined by
21 the State Board of Education. Funds provided shall not be
22 expended for any political or lobbying purposes as defined
23 by board rule.

24 (f) Each district subject to the provisions of this
25 subdivision (H) (4) shall submit an acceptable plan to meet
26 the educational needs of disadvantaged children, in

1 compliance with the requirements of this paragraph, to the
2 State Board of Education prior to July 15 of each year.
3 This plan shall be consistent with the decisions of local
4 school councils concerning the school expenditure plans
5 developed in accordance with part 4 of Section 34-2.3. The
6 State Board shall approve or reject the plan within 60 days
7 after its submission. If the plan is rejected, the district
8 shall give written notice of intent to modify the plan
9 within 15 days of the notification of rejection and then
10 submit a modified plan within 30 days after the date of the
11 written notice of intent to modify. Districts may amend
12 approved plans pursuant to rules promulgated by the State
13 Board of Education.

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

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

1 For purposes of determining compliance with this
2 subsection in relation to the requirements of attendance
3 center funding, each district subject to the provisions of
4 this subsection shall submit as a separate document by
5 December 1 of each year a report of expenditure data for
6 the prior year in addition to any modification of its
7 current plan. If it is determined that there has been a
8 failure to comply with the expenditure provisions of this
9 subsection regarding contravention or supplanting, the
10 State Superintendent of Education shall, within 60 days of
11 receipt of the report, notify the district and any affected
12 local school council. The district shall within 45 days of
13 receipt of that notification inform the State
14 Superintendent of Education of the remedial or corrective
15 action to be taken, whether by amendment of the current
16 plan, if feasible, or by adjustment in the plan for the
17 following year. Failure to provide the expenditure report
18 or the notification of remedial or corrective action in a
19 timely manner shall result in a withholding of the affected
20 funds.

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

1 (I) (Blank).

2 (J) (Blank).

3 (K) Grants to Laboratory and Alternative Schools.

4 In calculating the amount to be paid to the governing board
5 of a public university that operates a laboratory school under
6 this Section or to any alternative school that is operated by a
7 regional superintendent of schools, the State Board of
8 Education shall require by rule such reporting requirements as
9 it deems necessary.

10 As used in this Section, "laboratory school" means a public
11 school which is created and operated by a public university and
12 approved by the State Board of Education. The governing board
13 of a public university which receives funds from the State
14 Board under this subsection (K) or subsection (i) of Section
15 18-8.15 of this Code may not increase the number of students
16 enrolled in its laboratory school from a single district, if
17 that district is already sending 50 or more students, except
18 under a mutual agreement between the school board of a
19 student's district of residence and the university which
20 operates the laboratory school. A laboratory school may not
21 have more than 1,000 students, excluding students with
22 disabilities in a special education program.

23 As used in this Section, "alternative school" means a

1 public school which is created and operated by a Regional
2 Superintendent of Schools and approved by the State Board of
3 Education. Such alternative schools may offer courses of
4 instruction for which credit is given in regular school
5 programs, courses to prepare students for the high school
6 equivalency testing program or vocational and occupational
7 training. A regional superintendent of schools may contract
8 with a school district or a public community college district
9 to operate an alternative school. An alternative school serving
10 more than one educational service region may be established by
11 the regional superintendents of schools of the affected
12 educational service regions. An alternative school serving
13 more than one educational service region may be operated under
14 such terms as the regional superintendents of schools of those
15 educational service regions may agree.

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

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

25 (1) For a school district operating under the financial

1 supervision of an Authority created under Article 34A, the
2 general State aid otherwise payable to that district under this
3 Section, but not the supplemental general State aid, shall be
4 reduced by an amount equal to the budget for the operations of
5 the Authority as certified by the Authority to the State Board
6 of Education, and an amount equal to such reduction shall be
7 paid to the Authority created for such district for its
8 operating expenses in the manner provided in Section 18-11. The
9 remainder of general State school aid for any such district
10 shall be paid in accordance with Article 34A when that Article
11 provides for a disposition other than that provided by this
12 Article.

13 (2) (Blank).

14 (3) Summer school. Summer school payments shall be made as
15 provided in Section 18-4.3.

16 (M) Education Funding Advisory Board.

17 The Education Funding Advisory Board, hereinafter in this
18 subsection (M) referred to as the "Board", is hereby created.
19 The Board shall consist of 5 members who are appointed by the
20 Governor, by and with the advice and consent of the Senate. The
21 members appointed shall include representatives of education,
22 business, and the general public. One of the members so
23 appointed shall be designated by the Governor at the time the
24 appointment is made as the chairperson of the Board. The
25 initial members of the Board may be appointed any time after

1 the effective date of this amendatory Act of 1997. The regular
2 term of each member of the Board shall be for 4 years from the
3 third Monday of January of the year in which the term of the
4 member's appointment is to commence, except that of the 5
5 initial members appointed to serve on the Board, the member who
6 is appointed as the chairperson shall serve for a term that
7 commences on the date of his or her appointment and expires on
8 the third Monday of January, 2002, and the remaining 4 members,
9 by lots drawn at the first meeting of the Board that is held
10 after all 5 members are appointed, shall determine 2 of their
11 number to serve for terms that commence on the date of their
12 respective appointments and expire on the third Monday of
13 January, 2001, and 2 of their number to serve for terms that
14 commence on the date of their respective appointments and
15 expire on the third Monday of January, 2000. All members
16 appointed to serve on the Board shall serve until their
17 respective successors are appointed and confirmed. Vacancies
18 shall be filled in the same manner as original appointments. If
19 a vacancy in membership occurs at a time when the Senate is not
20 in session, the Governor shall make a temporary appointment
21 until the next meeting of the Senate, when he or she shall
22 appoint, by and with the advice and consent of the Senate, a
23 person to fill that membership for the unexpired term. If the
24 Senate is not in session when the initial appointments are
25 made, those appointments shall be made as in the case of
26 vacancies.

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

9 The State Board of Education shall provide such staff
10 assistance to the Education Funding Advisory Board as is
11 reasonably required for the proper performance by the Board of
12 its responsibilities.

13 For school years after the 2000-2001 school year through
14 the 2015-2016 school year, the Education Funding Advisory
15 Board, in consultation with the State Board of Education, shall
16 make recommendations as provided in this subsection (M) to the
17 General Assembly for the foundation level under subdivision
18 (B)(3) of this Section and for the supplemental general State
19 aid grant level under subsection (H) of this Section for
20 districts with high concentrations of children from poverty.
21 The recommended foundation level shall be determined based on a
22 methodology which incorporates the basic education
23 expenditures of low-spending schools exhibiting high academic
24 performance. The Education Funding Advisory Board shall make
25 such recommendations to the General Assembly on January 1 of
26 odd numbered years, beginning January 1, 2001. After the

1 2015-2016 school year, the Education Funding Advisory Board
2 shall make recommendations pursuant to subsection (k) of
3 Section 18-8.15 of this Code.

4 (N) (Blank).

5 (O) References.

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

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

14 (P) Public Act 93-838 and Public Act 93-808 make inconsistent
15 changes to this Section. Under Section 6 of the Statute on
16 Statutes there is an irreconcilable conflict between Public Act
17 93-808 and Public Act 93-838. Public Act 93-838, being the last
18 acted upon, is controlling. The text of Public Act 93-838 is
19 the law regardless of the text of Public Act 93-808.

20 (Q) State Fiscal Year 2015 Payments.

21 For payments made for State fiscal year 2015, the State
22 Board of Education shall, for each school district, calculate

1 that district's pro-rata share of a minimum sum of \$13,600,000
2 or additional amounts as needed from the total net General
3 State Aid funding as calculated under this Section that shall
4 be deemed attributable to the provision of special educational
5 facilities and services, as defined in Section 14-1.08 of this
6 Code, in a manner that ensures compliance with maintenance of
7 State financial support requirements under the federal
8 Individuals with Disabilities Education Act. Each school
9 district must use such funds only for the provision of special
10 educational facilities and services, as defined in Section
11 14-1.08 of this Code, and must comply with any expenditure
12 verification procedures adopted by the State Board of
13 Education.

14 (Source: P.A. 98-972, eff. 8-15-14; 99-2, eff. 3-26-15; 99-194,
15 eff. 7-30-15.)

16 (105 ILCS 5/18-8.10)

17 Sec. 18-8.10. Fast growth grants.

18 (a) If there has been an increase in a school district's
19 student population over the most recent 2 school years of (i)
20 over 1.5% in a district with over 10,000 pupils in average
21 daily attendance (as defined in Section 18-8.05 or 18-8.15 of
22 this Code) or (ii) over 7.5% in any other district, then the
23 district is eligible for a grant under this Section, subject to
24 appropriation.

25 (b) The State Board of Education shall determine a per

1 pupil grant amount for each school district. The total grant
2 amount for a district for any given school year shall equal the
3 per pupil grant amount multiplied by the difference between the
4 number of pupils in average daily attendance for the 2 most
5 recent school years.

6 (c) Funds for grants under this Section must be
7 appropriated to the State Board of Education in a separate line
8 item for this purpose. If the amount appropriated in any fiscal
9 year is insufficient to pay all grants for a school year, then
10 the amount appropriated shall be prorated among eligible
11 districts. As soon as possible after funds have been
12 appropriated to the State Board of Education, the State Board
13 of Education shall distribute the grants to eligible districts.

14 (d) If a school district intentionally reports incorrect
15 average daily attendance numbers to receive a grant under this
16 Section, then the district shall be denied State aid in the
17 same manner as State aid is denied for intentional incorrect
18 reporting of average daily attendance numbers under Section
19 18-8.05 or 18-8.15 of this Code.

20 (Source: P.A. 93-1042, eff. 10-8-04.)

21 (105 ILCS 5/18-8.15 new)

22 Sec. 18-8.15. Basis for apportionment of primary State
23 financial aid to the common schools for the 2016-2017 and
24 subsequent school years.

25 (a) General provisions.

1 (1) The provisions of this Section apply to the 2016-2017
2 and subsequent school years. The system of primary State
3 financial aid provided for in this Section is designed to
4 ensure that, through a combination of State financial aid and
5 required local resources, the financial support provided each
6 pupil in attendance equals or exceeds a prescribed per pupil
7 Foundation Level, with adjustments to the Foundation Level
8 based on each school district's pupil characteristics. This
9 formula approach imputes a level of per pupil Available Local
10 Resources and provides for the basis to calculate a per pupil
11 level of primary State financial aid that, when added to
12 Available Local Resources, equals or exceeds the school
13 district's adjusted Foundation Level. The amount of per pupil
14 primary State financial aid for school districts, in general,
15 varies in inverse relation to Available Local Resources.

16 (2) To address decreases in State funding resulting from
17 this amendatory Act of the 99th General Assembly, the amount of
18 primary State aid provided to a school district shall be
19 subject to increase through supplemental grants as provided in
20 subsection (h) of this Section. Any supplemental grants
21 provided for school districts under subsection (h) of this
22 Section shall be appropriated for distribution to school
23 districts as part of the same line item in which the primary
24 State financial aid of school districts is appropriated under
25 this Section.

26 (3) To receive financial assistance under this Section,

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

3 (A) Any school district that fails, for any given
4 school year, to maintain school as required by law or to
5 maintain a recognized school is not eligible to receive
6 financial assistance under this Section. In case of
7 non-recognition of one or more attendance centers in a
8 school district otherwise operating recognized schools,
9 the claim of the district shall be reduced in the
10 proportion that the enrollment in the attendance center or
11 centers bears to the enrollment in the school district. A
12 "recognized school" means any public school that meets the
13 standards established for recognition by the State Board of
14 Education. A school district or attendance center not
15 having recognition status at the end of a school term is
16 entitled to receive State aid payments due upon a legal
17 claim that was filed while it was recognized.

18 (B) School district claims filed under this Section are
19 subject to Sections 18-9 and 18-12 of this Code, except as
20 otherwise provided in this Section.

21 (C) If a school district operates a full-year school
22 under Section 10-19.1 of this Code, the primary State aid
23 to the school district shall be determined by the State
24 Board of Education in accordance with this Section as near
25 as may be applicable.

26 (4) Subject to the requirements of subsection (j) of this

1 Section, the school board of any district receiving any of the
2 grants provided for in this Section may apply those funds to
3 any fund so received for which that school board is authorized
4 to make expenditures by law.

5 (5) As used in this Section, the following terms, when
6 capitalized, shall have the meanings ascribed in this paragraph
7 (5):

8 "Additional Weight" means a number added to 1.0 to
9 calculate the District Weighted Average in accordance with
10 subsection (b) of this Section. Each Additional Weight is
11 calculated using the Weighting Factors and Weighting
12 Percentages in paragraph (5) of subsection (b) of this Section.

13 "Adequacy Grant Loss" means the product of (i) the absolute
14 value of the lesser loss of a school district's Base Year Loss
15 or Current Year Loss and (ii) the school district's Prior Year
16 ADA.

17 "Adequacy Target" means, for a particular school district,
18 the product of \$8,672 and the school district's District
19 Weighted Average.

20 "Adequacy Target Percent" means, for a particular school
21 district, the percentage figure resulting from dividing the
22 school district's operating expense per pupil by its Adequacy
23 Target.

24 "Adjusted Flat Grant Level" means, for each school district
25 not subject to property tax extension limitations as imposed
26 under the Property Tax Extension Limitation Law, the Flat Grant

1 Level multiplied by the percentage, if any, of which the school
2 district's combined tax rate for educational and operations and
3 maintenance purposes is of the maximum combined tax rates for
4 educational and operations and maintenance purposes specified
5 for that type of school district under Section 17-2 of this
6 Code. For a school district subject to property tax extension
7 limitations as imposed under the Property Tax Extension
8 Limitation Law or a school district whose combined tax rate for
9 educational and operations and maintenance purposes is at least
10 the maximum combined tax rates for educational and operations
11 and maintenance purposes specified for that type of school
12 district under Section 17-2 of this Code, the Adjusted Flat
13 Grant Level is equal to the Flat Grant Level.

14 "Advanced Standing Pupil" means a pupil in grades 9 through
15 12 who has completed (i) one or more Advanced Placement courses
16 and received a score of 3 or higher on an Advanced Placement
17 examination or (ii) a course providing dual credit through an
18 Illinois public community college or university in which the
19 student was awarded at least 3 credit hours of postsecondary
20 education credit.

21 "Alternative School" means a public school that is created
22 and operated by a regional superintendent of schools and
23 approved by the State Board of Education.

24 "Available Local Resources Per Pupil" means a computation
25 of local financial support, calculated on the basis of Average
26 Daily Attendance and derived as provided pursuant to subsection

1 (d) of this Section.

2 "Average Daily Attendance" or "ADA" means the count of
3 pupils in attendance derived as provided pursuant to subsection
4 (c) of this Section.

5 "Base Tax Year" means the property tax levy year used to
6 calculate the Budget Year allocation of primary State aid.

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

12 "Base Year Loss" means the amount, if any, by which a
13 school district's per-pupil primary State aid allotment in the
14 2016-2017 school year is less than its Per-pupil Hold Harmless
15 State Funding, after accounting for any supplemental grants to
16 the school district pursuant to paragraphs (2) and (3) of
17 subsection (h) of this Section.

18 "Budget Year" means the school year for which primary State
19 aid is calculated and awarded under subsection (e) of this
20 Section.

21 "Career Pathway Completer" means a pupil who has graduated
22 from high school and completed a Career Pathway Program in
23 accordance with requirements established by the State Board of
24 Education.

25 "Career Pathway Participant" means a pupil in grades 10
26 through 12 participating in a Career Pathway Program in

1 accordance with requirements established by the State Board of
2 Education.

3 "Career Pathway Program" means a series of connected
4 education and training strategies and support services meeting
5 the requirements of this definition and other requirements
6 established by the State Board of Education that enable
7 individuals to secure credentials and degrees with labor market
8 value, prepare for employment within an occupational area, and
9 advance to higher levels of future education and employment in
10 that area. Career pathway programs must incorporate (i)
11 rigorous academics that prepare students for success in
12 community colleges and universities, as well as in
13 apprenticeship and other postsecondary training programs; (ii)
14 career-based learning through at least 2 years of sequenced
15 coursework or equivalent competencies emphasizing practical
16 application within a particular sector and occupational area;
17 (iii) professional learning, via job shadowing,
18 apprenticeships, internships, or other professional
19 skill-building opportunities; (iv) support services that
20 include academic and career counseling and planning; and (v)
21 opportunities for attainment of stackable credentials and
22 degrees with labor market value.

23 "Corporate Personal Property Replacement Taxes" means
24 funds paid to school districts pursuant to "An Act in relation
25 to the abolition of ad valorem personal property tax and the
26 replacement of revenues lost thereby, and amending and

1 repealing certain Acts and parts of Acts in connection
2 therewith", certified August 14, 1979, as amended (Public Act
3 81-1st S.S.-1).

4 "Current Year Loss" means the amount, if any, by which a
5 school district's per-pupil primary State aid allotment in any
6 school year after the 2016-2017 school year is less than its
7 Per-pupil Hold Harmless State Funding, after accounting for any
8 supplemental grants to the school district pursuant to
9 paragraphs (2) and (3) of subsection (h) of this Section.

10 "DHS Low-income Eligible Count" means the low-income
11 eligible pupil count as determined by the Department of Human
12 Services (based on the number of pupils who are eligible for at
13 least one of the following low-income programs: Medicaid, the
14 Children's Health Insurance Program, TANF, or the Supplemental
15 Nutrition Assistance Program, excluding pupils who are
16 eligible for services provided by the Department of Children
17 and Family Services) averaged over the 3 immediately preceding
18 fiscal years, based on the count as of July 1 of each fiscal
19 year.

20 "District Weighted Average" means a figure used to derive a
21 school district's Per-pupil Aid level, calculated pursuant to
22 subsection (b) of this Section.

23 "English Learner Pupil" means an English learner, as
24 defined in Section 14C-2 of this Code, participating in a
25 program of transitional bilingual education or a transitional
26 program of instruction meeting the requirements of Article 14C

1 of this Code.

2 "Extension Limitation Equalized Assessed Valuation" means
3 a figure calculated by the State Board of Education pursuant to
4 paragraph (2) of subsection (h) of this Section for school
5 districts subject to property tax extension limitations as
6 imposed under the Property Tax Extension Limitation Law.

7 "Extension Limitation Ratio" means a numerical ratio in
8 which the numerator is the Base Tax Year's Tax Extension and
9 the denominator is the Preceding Tax Year's Tax Extension.

10 "Flat Grant Level" means a dollar amount equal to 3.0% of a
11 school district's Weighted Foundation Level.

12 "Foundation Level" means a prescribed level of per pupil
13 financial support, as provided for in subsection (b) of this
14 Section.

15 "Gifted Pupil" means a pupil in kindergarten through grade
16 8 receiving services through a program for gifted and talented
17 children that has been approved by a school board and that is
18 described on a school district's Internet website.

19 "Hold Harmless State Funding" means the amount of State
20 funds allotted to a school district, Laboratory School, or
21 Alternative School during the 2015-2016 school year pursuant to
22 the following Sections of this Code, as calculated by the State
23 Board of Education: Sections 18-8.05; 14-7.02b; 14-7.03, but
24 only with respect to reimbursement for children from foster
25 family homes; 14-13.01, except for reimbursement of the cost of
26 transportation pursuant to that Section; 14C-12; and 18-4.3.

1 For a school district organized under Article 34 of this Code,
2 "Hold Harmless State Funding" also includes the funds allotted
3 to the school district pursuant to Section 1D-1 of this Code
4 attributable to funding programs authorized by the Sections of
5 this Code listed in this definition.

6 "Laboratory School" means a public school that is created
7 and operated by a public university and approved by the State
8 Board of Education.

9 "Low-income Pupil" means a pupil from a household with a
10 household income level at or below 185% of the poverty
11 guidelines updated periodically in the Federal Register by the
12 U.S. Department of Health and Human Services under the
13 authority of 42 U.S.C. 9902(2).

14 "Operating Tax Rate" means all school district property
15 taxes extended for all purposes, except bond and interest,
16 summer school, rent, capital improvement, and vocational
17 education building purposes.

18 "Per-pupil Aid" means a school district's Weighted
19 Foundation Level less its Available Local Resources Per Pupil.

20 "Per-pupil Hold Harmless State Funding" means a school
21 district's Hold Harmless State Funding, divided by the school
22 district's Average Daily Attendance figure as calculated
23 pursuant to subsection (F) of Section 18-8.05 of this Code
24 during the 2015-2016 school year.

25 "Preceding Tax Year" means the property tax levy year
26 immediately preceding the Base Tax Year.

1 "Preceding Tax Year's Tax Extension" means the product of
2 the equalized assessed valuation utilized by the county clerk
3 in the Preceding Tax Year multiplied by the Operating Tax Rate.

4 "Prior Year ADA" means the number of pupils within the
5 count of pupils in attendance used for Average Daily Attendance
6 calculations for the school year immediately preceding the
7 school year for which primary State aid is calculated and
8 awarded under subsection (e) of this Section.

9 "PTELL EAV floor school district" means either (i) a school
10 district with an Adequacy Target Percent of 100% or higher (as
11 calculated pursuant to paragraph (4) of subsection (h) of this
12 Section, notwithstanding any limitations in that paragraph on
13 the school years in which adequacy grants are administered) or
14 (ii) a school district with an Adequacy Target Percent of less
15 than 100% if the school district has an Operating Tax Rate that
16 is 95% or lower than the applicable statewide weighted-average
17 Operating Tax Rate for that type of school district (as
18 calculated pursuant to paragraph (4) of subsection (h) of this
19 Section, notwithstanding any limitations in that paragraph on
20 the school years in which adequacy grants are administered).

21 "PTELL PSA Adjustment" means the amount of primary State
22 aid a school district would receive under subsection (e) of
23 this Section if the Extension Limitation Equalized Assessed
24 Valuation was used for calculating the school district's
25 primary State aid for the Budget Year instead of the district's
26 equalized assessed valuation as calculated pursuant to

1 paragraphs (1) and (2) of subsection (g) of this Section.

2 "Residential Boarding School Program" means a residential
3 school for students in jeopardy of academic failure and
4 impacted by one or more adverse childhood experiences. A
5 residential program includes:

6 (A) a remedial, regular, and gifted curriculum for
7 school grades 2 through 8;

8 (B) a residential component focused on social and
9 emotional well-being, safety, and life skills;

10 (C) extracurricular activities, including a military
11 leadership program, vocational education program, music
12 and art, athletics, and cultural events;

13 (D) health and mental health services;

14 (E) tutoring and a learning resource center that
15 provides individualized and small group instruction;

16 (F) community service, volunteering, and service
17 learning activities;

18 (G) a parent partnering program, which includes family
19 therapy (if needed), home visits, and parental support and
20 education and promotes familial integration into all
21 aspects of programming;

22 (H) programs that are preventative for students,
23 diverting them from such outcomes as:

24 (i) reliance on social service programs;

25 (ii) dangerous behaviors;

26 (iii) untreated or unmanaged mental and medical

1 illnesses;
2 (iv) unemployment;
3 (v) crime; and
4 (vi) involvement with the justice system;
5 (I) year-round programming, including summer camp and
6 academic enrichment; and
7 (J) Professional development focused on language arts
8 and reading standards, mathematics standards, science
9 standards, technology standards, and developmental or life
10 skill standards using innovative and best practices for all
11 students.

12 "Special Education Summer School Pupil" means a child with
13 disabilities participating in a summer school program meeting
14 the fiscal year 2016 eligibility requirements for a summer
15 school grant under Section 18-4.3 of this Code.

16 "Statewide weighted-average" means an average calculation
17 for all school districts in this State in which a weighting is
18 assigned to each school district's quantity in the average
19 calculation based on its Prior Year ADA.

20 "Total Primary State Aid" means the amount of primary State
21 aid allotted to a school district pursuant to subsection (e) of
22 this Section and any supplemental grants allotted pursuant to
23 paragraphs (2), (3), and (4) of subsection (h) of this Section.

24 "Weighted Foundation Level" means the Foundation Level
25 multiplied by the District Weighted Average.

26 "Weighted Foundation Level Budget" means, for a particular

1 school district, the Weighted Foundation Level multiplied by
2 the ADA.

3 "Weighting Factor" means, for each Additional Weight
4 classification in paragraph (5) of subsection (b) of this
5 Section, the amount multiplied by the Weighting Percentage to
6 calculate the Additional Weight figure.

7 "Weighting Percentage" means, for each Additional Weight
8 classification in paragraph (5) of subsection (b) of this
9 Section, the amount multiplied by the Weighting Factor to
10 calculate the Additional Weight figure.

11 (b) Foundation Level; weighting for district pupil
12 characteristics.

13 (1) The Foundation Level is a figure established by this
14 State representing the minimum level of per pupil financial
15 support that should be available to provide for the basic
16 education of each pupil in Average Daily Attendance in a public
17 school in this State. Then, for each school district, the
18 Foundation Level is weighted in accordance with the Additional
19 Weights set forth in paragraph (5) of this subsection (b) to
20 account for the pupil characteristics within that school
21 district, and, if applicable, a Regionalization Factor
22 determined pursuant to paragraph (6) of this subsection (b) is
23 applied to account for regional variation in wages. As set
24 forth in this Section, each school district is assumed to exert
25 a sufficient local taxing effort such that, in combination with
26 the aggregate of primary State financial aid provided the

1 district, an aggregate of State and local resources are
2 available to meet the basic education needs of pupils in the
3 district.

4 (2) Subject to paragraph (3) of this subsection (b), for
5 the 2016-2017 school year and each school year thereafter, the
6 Foundation Level of support is \$6,119 or such greater amount as
7 may be established by law by the General Assembly.

8 (3) If the appropriation in any fiscal year for primary
9 State aid and the supplemental grants provided for in
10 paragraphs (2) and (3) of subsection (h) of this Section is
11 insufficient to pay the amounts required under the calculations
12 set forth in this Section, then the State Board of Education
13 shall adjust the Foundation Level to an amount so that the
14 appropriation is sufficient to pay all primary State aid and
15 the supplemental grants provided for in paragraphs (2) through
16 (4) of subsection (h) of this Section.

17 (4) For each school district, the Foundation Level shall be
18 adjusted by multiplying the Foundation Level by a District
19 Weighted Average figure, resulting in the school district's
20 Weighted Foundation Level. The District Weighted Average
21 figure for a particular school district shall be a number equal
22 to 1.0 plus each of the Additional Weights described in
23 paragraph (5) of this subsection (b) applicable to that
24 district. In addition, if applicable for a particular school
25 district pursuant to paragraph (6) of this subsection (b), the
26 1.0 figure and each Additional Weight shall be multiplied by a

1 Regionalization Factor to determine its District Weighted
2 Average calculation. For each Additional Weight, the figure
3 included in the District Weighted Average prior to the
4 application of any Regionalization Factor is the product of the
5 Weighting Factor multiplied by the Weighting Percentage, as
6 both are specified in paragraph (5) of this subsection (b). For
7 each school district, the State Board of Education shall
8 publicly report the district's District Weighted Average,
9 Weighted Foundation Level, Additional Weights, Regionalization
10 Factor multiplier, amount of the Weighted Foundation Level
11 Budget attributable to each Additional Weight on an aggregate
12 and per-student basis, and amount of primary State aid received
13 attributable to each Additional Weight on an aggregate and
14 per-student basis.

15 (5) Additional Weights:

16 (A) English Learner Pupils:

17 (i) Weighting Factor of 0.20; and

18 (ii) Weighting Percentage equal to the Prior Year
19 ADA of English Learner Pupils, divided by the Prior
20 Year ADA for all pupils.

21 (B) Low-Income Pupils: The higher of the weights
22 determined through the following 2 methods:

23 (i) Regular low-income method:

24 (I) Weighting Factor of 0.25; and

25 (II) Weighting Percentage equal to the DHS
26 Low-income Eligible Count, divided by the Prior

1 Year ADA for all pupils.

2 (ii) Low-income concentration method:

3 (I) Weighting Factor of 0.80 multiplied by the
4 Weighting Percentage as calculated in accordance
5 with the regular low-income method, provided that
6 the Weighting Factor pursuant to this method shall
7 not exceed 0.75; and

8 (II) Weighting Percentage equal to the
9 Weighting Percentage as calculated in accordance
10 with the regular low-income method.

11 (C) Children with disabilities:

12 (i) Weighting Factor of 1.0; and

13 (ii) Weighting Percentage equal to the higher of
14 the percentages in the following items as applicable to
15 each school district:

16 (I) a Weighting Percentage established by the
17 State Board of Education prior to the start of each
18 State fiscal year representative of the statewide
19 weighted-average percentage of students with
20 disabilities based on the most recent data
21 collected by the State Board of Education; and

22 (II) Weighting Percentage under this item (II)
23 for any school district that demonstrates, in
24 accordance with requirements established by the
25 State Board of Education, that the percentage of
26 its students with disabilities exceeds the

1 representative statewide weighted-average
2 percentage established pursuant to item (I) of
3 this clause (ii). For any such school district, the
4 Weighting Percentage shall equal the lesser of (i)
5 the Prior Year ADA of the district's students with
6 disabilities (as verified by the State Board of
7 Education) divided by the Prior Year ADA for all
8 pupils and (ii) the representative statewide
9 weighted-average percentage established pursuant
10 to item (I) of this clause (ii) plus 5 percentage
11 points.

12 (D) Special Education Summer School Pupils:

13 (i) Weighting Factor of 0.03; and

14 (ii) Weighting Percentage equal to the Prior Year
15 ADA of Special Education Summer School Pupils, divided
16 by the Prior Year ADA for all pupils.

17 (E) Gifted Pupils:

18 (i) Weighting Factor of 0.01; and

19 (ii) Weighting Percentage equal to the Prior Year
20 ADA of Gifted Pupils, divided by the Prior Year ADA for
21 all pupils, provided that the Prior Year ADA of Gifted
22 Pupils used for such calculation shall not exceed 5% of
23 the Prior Year ADA for pupils in kindergarten through
24 grade 8.

25 (F) Pupils in Kindergarten Providing a Full Day of
26 Attendance Through Grade 3:

1 (i) Weighting Factor of 0.05; and
2 (ii) Weighting Percentage equal to the Prior Year
3 ADA of pupils in kindergarten providing a full day of
4 attendance through grade 3, divided by the Prior Year
5 ADA for all pupils.

6 (G) Pupils in Grade 9:

7 (i) Weighting Factor of 0.15; and

8 (ii) Weighting Percentage equal to the Prior Year
9 ADA of pupils in grade 9, divided by the Prior Year ADA
10 for all pupils.

11 (H) In the 2018-2019 school year and subsequent school
12 years, Advanced Standing Pupils, Career Pathway
13 Participants, and Career Pathway Completers:

14 (i) For Advanced Standing Pupils:

15 (I) Weighting Factor of 0.02; and

16 (II) Weighting Percentage equal to the Prior
17 Year ADA of Advanced Standing Pupils, divided by
18 the Prior Year ADA for all pupils.

19 (ii) For Career Pathway Participants:

20 (I) Weighting Factor of 0.02; and

21 (II) Weighting Percentage equal to the Prior
22 Year ADA of Career Pathway Participants, divided
23 by the Prior Year ADA for all pupils.

24 (iii) For Career Pathway Completers:

25 (I) Weighting Factor of 0.02; and

26 (II) Weighting Percentage equal to the Prior

1 Year ADA of Career Pathway Completers, divided by
2 the Prior Year ADA for all pupils.

3 (6) For each school district with a Regionalization Index
4 Value higher than the statewide weighted-average
5 Regionalization Index Value, the base value of 1.0 and each
6 Additional Weight included in the calculation of its District
7 Weighted Average shall be multiplied by a Regionalization
8 Factor calculated in accordance with this paragraph (6). The
9 Regionalization Factor shall equal the school district's
10 Regionalization Index Value divided by the statewide
11 weighted-average Regionalization Index Value for the most
12 recent year that the data is compiled. For purposes of this
13 paragraph (6), "Regionalization Index Value" means the
14 Comparable Wage Index developed for the National Center for
15 Education Statistics and published for each school district.
16 This Index measures systematic, regional variations in the
17 salaries of college graduates who are not educators. The State
18 Board of Education may contract for the calculation of the
19 Comparable Wage Index using the same methodology if the
20 Comparable Wage Index developed for the National Center for
21 Education Statistics becomes unavailable. For any school
22 district that does not have a Comparable Wage Index, the State
23 Board of Education shall estimate a Regionalization Index Value
24 using reasonably available information.

25 (c) Average Daily Attendance.

26 (1) For purposes of calculating primary State aid pursuant

1 to subsection (e) of this Section, an Average Daily Attendance
2 figure shall be utilized. The Average Daily Attendance figure
3 for formula calculation purposes shall be the monthly average
4 of the total number of pupils in attendance for each school
5 district, as further averaged for the best 3 months of pupil
6 attendance for each school district. In compiling the figures
7 for the number of pupils in attendance, school districts and
8 the State Board of Education shall, for purposes of primary
9 State aid funding, conform attendance figures to the
10 requirements of subsection (f) of this Section.

11 (2) The Average Daily Attendance figures utilized in
12 subsections (d) and (e) of this Section shall be the requisite
13 attendance data for the school year immediately preceding the
14 school year for which primary State aid is being calculated or
15 the average of the attendance data for the 3 preceding school
16 years, whichever is greater. The Average Daily Attendance
17 figures utilized for subsection (b) of this Section shall be
18 the requisite attendance data for the school year immediately
19 preceding the school year for which primary State aid is being
20 calculated.

21 (d) Available Local Resources Per Pupil.

22 (1) For purposes of calculating primary State aid pursuant
23 to subsection (e) of this Section, a representation of
24 Available Local Resources Per Pupil, as that term is defined
25 and determined in this subsection (d), shall be utilized.
26 Available Local Resources Per Pupil shall include a calculated

1 dollar amount representing school district revenues from local
2 property taxes and from Corporate Personal Property
3 Replacement Taxes, expressed on the basis of pupils in Average
4 Daily Attendance.

5 (2) In determining a school district's revenue from local
6 property taxes, the State Board of Education shall utilize the
7 equalized assessed valuation of all taxable property of each
8 school district as of September 30 of the previous year. The
9 equalized assessed valuation utilized shall be obtained and
10 determined as provided in subsection (g) of this Section.

11 (3) For school districts maintaining grades kindergarten
12 through 12, local property tax revenues per pupil shall be
13 calculated as the product of the applicable equalized assessed
14 valuation for the district multiplied by 3.00%, and divided by
15 the district's Average Daily Attendance figure. For school
16 districts maintaining grades kindergarten through 8, local
17 property tax revenues per pupil shall be calculated as the
18 product of the applicable equalized assessed valuation for the
19 district multiplied by 2.30%, and divided by the district's
20 Average Daily Attendance figure. For school districts
21 maintaining grades 9 through 12, local property tax revenues
22 per pupil shall be the applicable equalized assessed valuation
23 of the district multiplied by 1.05%, and divided by the
24 district's Average Daily Attendance figure.

25 For partial elementary unit districts created pursuant to
26 Article 11E of this Code, local property tax revenues per pupil

1 shall be calculated as the product of the equalized assessed
2 valuation for property within the partial elementary unit
3 district for elementary purposes, as defined in Article 11E of
4 this Code, multiplied by 2.06% and divided by the district's
5 Average Daily Attendance figure, plus the product of the
6 equalized assessed valuation for property within the partial
7 elementary unit district for high school purposes, as defined
8 in Article 11E of this Code, multiplied by 0.94% and divided by
9 the district's Average Daily Attendance figure.

10 (4) The Corporate Personal Property Replacement Taxes paid
11 to each school district during the calendar year one year
12 before the calendar year in which a school year begins, divided
13 by the Average Daily Attendance figure for that district, shall
14 be added to the local property tax revenues per pupil as
15 derived by the application of paragraph (3) of this subsection
16 (d). The sum of these per pupil figures for each school
17 district shall constitute Available Local Resources Per Pupil
18 as that term is utilized in subsection (e) of this Section in
19 the calculation of primary State aid.

20 (e) Computation of primary State aid.

21 (1) For each school year, the amount of primary State aid
22 allotted to a school district shall be computed by the State
23 Board of Education as provided in this subsection (e).

24 (2) Subject to paragraph (4) of this subsection (e), for
25 any school district for which the Per-pupil Aid is more than
26 the Flat Grant Level, primary State aid for that district shall

1 be in an amount equal to its Per-pupil Aid multiplied by its
2 Average Daily Attendance figure.

3 (3) Subject to paragraph (4) of this subsection (e), for
4 any school district for which the Per-pupil Aid is equal to or
5 less than the Flat Grant Level, primary State aid for that
6 district shall be in an amount equal to the Adjusted Flat Grant
7 Level multiplied by the district's Average Daily Attendance
8 figure.

9 (4) From financial assistance provided to school districts
10 under this Section, the State Board of Education shall withhold
11 the following amounts for the following purposes:

12 (A) For each school district with an Additional Weight
13 for Pupils of Limited English-speaking Ability, the State
14 Board of Education shall withhold an amount not exceeding
15 one and one-half percent of the district's Weighted
16 Foundation Level Budget attributable to Pupils of Limited
17 English-speaking Ability for (i) State Board of Education
18 staff for administration and (ii) contractual services by a
19 not-for-profit entity for technical assistance,
20 professional development, and other support to school
21 districts and educators for services for these pupils. To
22 be eligible to receive the contract under clause (ii) of
23 this subdivision (A), the not-for-profit entity must have
24 experience providing such services in a school district
25 having a population exceeding 500,000; one or more school
26 districts in any of the counties of Lake, McHenry, DuPage,

1 Kane, and Will; and one or more school districts elsewhere
2 in this State.

3 (B) The State Board of Education shall withhold an
4 amount not exceeding one-half percent of each school
5 district's Weighted Foundation Level Budget attributable
6 to children with disabilities and Special Education Summer
7 School Pupils for State Board of Education staff and
8 contractual services for administration, professional
9 development, and support to school districts for services
10 for children with disabilities. The State Board of
11 Education shall use a portion of the withheld amounts for
12 developing or supporting electronic individualized
13 educational programs.

14 (f) Compilation of Average Daily Attendance.

15 (1) Each school district shall, on or before July 1 of each
16 year, submit to the State Board of Education, in a manner
17 prescribed by the State Board of Education, attendance figures
18 for the school year that began in the preceding calendar year.
19 The attendance information so transmitted shall identify the
20 Average Daily Attendance figures for each month of the school
21 year. School districts shall calculate Average Daily
22 Attendance as provided in subdivisions (A), (B), and (C) of
23 this paragraph (1).

24 (A) In districts that do not hold year-round classes,
25 days of attendance in August shall be added to the month of
26 September and any days of attendance in June shall be added

1 to the month of May.

2 (B) In districts in which all buildings hold year-round
3 classes, days of attendance in July and August shall be
4 added to the month of September and any days of attendance
5 in June shall be added to the month of May.

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

18 (2) For the 2016-2017 school year, days of attendance by
19 pupils shall be counted in accordance with paragraphs (1) and
20 (2) of subsection (F) of Section 18-8.05 of this Code. For the
21 2017-2018 and subsequent school years, days of attendance by
22 pupils shall be counted in accordance with administrative rules
23 adopted by the State Board of Education that address, without
24 limitation, days of partial attendance, days utilized for
25 in-service training and parent-teacher conferences,
26 partial-day kindergarten, hospitalized or homebound students,

1 days when assessments are administered, remote educational
2 programs, virtual learning, work-based learning, dual credit
3 programs, and competency-based education. Such rules shall be
4 adopted by the State Board of Education by no later than April
5 1, 2017.

6 (g) Equalized assessed valuation data.

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

17 The Department of Revenue shall add to the equalized
18 assessed value of all taxable property of each school district
19 situated entirely or partially within a county that is or was
20 subject to the provisions of Section 15-176 or 15-177 of the
21 Property Tax Code (A) an amount equal to the total amount by
22 which the homestead exemption allowed under Section 15-176 or
23 15-177 of the Property Tax Code for real property situated in
24 that school district exceeds the total amount that would have
25 been allowed in that school district if the maximum reduction
26 under Section 15-176 was \$5,000 and (B) an amount equal to the

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

1 This equalized assessed valuation, as adjusted further by
2 the requirements of this subsection (g), shall be utilized in
3 the calculation of Available Local Resources Per Pupil.

4 (2) The equalized assessed valuation in paragraph (1) of
5 this subsection (g) shall be adjusted, as applicable, in the
6 following manner:

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

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

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

18 (3) If a school district's boundaries span multiple
19 counties, then the Department of Revenue shall send to the
20 State Board of Education, for the purpose of calculating
21 primary State aid, the limiting rate and individual rates by
22 purpose for the county that contains the majority of the school
23 district's Equalized Assessed Valuation.

24 (h) Supplemental grants.

25 (1) The Total Primary State Aid a school district is
26 allotted pursuant to this Section shall be subject to

1 adjustment as provided in this subsection (h). Any supplemental
2 grants allotted to school districts pursuant to this subsection
3 (h) shall be paid in conjunction with the school district's
4 payments of primary State aid. When calculating the
5 supplemental grants for a particular school district under this
6 Section, the State Board of Education shall first calculate the
7 supplemental grant, if any, under paragraph (2) of this
8 subsection (h) for school districts subject to property tax
9 extension limitations. The State Board of Education shall next
10 calculate the supplemental grant under paragraph (3) of this
11 subsection (h) if the school district has a per-pupil loss
12 exceeding \$1,000. The State Board of Education shall then
13 calculate the amount of the adequacy grant, if any, to the
14 school district under paragraph (4) of this subsection (h).
15 Finally, the State Board of Education shall calculate the
16 supplemental grants specified in paragraph (5) of this
17 subsection (h).

18 (2) If a school district is subject to property tax
19 extension limitations as imposed under the Property Tax
20 Extension Limitation Law, a school district shall receive a
21 supplemental grant pursuant to this paragraph (2) to account
22 for the difference between its Extension Limitation Equalized
23 Assessed Valuation and the school district's equalized
24 assessed valuation as calculated under paragraphs (1) and (2)
25 of subsection (g) of this Section. The State Board of Education
26 shall calculate the Extension Limitation Equalized Assessed

1 Valuation of each district subject to property tax extension
2 limitations as imposed under the Property Tax Extension
3 Limitation Law. Except as otherwise provided in this paragraph
4 (2) for a school district that has approved or does approve an
5 increase in its limiting rate, the "Extension Limitation
6 Equalized Assessed Valuation" of a school district as
7 calculated by the State Board of Education shall be equal to
8 the product of the equalized assessed valuation last used in
9 the calculation of general State aid under Section 18-8.05 of
10 this Code or primary State aid under this Section and the
11 district's Extension Limitation Ratio. If a school district has
12 approved or does approve an increase in its limiting rate,
13 pursuant to Section 18-190 of the Property Tax Code, affecting
14 the Base Tax Year, the Extension Limitation Equalized Assessed
15 Valuation of the school district, as calculated by the State
16 Board of Education, shall be equal to the product of the
17 equalized assessed valuation last used in the calculation of
18 general State aid pursuant to Section 18-8.05 of this Code or
19 primary State aid pursuant to this Section times an amount
20 equal to one plus the percentage increase, if any, in the
21 Consumer Price Index for all Urban Consumers for all items
22 published by the United States Department of Labor for the
23 12-month calendar year preceding the Base Tax Year, plus the
24 equalized assessed valuation of new property, annexed
25 property, and recovered tax increment value and minus the
26 equalized assessed valuation of disconnected property. New

1 property and recovered tax increment value shall have the
2 meanings set forth in the Property Tax Extension Limitation
3 Law. Notwithstanding anything to the contrary contained in this
4 paragraph (2), a PTELL EAV floor school district's Extension
5 Limitation Equalized Assessed Valuation shall not be less than
6 85% of the district's equalized assessed valuation as
7 calculated pursuant to paragraphs (1) and (2) of subsection (g)
8 of this Section.

9 If the Extension Limitation Equalized Assessed Valuation
10 of a school district as calculated under this paragraph (2) is
11 less than the district's equalized assessed valuation as
12 calculated pursuant to paragraphs (1) and (2) of subsection (g)
13 of this Section, then the school district shall receive a
14 supplemental grant equal to its PTELL PSA Adjustment as
15 calculated by the State Board of Education.

16 (3) Notwithstanding anything to the contrary contained in
17 this Section, if, for any school year through and including the
18 2023-2024 school year, a school district's per-pupil primary
19 State aid allotment is less than its Per-pupil Hold Harmless
20 State Funding by an amount exceeding \$1,000, then the amount of
21 primary State aid allotted to the school district shall be
22 increased by a supplemental grant pursuant to this paragraph
23 (3). The primary State aid supplemental grant shall equal an
24 amount sufficient to raise the school district's per-pupil
25 primary State aid allotment to an amount that is \$1,000 less
26 than the school district's Per-pupil Hold Harmless State

1 Funding. For purposes of this paragraph (3), a school
2 district's per-pupil primary State aid allotment shall be
3 calculated by the State Board of Education as the sum of the
4 primary State aid allotted to the school district pursuant to
5 subsection (e) of this Section and any supplemental grants
6 pursuant to this paragraph (3) and paragraph (2) of this
7 subsection (h), divided by the school district's Average Daily
8 Attendance figure.

9 (4) Through and including the 2023-2024 school year, the
10 State Board of Education shall administer the distribution of
11 adequacy grants in accordance with this paragraph (4). Each
12 school district with an Adequacy Target percent of less than
13 110% shall receive a supplemental adequacy grant calculated in
14 accordance with subdivision (A) of this paragraph (4), subject
15 to appropriations for such grants and the tax rate eligibility
16 requirements and grant adjustment provisions of subdivision
17 (B) of this paragraph (4). For purposes of calculating a school
18 district's Adequacy Target percent, a school district's
19 operating expense per pupil shall be the most recent figure
20 calculated by the State Board of Education as of the start of
21 the fiscal year for which the calculations in this paragraph
22 (4) apply.

23 (A) Subject to subdivision (B) of this paragraph (4):

24 (i) a school district with an Adequacy Target
25 percent of not more than 100% shall receive a
26 supplemental adequacy grant equal to its Adequacy

1 Grant Loss;

2 (ii) a school district with an Adequacy Target
3 percent of more than 100% but less than 110% shall
4 receive a supplemental adequacy grant equal to the
5 product of its Adequacy Grant Loss and a percent figure
6 calculated as follows: 110% less the school district's
7 Adequacy Target percent, with the resulting percent
8 figure multiplied by 10; and

9 (iii) a school district with an Adequacy Target
10 percent of 110% or higher shall not receive a
11 supplemental adequacy grant pursuant to this paragraph
12 (4).

13 (B) Beginning with the 2018-2019 school year, the State
14 Board of Education shall calculate a statewide
15 weighted-average Operating Tax Rate for each of the
16 following school district types: school districts
17 maintaining grades kindergarten through 12, school
18 districts maintaining grades kindergarten through 8, and
19 school districts maintaining grades 9 through 12. If a
20 school district's Operating Tax Rate is at least 85% of the
21 applicable statewide weighted-average Operating Tax Rate,
22 the school district shall receive the full amount of the
23 supplemental adequacy grant determined pursuant to
24 subdivision (A) of this paragraph (4). If a school
25 district's Operating Tax Rate is 75% or lower of the
26 applicable statewide weighted-average Operating Tax Rate,

1 the school district shall not receive any supplemental
2 adequacy grant under this paragraph (4). If a school
3 district's Operating Tax Rate is more than 75% but less
4 than 85% of the applicable statewide weighted-average
5 Operating Tax Rate, the school district shall receive a
6 supplemental adequacy grant equal to the product of (i) the
7 amount of the total supplemental adequacy grant determined
8 pursuant to subdivision (A) of this paragraph (4) and (ii)
9 the percentage of which the school district's Operating Tax
10 Rate is of the applicable statewide weighted-average
11 Operating Tax Rate less 75%, with the resulting percent
12 figure multiplied by 10.

13 (5) Notwithstanding anything to the contrary contained in
14 this Section, the Total Primary State Aid allotted to a school
15 district for the 2016-2017 through the 2019-2020 school years
16 shall be subject to increase through supplemental grants as
17 follows:

18 If, for the 2016-2017 school year, the Total Primary
19 State Aid is less than Hold Harmless State Funding, then
20 the amount of primary State aid allotted to the school
21 district shall be increased by a supplemental grant in the
22 amount of 100% of the difference between Hold Harmless
23 State Funding and Total Primary State Aid.

24 If, for the 2017-2018 school year, the Total Primary
25 State Aid remains less than Hold Harmless State Funding,
26 then the amount of primary State aid allotted to the school

1 district shall be increased by a supplemental grant in the
2 amount of 75% of the difference between Hold Harmless State
3 Funding and Total Primary State Aid.

4 If, for the 2018-2019 school year, the Total Primary
5 State Aid remains less than Hold Harmless State Funding,
6 then the amount of primary State aid allotted to the school
7 district shall be increased by a supplemental grant in the
8 amount of 50% of the difference between Hold Harmless State
9 Funding and Total Primary State Aid.

10 If, for the 2019-2020 school year, the Total Primary
11 State Aid remains less than Hold Harmless State Funding,
12 then the amount of primary State aid allotted to the school
13 district shall be increased by a supplemental grant in the
14 amount of 25% of the difference between Hold Harmless State
15 Funding and Total Primary State Aid.

16 (i) Grants to Laboratory and Alternative Schools. In
17 calculating the amount to be paid to the governing board of a
18 public university that operates a Laboratory School or to any
19 Alternative School that is operated by a regional
20 superintendent of schools, the State Board of Education shall
21 require, by rule, such reporting requirements as it deems
22 necessary. Each Laboratory and Alternative School shall file,
23 on forms provided by the State Superintendent of Education, an
24 annual State aid claim that states the Average Daily Attendance
25 of the school's students by month. The best 3 months' Average
26 Daily Attendance shall be computed for each school. The primary

1 State aid entitlement shall be computed by multiplying the
2 applicable Average Daily Attendance by 105% of the Foundation
3 Level. If, for any of the 2016-2017 through 2019-2020 school
4 years, the primary State aid entitlement for a Laboratory
5 School or Alternative School calculated under this subsection
6 (i) is less than the Hold Harmless State Funding, the school
7 shall receive a supplemental grant as follows: 100% of the
8 difference in the 2016-2017 school year, 75% of the difference
9 in the 2017-2018 school year, 50% of the difference in the
10 2018-2019 school year, and 25% of the difference in the
11 2019-2020 school year.

12 (j) District improvement plans, attendance center
13 distributions, and special education maintenance of State
14 financial support.

15 (1) Each school district making insufficient annual
16 progress, as determined by the State Board of Education, in the
17 educational performance of Low-income Pupils, English Learner
18 Pupils, or children with disabilities shall demonstrate, in
19 accordance with requirements adopted by the State Board of
20 Education, how local and State funds will be used for
21 strategies that give priority to meeting the educational needs
22 of each such category of pupils for which the school district
23 is making insufficient annual progress. For each such category
24 of pupils, budget information submitted in accordance with
25 State Board of Education requirements must demonstrate that the
26 combined amount of local funds and primary State aid funds

1 budgeted for strategies that give priority to that category of
2 pupils is proportionate or higher, on either an aggregate or
3 per-pupil basis, to the proportion of the Weighted Foundation
4 Level Budget attributable to that category of pupils. The State
5 Board of Education may adopt exceptions to the requirement for
6 proportionate or higher budgeting to address small pupil
7 subgroup populations, changes in pupil enrollment, or
8 extraordinary expenditures required for any school year. The
9 State Board of Education may also adopt exceptions to the
10 requirement for proportionate or higher budgeting for any
11 school district to implement district-wide or school-wide
12 strategies if the school district or school has a high
13 percentage of pupils in any particular category relative to
14 statewide averages and the district can demonstrate in its plan
15 that a district-wide or school-wide strategy is more likely to
16 achieve the district's educational objectives for a category of
17 pupils than a targeted strategy. If a school district fails to
18 adhere to proportionate or higher budgeting in accordance with
19 this paragraph (1), the school district must take corrective
20 action in accordance with requirements adopted by the State
21 Board of Education. If corrective action is not taken, the
22 State Board of Education shall deduct, from primary State aid
23 payments otherwise due the district, an amount equal to the
24 amount by which the district failed to adhere to the
25 proportionate or higher requirement.

26 (2) School districts with an Average Daily Attendance of

1 50,000 or more shall be required to distribute, from funds
2 available pursuant to this Section, no less than \$261,000,000
3 in accordance with the following requirements:

4 (A) The required amounts shall be distributed to the
5 attendance centers within the district in proportion to the
6 number of Low-income Pupils enrolled at each attendance
7 center during the current school year.

8 (B) The distribution of these portions of primary State
9 aid among attendance centers according to these
10 requirements shall not be compensated for or contravened by
11 adjustments of the total of other funds appropriated to any
12 attendance centers, and the board of education shall
13 utilize funding from one or several sources in order to
14 fully implement this paragraph (2) annually prior to the
15 opening of school.

16 (C) Each attendance center shall be provided, by the
17 school district, with a distribution of other funds to
18 which the attendance center is entitled under law in order
19 that the primary State aid provided by application of this
20 paragraph (2) supplements rather than supplants the other
21 funds provided by the school district to the attendance
22 centers.

23 (D) Funds received by an attendance center pursuant to
24 this paragraph (2) shall be used by the attendance center
25 at the discretion of the principal and local school council
26 for programs to improve educational opportunities at

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

10 (E) Each district subject to the provisions of this
11 paragraph (2) shall submit an acceptable plan to meet the
12 educational needs of disadvantaged children, in compliance
13 with the requirements of this subdivision (E), to the State
14 Board of Education prior to July 15 of each year. This plan
15 shall be consistent with the decisions of local school
16 councils concerning the school expenditure plans developed
17 in accordance with subdivision 4 of Section 34-2.3 of this
18 Code. The State Board shall approve or reject the plan
19 within 60 days after its submission. If the plan is
20 rejected, the district shall give written notice of an
21 intent to modify the plan within 15 days after the
22 notification of rejection and then submit a modified plan
23 within 30 days after the date of the written notice of an
24 intent to modify. Districts may amend approved plans
25 pursuant to rules adopted by the State Board of Education.

26 Upon notification by the State Board of Education that

1 the district has not submitted a plan prior to July 15 or a
2 modified plan within the time period specified in this
3 subdivision (E), the State aid funds affected by that plan
4 or modified plan shall be withheld by the State Board of
5 Education until a plan or modified plan is submitted.

6 If the district fails to distribute State aid to
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 paragraph
10 (2), to those attendance centers that were underfunded
11 during the previous year in amounts equal to such
12 underfunding.

13 For purposes of determining compliance with this paragraph
14 (2) in relation to the requirements of attendance center
15 funding, each district subject to the provisions of this
16 paragraph (2) shall submit as a separate document, on or before
17 December 1 of each year, a report of expenditure data for the
18 prior year in addition to any modification of its current plan.
19 If it is determined that there has been a failure to comply
20 with the expenditure provisions of this paragraph (2) regarding
21 contravention or supplanting, the State Superintendent of
22 Education shall, within 60 days after receipt of the report,
23 notify the district and any affected local school council. The
24 district shall, within 45 days after receipt of that
25 notification, inform the State Superintendent of Education of
26 the remedial or corrective action to be taken, whether by

1 amendment of the current plan, if feasible, or by adjustment in
2 the plan for the following year. Failure to provide the
3 expenditure report or the notification of remedial or
4 corrective action in a timely manner shall result in a
5 withholding of the affected funds.

6 The State Board of Education shall adopt rules to implement
7 the provisions of this paragraph (2). No funds shall be
8 released under this paragraph (2) to any district that has not
9 submitted a plan that has been approved by the State Board of
10 Education.

11 (3) Each fiscal year, the State Board of Education shall
12 calculate for each school district an amount of its Total
13 Primary State Aid funding that shall be deemed attributable to
14 the provision of special educational facilities and services,
15 as defined in Section 14-1.08 of this Code, in a manner that
16 ensures compliance with maintenance of State financial support
17 requirements under the federal Individuals with Disabilities
18 Education Act. A school district must use such funds only for
19 the provision of special educational facilities and services,
20 as defined in Section 14-1.08 of this Code, and must comply
21 with any expenditure verification procedures adopted by the
22 State Board of Education.

23 (k) Education Funding Advisory Board. For the 2018-2019 and
24 subsequent school years, the Education Funding Advisory Board
25 established pursuant to subsection (M) of Section 18-8.05 of
26 this Code, in consultation with the State Board of Education,

1 shall make recommendations as provided in this subsection (k)
2 to the General Assembly for the Foundation Level under
3 paragraph (2) of subsection (b) of this Section. The
4 recommended foundation level shall be determined based on
5 consideration of 2 separate methodologies:

6 (1) a methodology that incorporates the basic
7 education expenditures of low-spending schools exhibiting
8 high academic performance; and

9 (2) an evidence-based methodology that identifies an
10 educational program that includes research-based
11 educational strategies and uses the cost of that program to
12 determine the cost of education.

13 The Education Funding Advisory Board shall make its
14 recommendations to the General Assembly on or before January 31
15 of even-numbered years, beginning on or before January 31,
16 2018.

17 (1) Primary State Aid Review Committee. The State
18 Superintendent of Education shall appoint a committee of no
19 more than 20 members, consisting of school administrators,
20 school business officials, school financing experts, parents,
21 teachers, and concerned citizens to review the administration
22 of primary State aid in this State and the impact on school
23 district finances of this amendatory Act of the 99th General
24 Assembly. The State Superintendent of Education shall ensure
25 that the membership of the Committee includes representatives
26 from school districts reflecting the geographic and

1 socio-economic diversity of this State. The Committee shall
2 make periodic recommendations to the State Superintendent of
3 Education and the General Assembly concerning the
4 administration of primary State aid, any administrative rules
5 needed for the implementation of this Section, and suggestions
6 for amending this Section or other Sections of this Code to
7 achieve a school funding system that provides adequate,
8 equitable, transparent, and accountable distribution of funds
9 to school districts that will prepare students for success
10 after high school. By no later than January 31, 2018 and
11 January 31 of each odd-numbered year thereafter, the Committee
12 shall submit a report with recommendations to the State
13 Superintendent and General Assembly. The report submitted by no
14 later than January 31, 2018 must address all of the following:

15 (1) Methods for considering the adequacy of funding
16 available to school districts that are relatively
17 underperforming within this State's accountability system.

18 (2) Whether to include funding for State career and
19 technical education and transportation within the primary
20 State aid formula.

21 (3) Whether to account for municipal impact fees,
22 distributions from a special tax allocation fund
23 established in relation to tax increment allocation
24 financing, available fund balances maintained by a
25 financial institution, and other similar funds received or
26 maintained by school districts in the calculation of

1 Available Local Resources Per Pupil.

2 (4) Methods for reducing State liability for PTELL PSA
3 Adjustments.

4 (5) Methods for accounting for disability types within
5 the calculation of the Weighting Factor for students with
6 disabilities, rather than using the same Weighting Factor
7 for all students with disabilities.

8 (6) Methods for accounting for grade levels within the
9 calculation of District Weighted Average.

10 (7) Whether to adjust the method of calculating Average
11 Daily Attendance for Primary State Aid formula calculation
12 purposes, including whether to utilize an average of more
13 than 3 months of pupil attendance.

14 (8) Recommendations for revisions to the Primary State
15 Aid formula as the result of the adequacy study detailed in
16 subsection (m) of this Section.

17 The report submitted by no later than January 31, 2019 must
18 address the validity and reliability of data sources available
19 to determine low-income status, including an analysis of the
20 validity of both the DHS Low-income Eligible Count and the
21 count of Low-income Pupils.

22 (m) Adequacy study. Subject to the availability of funding
23 through appropriations made specifically for this purpose, by
24 no later than 10 months after the first meeting of the Primary
25 State Aid Review Committee established pursuant to subsection
26 (1) of this Section, the State Board of Education shall

1 contract with a public or private entity to conduct a study of
2 the adequacy of education funding in this State, in
3 consultation with the Primary State Aid Review Committee, which
4 study must be completed by no later than 10 months from the
5 contract's effective date. At a minimum, the adequacy study
6 shall:

7 (1) determine the adequate per pupil cost to deliver an
8 educational program to each child in each school district
9 in this State based on the fundamental goal of this State
10 to develop all children to the limits of their capacities
11 by providing for an efficient system of high quality public
12 educational institutions and services that this State has
13 the primary responsibility for financing;

14 (2) consider identifiable and prototypical educational
15 expenses based on the school district type and student
16 population size, including, but not limited to, full-time
17 equivalent staffing for services to meet all student needs,
18 with delineation among regular education, special
19 education, English learners, low-income students, and
20 gifted students, including Career Pathway Participants and
21 Advanced Standing Pupils;

22 (3) identify a base funding level for students without
23 special needs necessary to meet adequate growth;

24 (4) include per pupil weights for students with special
25 needs to be applied to the base funding level;

26 (5) include an analysis of the effect of concentrations

1 of poverty on adequacy targets;

2 (6) include an analysis of the assumed school district
3 tax rates that should be included within the funding
4 formula;

5 (7) in collaboration with the Illinois Early Learning
6 Council, include an analysis of what level of Preschool for
7 All Children funding would be necessary to serve all
8 children ages 0-5 years in the highest-priority service
9 tier (as specified in paragraph (4.5) of subsection (a) of
10 Section 2-3.71 of this Code) and an analysis of the
11 potential cost savings that that level of Preschool for All
12 Children investment would have on the kindergarten through
13 grade 12 system;

14 (8) include a scalable approach to required
15 appropriations that would result in full funding of an
16 equitable and adequate educational opportunity for all
17 children by the 2020-2021 school year;

18 (9) recommend the adequate per pupil amount of local
19 revenue that must be minimally committed by each school
20 district to the system of high quality educational
21 institutions and services within their communities and
22 identify the specific amount that would be required for
23 this State to contribute to each district to ensure an
24 equitable and adequate educational opportunity for all
25 students; and

26 (10) make further recommendations on the apportionment

1 of revenue sources so that adequacy can be achieved as
2 quickly as reasonably possible within this State.

3 (n) Average Daily Attendance count adjustment for
4 residential boarding school within identified school district.
5 For the purposes of providing unique educational opportunities
6 to dependents or youths who are academic underperformers or who
7 could become academic underperformers due to circumstances,
8 but who have the potential to progress to high-performers who
9 are high school and college bound, a school district may
10 include eligible students that attend a Residential Boarding
11 School Program within that same district within the district's
12 Average Daily Attendance count should both parties deem
13 appropriate.

14 As used in this subsection (n), "eligible student" means a
15 student who is entitled to attend school, is at risk of
16 academic failure, is currently enrolled in grades 1 through 8,
17 is from a family who is low income, and meets at least one of
18 the following additional risk factors:

19 (1) The student is in foster care or has been declared
20 an adjudicated dependent by the court.

21 (2) The student's head of household is not the
22 student's custodial parent.

23 (3) The student has been residing in a household that
24 receives a housing voucher or has been determined eligible
25 for public housing assistance or is homeless.

26 (4) The student is from an impoverished community.

1 (5) A member of the student's immediate family has been
2 incarcerated.

3 (6) The student has experienced or is experiencing
4 traumatic events identified as adverse childhood
5 experiences that directly impact his or her educational
6 success, such as:

7 (A) abuse or neglect;

8 (B) bullying or exclusion;

9 (C) poverty or homelessness;

10 (D) discrimination;

11 (E) a household with substance abuse;

12 (F) witnessing or being a victim of violence;

13 (G) household mental illness; and

14 (H) divorce, deportation, or other family
15 separation.

16 (o) References. On and after July 1, 2016, references in
17 other laws to general State aid funds or calculations under
18 Section 18-8.05 of this Code shall be deemed to be references
19 to primary State aid funds or calculations under this Section.

20 (105 ILCS 5/18-9) (from Ch. 122, par. 18-9)

21 Sec. 18-9. Requirement for special equalization and
22 supplementary State aid. If property comprising an aggregate
23 assessed valuation equal to 6% or more of the total assessed
24 valuation of all taxable property in a school district is owned
25 by a person or corporation that is the subject of bankruptcy

1 proceedings or that has been adjudged bankrupt and, as a result
2 thereof, has not paid taxes on the property, then the district
3 may amend its general State aid or primary State aid claim (i)
4 back to the inception of the bankruptcy, not to exceed 6 years,
5 in which time those taxes were not paid and (ii) for each
6 succeeding year that those taxes remain unpaid, by adding to
7 the claim an amount determined by multiplying the assessed
8 valuation of the property on which taxes have not been paid due
9 to the bankruptcy by the lesser of the total tax rate for the
10 district for the tax year for which the taxes are unpaid or the
11 applicable rate used in calculating the district's general
12 State aid under paragraph (3) of subsection (D) of Section
13 18-8.05 of this Code or primary State aid under paragraph (3)
14 of subsection (d) of Section 18-8.15 of this Code, as
15 applicable. If at any time a district that receives additional
16 State aid under this Section receives tax revenue from the
17 property for the years that taxes were not paid, the district's
18 next claim for State aid shall be reduced in an amount equal to
19 the taxes paid on the property, not to exceed the additional
20 State aid received under this Section. Claims under this
21 Section shall be filed on forms prescribed by the State
22 Superintendent of Education, and the State Superintendent of
23 Education, upon receipt of a claim, shall adjust the claim in
24 accordance with the provisions of this Section. Supplementary
25 State aid for each succeeding year under this Section shall be
26 paid beginning with the first general State aid or primary

1 State aid claim paid after the district has filed a completed
2 claim in accordance with this Section.

3 (Source: P.A. 95-496, eff. 8-28-07.)

4 (105 ILCS 5/18-12) (from Ch. 122, par. 18-12)

5 Sec. 18-12. Dates for filing State aid claims. The school
6 board of each school district shall require teachers,
7 principals, or superintendents to furnish from records kept by
8 them such data as it needs in preparing and certifying to the
9 regional superintendent its school district report of claims
10 provided in Sections 18-8.05 through 18-9 as required by the
11 State Superintendent of Education. The district claim shall be
12 based on the latest available equalized assessed valuation and
13 tax rates, as provided in Section 18-8.05 or 18-8.15 and shall
14 use the average daily attendance as determined by the method
15 outlined in Section 18-8.05 or 18-8.15 and shall be certified
16 and filed with the regional superintendent by June 21 for
17 districts with an official school calendar end date before June
18 15 or within 2 weeks following the official school calendar end
19 date for districts with a school year end date of June 15 or
20 later. The regional superintendent shall certify and file with
21 the State Superintendent of Education district State aid claims
22 by July 1 for districts with an official school calendar end
23 date before June 15 or no later than July 15 for districts with
24 an official school calendar end date of June 15 or later.
25 Failure to so file by these deadlines constitutes a forfeiture

1 of the right to receive payment by the State until such claim
2 is filed and vouchered for payment. The regional superintendent
3 of schools shall certify the county report of claims by July
4 15; and the State Superintendent of Education shall voucher for
5 payment those claims to the State Comptroller as provided in
6 Section 18-11.

7 Except as otherwise provided in this Section, if any school
8 district fails to provide the minimum school term specified in
9 Section 10-19, the State aid claim for that year shall be
10 reduced by the State Superintendent of Education in an amount
11 equivalent to $1/176$ or .56818% for each day less than the
12 number of days required by this Code.

13 If the State Superintendent of Education determines that
14 the failure to provide the minimum school term was occasioned
15 by an act or acts of God, or was occasioned by conditions
16 beyond the control of the school district which posed a
17 hazardous threat to the health and safety of pupils, the State
18 aid claim need not be reduced.

19 If a school district is precluded from providing the
20 minimum hours of instruction required for a full day of
21 attendance due to an adverse weather condition or a condition
22 beyond the control of the school district that poses a
23 hazardous threat to the health and safety of students, then the
24 partial day of attendance may be counted if (i) the school
25 district has provided at least one hour of instruction prior to
26 the closure of the school district, (ii) a school building has

1 provided at least one hour of instruction prior to the closure
2 of the school building, or (iii) the normal start time of the
3 school district is delayed.

4 If, prior to providing any instruction, a school district
5 must close one or more but not all school buildings after
6 consultation with a local emergency response agency or due to a
7 condition beyond the control of the school district, then the
8 school district may claim attendance for up to 2 school days
9 based on the average attendance of the 3 school days
10 immediately preceding the closure of the affected school
11 building or, if approved by the State Board of Education,
12 utilize the provisions of an e-learning program for the
13 affected school building as prescribed in Section 10-20.56 of
14 this Code. The partial or no day of attendance described in
15 this Section and the reasons therefore shall be certified
16 within a month of the closing or delayed start by the school
17 district superintendent to the regional superintendent of
18 schools for forwarding to the State Superintendent of Education
19 for approval.

20 Other than the utilization of any e-learning days as
21 prescribed in Section 10-20.56 of this Code, no exception to
22 the requirement of providing a minimum school term may be
23 approved by the State Superintendent of Education pursuant to
24 this Section unless a school district has first used all
25 emergency days provided for in its regular calendar.

26 If the State Superintendent of Education declares that an

1 energy shortage exists during any part of the school year for
2 the State or a designated portion of the State, a district may
3 operate the school attendance centers within the district 4
4 days of the week during the time of the shortage by extending
5 each existing school day by one clock hour of school work, and
6 the State aid claim shall not be reduced, nor shall the
7 employees of that district suffer any reduction in salary or
8 benefits as a result thereof. A district may operate all
9 attendance centers on this revised schedule, or may apply the
10 schedule to selected attendance centers, taking into
11 consideration such factors as pupil transportation schedules
12 and patterns and sources of energy for individual attendance
13 centers.

14 Electronically submitted State aid claims shall be
15 submitted by duly authorized district or regional individuals
16 over a secure network that is password protected. The
17 electronic submission of a State aid claim must be accompanied
18 with an affirmation that all of the provisions of Sections
19 18-8.05 through 18-9, 10-22.5, and 24-4 of this Code are met in
20 all respects.

21 (Source: P.A. 99-194, eff. 7-30-15.)

22 (105 ILCS 5/26-16)

23 Sec. 26-16. Graduation incentives program.

24 (a) The General Assembly finds that it is critical to
25 provide options for children to succeed in school. The purpose

1 of this Section is to provide incentives for and encourage all
2 Illinois students who have experienced or are experiencing
3 difficulty in the traditional education system to enroll in
4 alternative programs.

5 (b) Any student who is below the age of 20 years is
6 eligible to enroll in a graduation incentives program if he or
7 she:

8 (1) is considered a dropout pursuant to Section 26-2a
9 of this Code;

10 (2) has been suspended or expelled pursuant to Section
11 10-22.6 or 34-19 of this Code;

12 (3) is pregnant or is a parent;

13 (4) has been assessed as chemically dependent; or

14 (5) is enrolled in a bilingual education or LEP
15 program.

16 (c) The following programs qualify as graduation
17 incentives programs for students meeting the criteria
18 established in this Section:

19 (1) Any public elementary or secondary education
20 graduation incentives program established by a school
21 district or by a regional office of education.

22 (2) Any alternative learning opportunities program
23 established pursuant to Article 13B of this Code.

24 (3) Vocational or job training courses approved by the
25 State Superintendent of Education that are available
26 through the Illinois public community college system.

1 Students may apply for reimbursement of 50% of tuition
2 costs for one course per semester or a maximum of 3 courses
3 per school year. Subject to available funds, students may
4 apply for reimbursement of up to 100% of tuition costs upon
5 a showing of employment within 6 months after completion of
6 a vocational or job training program. The qualifications
7 for reimbursement shall be established by the State
8 Superintendent of Education by rule.

9 (4) Job and career programs approved by the State
10 Superintendent of Education that are available through
11 Illinois-accredited private business and vocational
12 schools. Subject to available funds, pupils may apply for
13 reimbursement of up to 100% of tuition costs upon a showing
14 of employment within 6 months after completion of a job or
15 career program. The State Superintendent of Education
16 shall establish, by rule, the qualifications for
17 reimbursement, criteria for determining reimbursement
18 amounts, and limits on reimbursement.

19 (5) Adult education courses that offer preparation for
20 high school equivalency testing.

21 (d) Graduation incentives programs established by school
22 districts are entitled to claim general State aid and primary
23 State aid, subject to Sections 13B-50, 13B-50.5, and 13B-50.10
24 of this Code. Graduation incentives programs operated by
25 regional offices of education are entitled to receive general
26 State aid and primary State aid at the foundation level of

1 support per pupil enrolled. A school district must ensure that
2 its graduation incentives program receives supplemental
3 general State aid, transportation reimbursements, and special
4 education resources, if appropriate, for students enrolled in
5 the program.

6 (Source: P.A. 98-718, eff. 1-1-15.)

7 (105 ILCS 5/27-8.1) (from Ch. 122, par. 27-8.1)

8 Sec. 27-8.1. Health examinations and immunizations.

9 (1) In compliance with rules and regulations which the
10 Department of Public Health shall promulgate, and except as
11 hereinafter provided, all children in Illinois shall have a
12 health examination as follows: within one year prior to
13 entering kindergarten or the first grade of any public,
14 private, or parochial elementary school; upon entering the
15 sixth and ninth grades of any public, private, or parochial
16 school; prior to entrance into any public, private, or
17 parochial nursery school; and, irrespective of grade,
18 immediately prior to or upon entrance into any public, private,
19 or parochial school or nursery school, each child shall present
20 proof of having been examined in accordance with this Section
21 and the rules and regulations promulgated hereunder. Any child
22 who received a health examination within one year prior to
23 entering the fifth grade for the 2007-2008 school year is not
24 required to receive an additional health examination in order
25 to comply with the provisions of Public Act 95-422 when he or

1 she attends school for the 2008-2009 school year, unless the
2 child is attending school for the first time as provided in
3 this paragraph.

4 A tuberculosis skin test screening shall be included as a
5 required part of each health examination included under this
6 Section if the child resides in an area designated by the
7 Department of Public Health as having a high incidence of
8 tuberculosis. Additional health examinations of pupils,
9 including eye examinations, may be required when deemed
10 necessary by school authorities. Parents are encouraged to have
11 their children undergo eye examinations at the same points in
12 time required for health examinations.

13 (1.5) In compliance with rules adopted by the Department of
14 Public Health and except as otherwise provided in this Section,
15 all children in kindergarten and the second and sixth grades of
16 any public, private, or parochial school shall have a dental
17 examination. Each of these children shall present proof of
18 having been examined by a dentist in accordance with this
19 Section and rules adopted under this Section before May 15th of
20 the school year. If a child in the second or sixth grade fails
21 to present proof by May 15th, the school may hold the child's
22 report card until one of the following occurs: (i) the child
23 presents proof of a completed dental examination or (ii) the
24 child presents proof that a dental examination will take place
25 within 60 days after May 15th. The Department of Public Health
26 shall establish, by rule, a waiver for children who show an

1 undue burden or a lack of access to a dentist. Each public,
2 private, and parochial school must give notice of this dental
3 examination requirement to the parents and guardians of
4 students at least 60 days before May 15th of each school year.

5 (1.10) Except as otherwise provided in this Section, all
6 children enrolling in kindergarten in a public, private, or
7 parochial school on or after the effective date of this
8 amendatory Act of the 95th General Assembly and any student
9 enrolling for the first time in a public, private, or parochial
10 school on or after the effective date of this amendatory Act of
11 the 95th General Assembly shall have an eye examination. Each
12 of these children shall present proof of having been examined
13 by a physician licensed to practice medicine in all of its
14 branches or a licensed optometrist within the previous year, in
15 accordance with this Section and rules adopted under this
16 Section, before October 15th of the school year. If the child
17 fails to present proof by October 15th, the school may hold the
18 child's report card until one of the following occurs: (i) the
19 child presents proof of a completed eye examination or (ii) the
20 child presents proof that an eye examination will take place
21 within 60 days after October 15th. The Department of Public
22 Health shall establish, by rule, a waiver for children who show
23 an undue burden or a lack of access to a physician licensed to
24 practice medicine in all of its branches who provides eye
25 examinations or to a licensed optometrist. Each public,
26 private, and parochial school must give notice of this eye

1 examination requirement to the parents and guardians of
2 students in compliance with rules of the Department of Public
3 Health. Nothing in this Section shall be construed to allow a
4 school to exclude a child from attending because of a parent's
5 or guardian's failure to obtain an eye examination for the
6 child.

7 (2) The Department of Public Health shall promulgate rules
8 and regulations specifying the examinations and procedures
9 that constitute a health examination, which shall include the
10 collection of data relating to obesity (including at a minimum,
11 date of birth, gender, height, weight, blood pressure, and date
12 of exam), and a dental examination and may recommend by rule
13 that certain additional examinations be performed. The rules
14 and regulations of the Department of Public Health shall
15 specify that a tuberculosis skin test screening shall be
16 included as a required part of each health examination included
17 under this Section if the child resides in an area designated
18 by the Department of Public Health as having a high incidence
19 of tuberculosis. The Department of Public Health shall specify
20 that a diabetes screening as defined by rule shall be included
21 as a required part of each health examination. Diabetes testing
22 is not required.

23 Physicians licensed to practice medicine in all of its
24 branches, licensed advanced practice nurses, or licensed
25 physician assistants shall be responsible for the performance
26 of the health examinations, other than dental examinations, eye

1 examinations, and vision and hearing screening, and shall sign
2 all report forms required by subsection (4) of this Section
3 that pertain to those portions of the health examination for
4 which the physician, advanced practice nurse, or physician
5 assistant is responsible. If a registered nurse performs any
6 part of a health examination, then a physician licensed to
7 practice medicine in all of its branches must review and sign
8 all required report forms. Licensed dentists shall perform all
9 dental examinations and shall sign all report forms required by
10 subsection (4) of this Section that pertain to the dental
11 examinations. Physicians licensed to practice medicine in all
12 its branches or licensed optometrists shall perform all eye
13 examinations required by this Section and shall sign all report
14 forms required by subsection (4) of this Section that pertain
15 to the eye examination. For purposes of this Section, an eye
16 examination shall at a minimum include history, visual acuity,
17 subjective refraction to best visual acuity near and far,
18 internal and external examination, and a glaucoma evaluation,
19 as well as any other tests or observations that in the
20 professional judgment of the doctor are necessary. Vision and
21 hearing screening tests, which shall not be considered
22 examinations as that term is used in this Section, shall be
23 conducted in accordance with rules and regulations of the
24 Department of Public Health, and by individuals whom the
25 Department of Public Health has certified. In these rules and
26 regulations, the Department of Public Health shall require that

1 individuals conducting vision screening tests give a child's
2 parent or guardian written notification, before the vision
3 screening is conducted, that states, "Vision screening is not a
4 substitute for a complete eye and vision evaluation by an eye
5 doctor. Your child is not required to undergo this vision
6 screening if an optometrist or ophthalmologist has completed
7 and signed a report form indicating that an examination has
8 been administered within the previous 12 months."

9 (3) Every child shall, at or about the same time as he or
10 she receives a health examination required by subsection (1) of
11 this Section, present to the local school proof of having
12 received such immunizations against preventable communicable
13 diseases as the Department of Public Health shall require by
14 rules and regulations promulgated pursuant to this Section and
15 the Communicable Disease Prevention Act.

16 (4) The individuals conducting the health examination,
17 dental examination, or eye examination shall record the fact of
18 having conducted the examination, and such additional
19 information as required, including for a health examination
20 data relating to obesity (including at a minimum, date of
21 birth, gender, height, weight, blood pressure, and date of
22 exam), on uniform forms which the Department of Public Health
23 and the State Board of Education shall prescribe for statewide
24 use. The examiner shall summarize on the report form any
25 condition that he or she suspects indicates a need for special
26 services, including for a health examination factors relating

1 to obesity. The individuals confirming the administration of
2 required immunizations shall record as indicated on the form
3 that the immunizations were administered.

4 (5) If a child does not submit proof of having had either
5 the health examination or the immunization as required, then
6 the child shall be examined or receive the immunization, as the
7 case may be, and present proof by October 15 of the current
8 school year, or by an earlier date of the current school year
9 established by a school district. To establish a date before
10 October 15 of the current school year for the health
11 examination or immunization as required, a school district must
12 give notice of the requirements of this Section 60 days prior
13 to the earlier established date. If for medical reasons one or
14 more of the required immunizations must be given after October
15 15 of the current school year, or after an earlier established
16 date of the current school year, then the child shall present,
17 by October 15, or by the earlier established date, a schedule
18 for the administration of the immunizations and a statement of
19 the medical reasons causing the delay, both the schedule and
20 the statement being issued by the physician, advanced practice
21 nurse, physician assistant, registered nurse, or local health
22 department that will be responsible for administration of the
23 remaining required immunizations. If a child does not comply by
24 October 15, or by the earlier established date of the current
25 school year, with the requirements of this subsection, then the
26 local school authority shall exclude that child from school

1 until such time as the child presents proof of having had the
2 health examination as required and presents proof of having
3 received those required immunizations which are medically
4 possible to receive immediately. During a child's exclusion
5 from school for noncompliance with this subsection, the child's
6 parents or legal guardian shall be considered in violation of
7 Section 26-1 and subject to any penalty imposed by Section
8 26-10. This subsection (5) does not apply to dental
9 examinations and eye examinations. If the student is an
10 out-of-state transfer student and does not have the proof
11 required under this subsection (5) before October 15 of the
12 current year or whatever date is set by the school district,
13 then he or she may only attend classes (i) if he or she has
14 proof that an appointment for the required vaccinations has
15 been scheduled with a party authorized to submit proof of the
16 required vaccinations. If the proof of vaccination required
17 under this subsection (5) is not submitted within 30 days after
18 the student is permitted to attend classes, then the student is
19 not to be permitted to attend classes until proof of the
20 vaccinations has been properly submitted. No school district or
21 employee of a school district shall be held liable for any
22 injury or illness to another person that results from admitting
23 an out-of-state transfer student to class that has an
24 appointment scheduled pursuant to this subsection (5).

25 (6) Every school shall report to the State Board of
26 Education by November 15, in the manner which that agency shall

1 require, the number of children who have received the necessary
2 immunizations and the health examination (other than a dental
3 examination or eye examination) as required, indicating, of
4 those who have not received the immunizations and examination
5 as required, the number of children who are exempt from health
6 examination and immunization requirements on religious or
7 medical grounds as provided in subsection (8). On or before
8 December 1 of each year, every public school district and
9 registered nonpublic school shall make publicly available the
10 immunization data they are required to submit to the State
11 Board of Education by November 15. The immunization data made
12 publicly available must be identical to the data the school
13 district or school has reported to the State Board of
14 Education.

15 Every school shall report to the State Board of Education
16 by June 30, in the manner that the State Board requires, the
17 number of children who have received the required dental
18 examination, indicating, of those who have not received the
19 required dental examination, the number of children who are
20 exempt from the dental examination on religious grounds as
21 provided in subsection (8) of this Section and the number of
22 children who have received a waiver under subsection (1.5) of
23 this Section.

24 Every school shall report to the State Board of Education
25 by June 30, in the manner that the State Board requires, the
26 number of children who have received the required eye

1 examination, indicating, of those who have not received the
2 required eye examination, the number of children who are exempt
3 from the eye examination as provided in subsection (8) of this
4 Section, the number of children who have received a waiver
5 under subsection (1.10) of this Section, and the total number
6 of children in noncompliance with the eye examination
7 requirement.

8 The reported information under this subsection (6) shall be
9 provided to the Department of Public Health by the State Board
10 of Education.

11 (7) Upon determining that the number of pupils who are
12 required to be in compliance with subsection (5) of this
13 Section is below 90% of the number of pupils enrolled in the
14 school district, 10% of each State aid payment made pursuant to
15 Section 18-8.05 or 18-8.15 to the school district for such year
16 may be withheld by the State Board of Education until the
17 number of students in compliance with subsection (5) is the
18 applicable specified percentage or higher.

19 (8) Children of parents or legal guardians who object to
20 health, dental, or eye examinations or any part thereof, to
21 immunizations, or to vision and hearing screening tests on
22 religious grounds shall not be required to undergo the
23 examinations, tests, or immunizations to which they so object
24 if such parents or legal guardians present to the appropriate
25 local school authority a signed Certificate of Religious
26 Exemption detailing the grounds for objection and the specific

1 immunizations, tests, or examinations to which they object. The
2 grounds for objection must set forth the specific religious
3 belief that conflicts with the examination, test,
4 immunization, or other medical intervention. The signed
5 certificate shall also reflect the parent's or legal guardian's
6 understanding of the school's exclusion policies in the case of
7 a vaccine-preventable disease outbreak or exposure. The
8 certificate must also be signed by the authorized examining
9 health care provider responsible for the performance of the
10 child's health examination confirming that the provider
11 provided education to the parent or legal guardian on the
12 benefits of immunization and the health risks to the student
13 and to the community of the communicable diseases for which
14 immunization is required in this State. However, the health
15 care provider's signature on the certificate reflects only that
16 education was provided and does not allow a health care
17 provider grounds to determine a religious exemption. Those
18 receiving immunizations required under this Code shall be
19 provided with the relevant vaccine information statements that
20 are required to be disseminated by the federal National
21 Childhood Vaccine Injury Act of 1986, which may contain
22 information on circumstances when a vaccine should not be
23 administered, prior to administering a vaccine. A healthcare
24 provider may consider including without limitation the
25 nationally accepted recommendations from federal agencies such
26 as the Advisory Committee on Immunization Practices, the

1 information outlined in the relevant vaccine information
2 statement, and vaccine package inserts, along with the
3 healthcare provider's clinical judgment, to determine whether
4 any child may be more susceptible to experiencing an adverse
5 vaccine reaction than the general population, and, if so, the
6 healthcare provider may exempt the child from an immunization
7 or adopt an individualized immunization schedule. The
8 Certificate of Religious Exemption shall be created by the
9 Department of Public Health and shall be made available and
10 used by parents and legal guardians by the beginning of the
11 2015-2016 school year. Parents or legal guardians must submit
12 the Certificate of Religious Exemption to their local school
13 authority prior to entering kindergarten, sixth grade, and
14 ninth grade for each child for which they are requesting an
15 exemption. The religious objection stated need not be directed
16 by the tenets of an established religious organization.
17 However, general philosophical or moral reluctance to allow
18 physical examinations, eye examinations, immunizations, vision
19 and hearing screenings, or dental examinations does not provide
20 a sufficient basis for an exception to statutory requirements.
21 The local school authority is responsible for determining if
22 the content of the Certificate of Religious Exemption
23 constitutes a valid religious objection. The local school
24 authority shall inform the parent or legal guardian of
25 exclusion procedures, in accordance with the Department's
26 rules under Part 690 of Title 77 of the Illinois Administrative

1 Code, at the time the objection is presented.

2 If the physical condition of the child is such that any one
3 or more of the immunizing agents should not be administered,
4 the examining physician, advanced practice nurse, or physician
5 assistant responsible for the performance of the health
6 examination shall endorse that fact upon the health examination
7 form.

8 Exempting a child from the health, dental, or eye
9 examination does not exempt the child from participation in the
10 program of physical education training provided in Sections
11 27-5 through 27-7 of this Code.

12 (9) For the purposes of this Section, "nursery schools"
13 means those nursery schools operated by elementary school
14 systems or secondary level school units or institutions of
15 higher learning.

16 (Source: P.A. 98-673, eff. 6-30-14; 99-173, eff. 7-29-15;
17 99-249, eff. 8-3-15; revised 10-21-15.)

18 (105 ILCS 5/27A-9)

19 Sec. 27A-9. Term of charter; renewal.

20 (a) A charter may be granted for a period not less than 5
21 and not more than 10 school years. A charter may be renewed in
22 incremental periods not to exceed 5 school years.

23 (b) A charter school renewal proposal submitted to the
24 local school board or the Commission, as the chartering entity,
25 shall contain:

1 (1) A report on the progress of the charter school in
2 achieving the goals, objectives, pupil performance
3 standards, content standards, and other terms of the
4 initial approved charter proposal; and

5 (2) A financial statement that discloses the costs of
6 administration, instruction, and other spending categories
7 for the charter school that is understandable to the
8 general public and that will allow comparison of those
9 costs to other schools or other comparable organizations,
10 in a format required by the State Board.

11 (c) A charter may be revoked or not renewed if the local
12 school board or the Commission, as the chartering entity,
13 clearly demonstrates that the charter school did any of the
14 following, or otherwise failed to comply with the requirements
15 of this law:

16 (1) Committed a material violation of any of the
17 conditions, standards, or procedures set forth in the
18 charter.

19 (2) Failed to meet or make reasonable progress toward
20 achievement of the content standards or pupil performance
21 standards identified in the charter.

22 (3) Failed to meet generally accepted standards of
23 fiscal management.

24 (4) Violated any provision of law from which the
25 charter school was not exempted.

26 In the case of revocation, the local school board or the

1 Commission, as the chartering entity, shall notify the charter
2 school in writing of the reason why the charter is subject to
3 revocation. The charter school shall submit a written plan to
4 the local school board or the Commission, whichever is
5 applicable, to rectify the problem. The plan shall include a
6 timeline for implementation, which shall not exceed 2 years or
7 the date of the charter's expiration, whichever is earlier. If
8 the local school board or the Commission, as the chartering
9 entity, finds that the charter school has failed to implement
10 the plan of remediation and adhere to the timeline, then the
11 chartering entity shall revoke the charter. Except in
12 situations of an emergency where the health, safety, or
13 education of the charter school's students is at risk, the
14 revocation shall take place at the end of a school year.
15 Nothing in this amendatory Act of the 96th General Assembly
16 shall be construed to prohibit an implementation timetable that
17 is less than 2 years in duration.

18 (d) (Blank).

19 (e) Notice of a local school board's decision to deny,
20 revoke or not to renew a charter shall be provided to the
21 Commission and the State Board. The Commission may reverse a
22 local board's decision if the Commission finds that the charter
23 school or charter school proposal (i) is in compliance with
24 this Article, and (ii) is in the best interests of the students
25 it is designed to serve. The Commission may condition the
26 granting of an appeal on the acceptance by the charter school

1 of funding in an amount less than that requested in the
2 proposal submitted to the local school board. Final decisions
3 of the Commission shall be subject to judicial review under the
4 Administrative Review Law.

5 (f) Notwithstanding other provisions of this Article, if
6 the Commission on appeal reverses a local board's decision or
7 if a charter school is approved by referendum, the Commission
8 shall act as the authorized chartering entity for the charter
9 school. The Commission shall approve the charter and shall
10 perform all functions under this Article otherwise performed by
11 the local school board. The State Board shall determine whether
12 the charter proposal approved by the Commission is consistent
13 with the provisions of this Article and, if the approved
14 proposal complies, certify the proposal pursuant to this
15 Article. The State Board shall report the aggregate number of
16 charter school pupils resident in a school district to that
17 district and shall notify the district of the amount of funding
18 to be paid by the State Board to the charter school enrolling
19 such students. The Commission shall require the charter school
20 to maintain accurate records of daily attendance that shall be
21 deemed sufficient to file claims under Section 18-8.05 or
22 18-8.15 notwithstanding any other requirements of that Section
23 regarding hours of instruction and teacher certification. The
24 State Board shall withhold from funds otherwise due the
25 district the funds authorized by this Article to be paid to the
26 charter school and shall pay such amounts to the charter

1 school.

2 (g) For charter schools authorized by the Commission, the
3 Commission shall quarterly certify to the State Board the
4 student enrollment for each of its charter schools.

5 (h) For charter schools authorized by the Commission, the
6 State Board shall pay directly to a charter school any federal
7 or State aid attributable to a student with a disability
8 attending the school.

9 (Source: P.A. 97-152, eff. 7-20-11; 98-739, eff. 7-16-14.)

10 (105 ILCS 5/27A-11)

11 Sec. 27A-11. Local financing.

12 (a) For purposes of the School Code, pupils enrolled in a
13 charter school shall be included in the pupil enrollment of the
14 school district within which the pupil resides. Each charter
15 school (i) shall determine the school district in which each
16 pupil who is enrolled in the charter school resides, (ii) shall
17 report the aggregate number of pupils resident of a school
18 district who are enrolled in the charter school to the school
19 district in which those pupils reside, and (iii) shall maintain
20 accurate records of daily attendance that shall be deemed
21 sufficient to file claims under Section 18-8 or 18-8.15
22 notwithstanding any other requirements of that Section
23 regarding hours of instruction and teacher certification.

24 (b) Except for a charter school established by referendum
25 under Section 27A-6.5, as part of a charter school contract,

1 the charter school and the local school board shall agree on
2 funding and any services to be provided by the school district
3 to the charter school. Agreed funding that a charter school is
4 to receive from the local school board for a school year shall
5 be paid in equal quarterly installments with the payment of the
6 installment for the first quarter being made not later than
7 July 1, unless the charter establishes a different payment
8 schedule. However, if a charter school dismisses a pupil from
9 the charter school after receiving a quarterly payment, the
10 charter school shall return to the school district, on a
11 quarterly basis, the prorated portion of public funding
12 provided for the education of that pupil for the time the
13 student is not enrolled at the charter school. Likewise, if a
14 pupil transfers to a charter school between quarterly payments,
15 the school district shall provide, on a quarterly basis, a
16 prorated portion of the public funding to the charter school to
17 provide for the education of that pupil.

18 All services centrally or otherwise provided by the school
19 district including, but not limited to, rent, food services,
20 custodial services, maintenance, curriculum, media services,
21 libraries, transportation, and warehousing shall be subject to
22 negotiation between a charter school and the local school board
23 and paid for out of the revenues negotiated pursuant to this
24 subsection (b); provided that the local school board shall not
25 attempt, by negotiation or otherwise, to obligate a charter
26 school to provide pupil transportation for pupils for whom a

1 district is not required to provide transportation under the
2 criteria set forth in subsection (a) (13) of Section 27A-7.

3 In no event shall the funding be less than 75% or more than
4 125% of the school district's per capita student tuition
5 multiplied by the number of students residing in the district
6 who are enrolled in the charter school.

7 It is the intent of the General Assembly that funding and
8 service agreements under this subsection (b) shall be neither a
9 financial incentive nor a financial disincentive to the
10 establishment of a charter school.

11 The charter school may set and collect reasonable fees.
12 Fees collected from students enrolled at a charter school shall
13 be retained by the charter school.

14 (c) Notwithstanding subsection (b) of this Section, the
15 proportionate share of State and federal resources generated by
16 students with disabilities or staff serving them shall be
17 directed to charter schools enrolling those students by their
18 school districts or administrative units. The proportionate
19 share of moneys generated under other federal or State
20 categorical aid programs shall be directed to charter schools
21 serving students eligible for that aid.

22 (d) The governing body of a charter school is authorized to
23 accept gifts, donations, or grants of any kind made to the
24 charter school and to expend or use gifts, donations, or grants
25 in accordance with the conditions prescribed by the donor;
26 however, a gift, donation, or grant may not be accepted by the

1 governing body if it is subject to any condition contrary to
2 applicable law or contrary to the terms of the contract between
3 the charter school and the local school board. Charter schools
4 shall be encouraged to solicit and utilize community volunteer
5 speakers and other instructional resources when providing
6 instruction on the Holocaust and other historical events.

7 (e) (Blank).

8 (f) The Commission shall provide technical assistance to
9 persons and groups preparing or revising charter applications.

10 (g) At the non-renewal or revocation of its charter, each
11 charter school shall refund to the local board of education all
12 unspent funds.

13 (h) A charter school is authorized to incur temporary,
14 short term debt to pay operating expenses in anticipation of
15 receipt of funds from the local school board.

16 (Source: P.A. 98-640, eff. 6-9-14; 98-739, eff. 7-16-14; 99-78,
17 eff. 7-20-15.)

18 (105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

19 Sec. 29-5. Reimbursement by State for transportation. Any
20 school district, maintaining a school, transporting resident
21 pupils to another school district's vocational program,
22 offered through a joint agreement approved by the State Board
23 of Education, as provided in Section 10-22.22 or transporting
24 its resident pupils to a school which meets the standards for
25 recognition as established by the State Board of Education

1 which provides transportation meeting the standards of safety,
2 comfort, convenience, efficiency and operation prescribed by
3 the State Board of Education for resident pupils in
4 kindergarten or any of grades 1 through 12 who: (a) reside at
5 least 1 1/2 miles as measured by the customary route of travel,
6 from the school attended; or (b) reside in areas where
7 conditions are such that walking constitutes a hazard to the
8 safety of the child when determined under Section 29-3; and (c)
9 are transported to the school attended from pick-up points at
10 the beginning of the school day and back again at the close of
11 the school day or transported to and from their assigned
12 attendance centers during the school day, shall be reimbursed
13 by the State as hereinafter provided in this Section.

14 The State will pay the cost of transporting eligible pupils
15 less the assessed valuation in a dual school district
16 maintaining secondary grades 9 to 12 inclusive times a
17 qualifying rate of .05%; in elementary school districts
18 maintaining grades K to 8 times a qualifying rate of .06%; and
19 in unit districts maintaining grades K to 12, including
20 optional elementary unit districts and combined high school -
21 unit districts, times a qualifying rate of .07%; provided that
22 for optional elementary unit districts and combined high school
23 - unit districts, assessed valuation for high school purposes,
24 as defined in Article 11E of this Code, must be used. To be
25 eligible to receive reimbursement in excess of 4/5 of the cost
26 to transport eligible pupils, a school district shall have a

1 Transportation Fund tax rate of at least .12%. If a school
2 district does not have a .12% Transportation Fund tax rate, the
3 amount of its claim in excess of 4/5 of the cost of
4 transporting pupils shall be reduced by the sum arrived at by
5 subtracting the Transportation Fund tax rate from .12% and
6 multiplying that amount by the districts equalized or assessed
7 valuation, provided, that in no case shall said reduction
8 result in reimbursement of less than 4/5 of the cost to
9 transport eligible pupils.

10 The minimum amount to be received by a district is \$16
11 times the number of eligible pupils transported.

12 When calculating the reimbursement for transportation
13 costs, the State Board of Education may not deduct the number
14 of pupils enrolled in early education programs from the number
15 of pupils eligible for reimbursement if the pupils enrolled in
16 the early education programs are transported at the same time
17 as other eligible pupils.

18 Any such district transporting resident pupils during the
19 school day to an area vocational school or another school
20 district's vocational program more than 1 1/2 miles from the
21 school attended, as provided in Sections 10-22.20a and
22 10-22.22, shall be reimbursed by the State for 4/5 of the cost
23 of transporting eligible pupils.

24 School day means that period of time which the pupil is
25 required to be in attendance for instructional purposes.

26 If a pupil is at a location within the school district

1 other than his residence for child care purposes at the time
2 for transportation to school, that location may be considered
3 for purposes of determining the 1 1/2 miles from the school
4 attended.

5 Claims for reimbursement that include children who attend
6 any school other than a public school shall show the number of
7 such children transported.

8 Claims for reimbursement under this Section shall not be
9 paid for the transportation of pupils for whom transportation
10 costs are claimed for payment under other Sections of this Act.

11 The allowable direct cost of transporting pupils for
12 regular, vocational, and special education pupil
13 transportation shall be limited to the sum of the cost of
14 physical examinations required for employment as a school bus
15 driver; the salaries of full or part-time drivers and school
16 bus maintenance personnel; employee benefits excluding
17 Illinois municipal retirement payments, social security
18 payments, unemployment insurance payments and workers'
19 compensation insurance premiums; expenditures to independent
20 carriers who operate school buses; payments to other school
21 districts for pupil transportation services; pre-approved
22 contractual expenditures for computerized bus scheduling; the
23 cost of gasoline, oil, tires, and other supplies necessary for
24 the operation of school buses; the cost of converting buses'
25 gasoline engines to more fuel efficient engines or to engines
26 which use alternative energy sources; the cost of travel to

1 meetings and workshops conducted by the regional
2 superintendent or the State Superintendent of Education
3 pursuant to the standards established by the Secretary of State
4 under Section 6-106 of the Illinois Vehicle Code to improve the
5 driving skills of school bus drivers; the cost of maintenance
6 of school buses including parts and materials used;
7 expenditures for leasing transportation vehicles, except
8 interest and service charges; the cost of insurance and
9 licenses for transportation vehicles; expenditures for the
10 rental of transportation equipment; plus a depreciation
11 allowance of 20% for 5 years for school buses and vehicles
12 approved for transporting pupils to and from school and a
13 depreciation allowance of 10% for 10 years for other
14 transportation equipment so used. Each school year, if a school
15 district has made expenditures to the Regional Transportation
16 Authority or any of its service boards, a mass transit
17 district, or an urban transportation district under an
18 intergovernmental agreement with the district to provide for
19 the transportation of pupils and if the public transit carrier
20 received direct payment for services or passes from a school
21 district within its service area during the 2000-2001 school
22 year, then the allowable direct cost of transporting pupils for
23 regular, vocational, and special education pupil
24 transportation shall also include the expenditures that the
25 district has made to the public transit carrier. In addition to
26 the above allowable costs school districts shall also claim all

1 transportation supervisory salary costs, including Illinois
2 municipal retirement payments, and all transportation related
3 building and building maintenance costs without limitation.

4 Special education allowable costs shall also include
5 expenditures for the salaries of attendants or aides for that
6 portion of the time they assist special education pupils while
7 in transit and expenditures for parents and public carriers for
8 transporting special education pupils when pre-approved by the
9 State Superintendent of Education.

10 Indirect costs shall be included in the reimbursement claim
11 for districts which own and operate their own school buses.
12 Such indirect costs shall include administrative costs, or any
13 costs attributable to transporting pupils from their
14 attendance centers to another school building for
15 instructional purposes. No school district which owns and
16 operates its own school buses may claim reimbursement for
17 indirect costs which exceed 5% of the total allowable direct
18 costs for pupil transportation.

19 The State Board of Education shall prescribe uniform
20 regulations for determining the above standards and shall
21 prescribe forms of cost accounting and standards of determining
22 reasonable depreciation. Such depreciation shall include the
23 cost of equipping school buses with the safety features
24 required by law or by the rules, regulations and standards
25 promulgated by the State Board of Education, and the Department
26 of Transportation for the safety and construction of school

1 buses provided, however, any equipment cost reimbursed by the
2 Department of Transportation for equipping school buses with
3 such safety equipment shall be deducted from the allowable cost
4 in the computation of reimbursement under this Section in the
5 same percentage as the cost of the equipment is depreciated.

6 On or before August 15, annually, the chief school
7 administrator for the district shall certify to the State
8 Superintendent of Education the district's claim for
9 reimbursement for the school year ending on June 30 next
10 preceding. The State Superintendent of Education shall check
11 and approve the claims and prepare the vouchers showing the
12 amounts due for district reimbursement claims. Each fiscal
13 year, the State Superintendent of Education shall prepare and
14 transmit the first 3 vouchers to the Comptroller on the 30th
15 day of September, December and March, respectively, and the
16 final voucher, no later than June 20.

17 If the amount appropriated for transportation
18 reimbursement is insufficient to fund total claims for any
19 fiscal year, the State Board of Education shall reduce each
20 school district's allowable costs and flat grant amount
21 proportionately to make total adjusted claims equal the total
22 amount appropriated.

23 For purposes of calculating claims for reimbursement under
24 this Section for any school year beginning July 1, 1998, or
25 thereafter, the equalized assessed valuation for a school
26 district used to compute reimbursement shall be computed in the

1 same manner as it is computed under paragraph (2) of subsection
2 (G) of Section 18-8.05.

3 All reimbursements received from the State shall be
4 deposited into the district's transportation fund or into the
5 fund from which the allowable expenditures were made.

6 Notwithstanding any other provision of law, any school
7 district receiving a payment under this Section or under
8 Section 14-7.02, 14-7.02b, or 14-13.01 of this Code may
9 classify all or a portion of the funds that it receives in a
10 particular fiscal year or from general State aid pursuant to
11 Section 18-8.05 of this Code as funds received in connection
12 with any funding program for which it is entitled to receive
13 funds from the State in that fiscal year (including, without
14 limitation, any funding program referenced in this Section),
15 regardless of the source or timing of the receipt. The district
16 may not classify more funds as funds received in connection
17 with the funding program than the district is entitled to
18 receive in that fiscal year for that program. Any
19 classification by a district must be made by a resolution of
20 its board of education. The resolution must identify the amount
21 of any payments or general State aid to be classified under
22 this paragraph and must specify the funding program to which
23 the funds are to be treated as received in connection
24 therewith. This resolution is controlling as to the
25 classification of funds referenced therein. A certified copy of
26 the resolution must be sent to the State Superintendent of

1 Education. The resolution shall still take effect even though a
2 copy of the resolution has not been sent to the State
3 Superintendent of Education in a timely manner. No
4 classification under this paragraph by a district shall affect
5 the total amount or timing of money the district is entitled to
6 receive under this Code. No classification under this paragraph
7 by a district shall in any way relieve the district from or
8 affect any requirements that otherwise would apply with respect
9 to that funding program, including any accounting of funds by
10 source, reporting expenditures by original source and purpose,
11 reporting requirements, or requirements of providing services.

12 Any school district with a population of not more than
13 500,000 must deposit all funds received under this Article into
14 the transportation fund and use those funds for the provision
15 of transportation services.

16 Notwithstanding anything to the contrary contained in this
17 Section, the State Board of Education shall award to a school
18 district having a population exceeding 500,000 inhabitants
19 3.9% of the funds appropriated by the General Assembly for any
20 fiscal year for purposes of payments to school districts under
21 this Section.

22 (Source: P.A. 95-903, eff. 8-25-08; 96-1264, eff. 1-1-11.)

23 (105 ILCS 5/34-2.3) (from Ch. 122, par. 34-2.3)

24 Sec. 34-2.3. Local school councils - Powers and duties.
25 Each local school council shall have and exercise, consistent

1 with the provisions of this Article and the powers and duties
2 of the board of education, the following powers and duties:

3 1. (A) To annually evaluate the performance of the
4 principal of the attendance center using a Board approved
5 principal evaluation form, which shall include the evaluation
6 of (i) student academic improvement, as defined by the school
7 improvement plan, (ii) student absenteeism rates at the school,
8 (iii) instructional leadership, (iv) the effective
9 implementation of programs, policies, or strategies to improve
10 student academic achievement, (v) school management, and (vi)
11 any other factors deemed relevant by the local school council,
12 including, without limitation, the principal's communication
13 skills and ability to create and maintain a student-centered
14 learning environment, to develop opportunities for
15 professional development, and to encourage parental
16 involvement and community partnerships to achieve school
17 improvement;

18 (B) to determine in the manner provided by subsection (c)
19 of Section 34-2.2 and subdivision 1.5 of this Section whether
20 the performance contract of the principal shall be renewed; and

21 (C) to directly select, in the manner provided by
22 subsection (c) of Section 34-2.2, a new principal (including a
23 new principal to fill a vacancy) -- without submitting any list
24 of candidates for that position to the general superintendent
25 as provided in paragraph 2 of this Section -- to serve under a
26 4 year performance contract; provided that (i) the

1 determination of whether the principal's performance contract
2 is to be renewed, based upon the evaluation required by
3 subdivision 1.5 of this Section, shall be made no later than
4 150 days prior to the expiration of the current
5 performance-based contract of the principal, (ii) in cases
6 where such performance contract is not renewed -- a direct
7 selection of a new principal -- to serve under a 4 year
8 performance contract shall be made by the local school council
9 no later than 45 days prior to the expiration of the current
10 performance contract of the principal, and (iii) a selection by
11 the local school council of a new principal to fill a vacancy
12 under a 4 year performance contract shall be made within 90
13 days after the date such vacancy occurs. A Council shall be
14 required, if requested by the principal, to provide in writing
15 the reasons for the council's not renewing the principal's
16 contract.

17 1.5. The local school council's determination of whether to
18 renew the principal's contract shall be based on an evaluation
19 to assess the educational and administrative progress made at
20 the school during the principal's current performance-based
21 contract. The local school council shall base its evaluation on
22 (i) student academic improvement, as defined by the school
23 improvement plan, (ii) student absenteeism rates at the school,
24 (iii) instructional leadership, (iv) the effective
25 implementation of programs, policies, or strategies to improve
26 student academic achievement, (v) school management, and (vi)

1 any other factors deemed relevant by the local school council,
2 including, without limitation, the principal's communication
3 skills and ability to create and maintain a student-centered
4 learning environment, to develop opportunities for
5 professional development, and to encourage parental
6 involvement and community partnerships to achieve school
7 improvement. If a local school council fails to renew the
8 performance contract of a principal rated by the general
9 superintendent, or his or her designee, in the previous years'
10 evaluations as meeting or exceeding expectations, the
11 principal, within 15 days after the local school council's
12 decision not to renew the contract, may request a review of the
13 local school council's principal non-retention decision by a
14 hearing officer appointed by the American Arbitration
15 Association. A local school council member or members or the
16 general superintendent may support the principal's request for
17 review. During the period of the hearing officer's review of
18 the local school council's decision on whether or not to retain
19 the principal, the local school council shall maintain all
20 authority to search for and contract with a person to serve as
21 interim or acting principal, or as the principal of the
22 attendance center under a 4-year performance contract,
23 provided that any performance contract entered into by the
24 local school council shall be voidable or modified in
25 accordance with the decision of the hearing officer. The
26 principal may request review only once while at that attendance

1 center. If a local school council renews the contract of a
2 principal who failed to obtain a rating of "meets" or "exceeds
3 expectations" in the general superintendent's evaluation for
4 the previous year, the general superintendent, within 15 days
5 after the local school council's decision to renew the
6 contract, may request a review of the local school council's
7 principal retention decision by a hearing officer appointed by
8 the American Arbitration Association. The general
9 superintendent may request a review only once for that
10 principal at that attendance center. All requests to review the
11 retention or non-retention of a principal shall be submitted to
12 the general superintendent, who shall, in turn, forward such
13 requests, within 14 days of receipt, to the American
14 Arbitration Association. The general superintendent shall send
15 a contemporaneous copy of the request that was forwarded to the
16 American Arbitration Association to the principal and to each
17 local school council member and shall inform the local school
18 council of its rights and responsibilities under the
19 arbitration process, including the local school council's
20 right to representation and the manner and process by which the
21 Board shall pay the costs of the council's representation. If
22 the local school council retains the principal and the general
23 superintendent requests a review of the retention decision, the
24 local school council and the general superintendent shall be
25 considered parties to the arbitration, a hearing officer shall
26 be chosen between those 2 parties pursuant to procedures

1 promulgated by the State Board of Education, and the principal
2 may retain counsel and participate in the arbitration. If the
3 local school council does not retain the principal and the
4 principal requests a review of the retention decision, the
5 local school council and the principal shall be considered
6 parties to the arbitration and a hearing officer shall be
7 chosen between those 2 parties pursuant to procedures
8 promulgated by the State Board of Education. The hearing shall
9 begin (i) within 45 days after the initial request for review
10 is submitted by the principal to the general superintendent or
11 (ii) if the initial request for review is made by the general
12 superintendent, within 45 days after that request is mailed to
13 the American Arbitration Association. The hearing officer
14 shall render a decision within 45 days after the hearing begins
15 and within 90 days after the initial request for review. The
16 Board shall contract with the American Arbitration Association
17 for all of the hearing officer's reasonable and necessary
18 costs. In addition, the Board shall pay any reasonable costs
19 incurred by a local school council for representation before a
20 hearing officer.

21 1.10. The hearing officer shall conduct a hearing, which
22 shall include (i) a review of the principal's performance,
23 evaluations, and other evidence of the principal's service at
24 the school, (ii) reasons provided by the local school council
25 for its decision, and (iii) documentation evidencing views of
26 interested persons, including, without limitation, students,

1 parents, local school council members, school faculty and
2 staff, the principal, the general superintendent or his or her
3 designee, and members of the community. The burden of proof in
4 establishing that the local school council's decision was
5 arbitrary and capricious shall be on the party requesting the
6 arbitration, and this party shall sustain the burden by a
7 preponderance of the evidence. The hearing officer shall set
8 the local school council decision aside if that decision, in
9 light of the record developed at the hearing, is arbitrary and
10 capricious. The decision of the hearing officer may not be
11 appealed to the Board or the State Board of Education. If the
12 hearing officer decides that the principal shall be retained,
13 the retention period shall not exceed 2 years.

14 2. In the event (i) the local school council does not renew
15 the performance contract of the principal, or the principal
16 fails to receive a satisfactory rating as provided in
17 subsection (h) of Section 34-8.3, or the principal is removed
18 for cause during the term of his or her performance contract in
19 the manner provided by Section 34-85, or a vacancy in the
20 position of principal otherwise occurs prior to the expiration
21 of the term of a principal's performance contract, and (ii) the
22 local school council fails to directly select a new principal
23 to serve under a 4 year performance contract, the local school
24 council in such event shall submit to the general
25 superintendent a list of 3 candidates -- listed in the local
26 school council's order of preference -- for the position of

1 principal, one of which shall be selected by the general
2 superintendent to serve as principal of the attendance center.
3 If the general superintendent fails or refuses to select one of
4 the candidates on the list to serve as principal within 30 days
5 after being furnished with the candidate list, the general
6 superintendent shall select and place a principal on an interim
7 basis (i) for a period not to exceed one year or (ii) until the
8 local school council selects a new principal with 7 affirmative
9 votes as provided in subsection (c) of Section 34-2.2,
10 whichever occurs first. If the local school council fails or
11 refuses to select and appoint a new principal, as specified by
12 subsection (c) of Section 34-2.2, the general superintendent
13 may select and appoint a new principal on an interim basis for
14 an additional year or until a new contract principal is
15 selected by the local school council. There shall be no
16 discrimination on the basis of race, sex, creed, color or
17 disability unrelated to ability to perform in connection with
18 the submission of candidates for, and the selection of a
19 candidate to serve as principal of an attendance center. No
20 person shall be directly selected, listed as a candidate for,
21 or selected to serve as principal of an attendance center (i)
22 if such person has been removed for cause from employment by
23 the Board or (ii) if such person does not hold a valid
24 administrative certificate issued or exchanged under Article
25 21 and endorsed as required by that Article for the position of
26 principal. A principal whose performance contract is not

1 renewed as provided under subsection (c) of Section 34-2.2 may
2 nevertheless, if otherwise qualified and certified as herein
3 provided and if he or she has received a satisfactory rating as
4 provided in subsection (h) of Section 34-8.3, be included by a
5 local school council as one of the 3 candidates listed in order
6 of preference on any candidate list from which one person is to
7 be selected to serve as principal of the attendance center
8 under a new performance contract. The initial candidate list
9 required to be submitted by a local school council to the
10 general superintendent in cases where the local school council
11 does not renew the performance contract of its principal and
12 does not directly select a new principal to serve under a 4
13 year performance contract shall be submitted not later than 30
14 days prior to the expiration of the current performance
15 contract. In cases where the local school council fails or
16 refuses to submit the candidate list to the general
17 superintendent no later than 30 days prior to the expiration of
18 the incumbent principal's contract, the general superintendent
19 may appoint a principal on an interim basis for a period not to
20 exceed one year, during which time the local school council
21 shall be able to select a new principal with 7 affirmative
22 votes as provided in subsection (c) of Section 34-2.2. In cases
23 where a principal is removed for cause or a vacancy otherwise
24 occurs in the position of principal and the vacancy is not
25 filled by direct selection by the local school council, the
26 candidate list shall be submitted by the local school council

1 to the general superintendent within 90 days after the date
2 such removal or vacancy occurs. In cases where the local school
3 council fails or refuses to submit the candidate list to the
4 general superintendent within 90 days after the date of the
5 vacancy, the general superintendent may appoint a principal on
6 an interim basis for a period of one year, during which time
7 the local school council shall be able to select a new
8 principal with 7 affirmative votes as provided in subsection
9 (c) of Section 34-2.2.

10 2.5. Whenever a vacancy in the office of a principal occurs
11 for any reason, the vacancy shall be filled in the manner
12 provided by this Section by the selection of a new principal to
13 serve under a 4 year performance contract.

14 3. To establish additional criteria to be included as part
15 of the performance contract of its principal, provided that
16 such additional criteria shall not discriminate on the basis of
17 race, sex, creed, color or disability unrelated to ability to
18 perform, and shall not be inconsistent with the uniform 4 year
19 performance contract for principals developed by the board as
20 provided in Section 34-8.1 of the School Code or with other
21 provisions of this Article governing the authority and
22 responsibility of principals.

23 4. To approve the expenditure plan prepared by the
24 principal with respect to all funds allocated and distributed
25 to the attendance center by the Board. The expenditure plan
26 shall be administered by the principal. Notwithstanding any

1 other provision of this Act or any other law, any expenditure
2 plan approved and administered under this Section 34-2.3 shall
3 be consistent with and subject to the terms of any contract for
4 services with a third party entered into by the Chicago School
5 Reform Board of Trustees or the board under this Act.

6 Via a supermajority vote of 7 members of the local school
7 council or 8 members of a high school local school council, the
8 Council may transfer allocations pursuant to Section 34-2.3
9 within funds; provided that such a transfer is consistent with
10 applicable law and collective bargaining agreements.

11 Beginning in fiscal year 1991 and in each fiscal year
12 thereafter, the Board may reserve up to 1% of its total fiscal
13 year budget for distribution on a prioritized basis to schools
14 throughout the school system in order to assure adequate
15 programs to meet the needs of special student populations as
16 determined by the Board. This distribution shall take into
17 account the needs catalogued in the Systemwide Plan and the
18 various local school improvement plans of the local school
19 councils. Information about these centrally funded programs
20 shall be distributed to the local school councils so that their
21 subsequent planning and programming will account for these
22 provisions.

23 Beginning in fiscal year 1991 and in each fiscal year
24 thereafter, from other amounts available in the applicable
25 fiscal year budget, the board shall allocate a lump sum amount
26 to each local school based upon such formula as the board shall

1 determine taking into account the special needs of the student
2 body. The local school principal shall develop an expenditure
3 plan in consultation with the local school council, the
4 professional personnel leadership committee and with all other
5 school personnel, which reflects the priorities and activities
6 as described in the school's local school improvement plan and
7 is consistent with applicable law and collective bargaining
8 agreements and with board policies and standards; however, the
9 local school council shall have the right to request waivers of
10 board policy from the board of education and waivers of
11 employee collective bargaining agreements pursuant to Section
12 34-8.1a.

13 The expenditure plan developed by the principal with
14 respect to amounts available from the fund for prioritized
15 special needs programs and the allocated lump sum amount must
16 be approved by the local school council.

17 The lump sum allocation shall take into account the
18 following principles:

19 a. Teachers: Each school shall be allocated funds equal
20 to the amount appropriated in the previous school year for
21 compensation for teachers (regular grades kindergarten
22 through 12th grade) plus whatever increases in
23 compensation have been negotiated contractually or through
24 longevity as provided in the negotiated agreement.
25 Adjustments shall be made due to layoff or reduction in
26 force, lack of funds or work, change in subject

1 requirements, enrollment changes, or contracts with third
2 parties for the performance of services or to rectify any
3 inconsistencies with system-wide allocation formulas or
4 for other legitimate reasons.

5 b. Other personnel: Funds for other teacher
6 certificated and uncertificated personnel paid through
7 non-categorical funds shall be provided according to
8 system-wide formulas based on student enrollment and the
9 special needs of the school as determined by the Board.

10 c. Non-compensation items: Appropriations for all
11 non-compensation items shall be based on system-wide
12 formulas based on student enrollment and on the special
13 needs of the school or factors related to the physical
14 plant, including but not limited to textbooks, electronic
15 textbooks and the technological equipment necessary to
16 gain access to and use electronic textbooks, supplies,
17 electricity, equipment, and routine maintenance.

18 d. Funds for categorical programs: Schools shall
19 receive personnel and funds based on, and shall use such
20 personnel and funds in accordance with State and Federal
21 requirements applicable to each categorical program
22 provided to meet the special needs of the student body
23 (including but not limited to, Federal Chapter I,
24 Bilingual, and Special Education).

25 d.1. Funds for State Title I: Each school shall receive
26 funds based on State and Board requirements applicable to

1 each State Title I pupil provided to meet the special needs
2 of the student body. Each school shall receive the
3 proportion of funds as provided in Section 18-8 or 18-8.15
4 to which they are entitled. These funds shall be spent only
5 with the budgetary approval of the Local School Council as
6 provided in Section 34-2.3.

7 e. The Local School Council shall have the right to
8 request the principal to close positions and open new ones
9 consistent with the provisions of the local school
10 improvement plan provided that these decisions are
11 consistent with applicable law and collective bargaining
12 agreements. If a position is closed, pursuant to this
13 paragraph, the local school shall have for its use the
14 system-wide average compensation for the closed position.

15 f. Operating within existing laws and collective
16 bargaining agreements, the local school council shall have
17 the right to direct the principal to shift expenditures
18 within funds.

19 g. (Blank).

20 Any funds unexpended at the end of the fiscal year shall be
21 available to the board of education for use as part of its
22 budget for the following fiscal year.

23 5. To make recommendations to the principal concerning
24 textbook selection and concerning curriculum developed
25 pursuant to the school improvement plan which is consistent
26 with systemwide curriculum objectives in accordance with

1 Sections 34-8 and 34-18 of the School Code and in conformity
2 with the collective bargaining agreement.

3 6. To advise the principal concerning the attendance and
4 disciplinary policies for the attendance center, subject to the
5 provisions of this Article and Article 26, and consistent with
6 the uniform system of discipline established by the board
7 pursuant to Section 34-19.

8 7. To approve a school improvement plan developed as
9 provided in Section 34-2.4. The process and schedule for plan
10 development shall be publicized to the entire school community,
11 and the community shall be afforded the opportunity to make
12 recommendations concerning the plan. At least twice a year the
13 principal and local school council shall report publicly on
14 progress and problems with respect to plan implementation.

15 8. To evaluate the allocation of teaching resources and
16 other certificated and uncertificated staff to the attendance
17 center to determine whether such allocation is consistent with
18 and in furtherance of instructional objectives and school
19 programs reflective of the school improvement plan adopted for
20 the attendance center; and to make recommendations to the
21 board, the general superintendent and the principal concerning
22 any reallocation of teaching resources or other staff whenever
23 the council determines that any such reallocation is
24 appropriate because the qualifications of any existing staff at
25 the attendance center do not adequately match or support
26 instructional objectives or school programs which reflect the

1 school improvement plan.

2 9. To make recommendations to the principal and the general
3 superintendent concerning their respective appointments, after
4 August 31, 1989, and in the manner provided by Section 34-8 and
5 Section 34-8.1, of persons to fill any vacant, additional or
6 newly created positions for teachers at the attendance center
7 or at attendance centers which include the attendance center
8 served by the local school council.

9 10. To request of the Board the manner in which training
10 and assistance shall be provided to the local school council.
11 Pursuant to Board guidelines a local school council is
12 authorized to direct the Board of Education to contract with
13 personnel or not-for-profit organizations not associated with
14 the school district to train or assist council members. If
15 training or assistance is provided by contract with personnel
16 or organizations not associated with the school district, the
17 period of training or assistance shall not exceed 30 hours
18 during a given school year; person shall not be employed on a
19 continuous basis longer than said period and shall not have
20 been employed by the Chicago Board of Education within the
21 preceding six months. Council members shall receive training in
22 at least the following areas:

23 1. school budgets;

24 2. educational theory pertinent to the attendance
25 center's particular needs, including the development of
26 the school improvement plan and the principal's

1 performance contract; and

2 3. personnel selection.

3 Council members shall, to the greatest extent possible,
4 complete such training within 90 days of election.

5 11. In accordance with systemwide guidelines contained in
6 the System-Wide Educational Reform Goals and Objectives Plan,
7 criteria for evaluation of performance shall be established for
8 local school councils and local school council members. If a
9 local school council persists in noncompliance with systemwide
10 requirements, the Board may impose sanctions and take necessary
11 corrective action, consistent with Section 34-8.3.

12 12. Each local school council shall comply with the Open
13 Meetings Act and the Freedom of Information Act. Each local
14 school council shall issue and transmit to its school community
15 a detailed annual report accounting for its activities
16 programmatically and financially. Each local school council
17 shall convene at least 2 well-publicized meetings annually with
18 its entire school community. These meetings shall include
19 presentation of the proposed local school improvement plan, of
20 the proposed school expenditure plan, and the annual report,
21 and shall provide an opportunity for public comment.

22 13. Each local school council is encouraged to involve
23 additional non-voting members of the school community in
24 facilitating the council's exercise of its responsibilities.

25 14. The local school council may adopt a school uniform or
26 dress code policy that governs the attendance center and that

1 is necessary to maintain the orderly process of a school
2 function or prevent endangerment of student health or safety,
3 consistent with the policies and rules of the Board of
4 Education. A school uniform or dress code policy adopted by a
5 local school council: (i) shall not be applied in such manner
6 as to discipline or deny attendance to a transfer student or
7 any other student for noncompliance with that policy during
8 such period of time as is reasonably necessary to enable the
9 student to acquire a school uniform or otherwise comply with
10 the dress code policy that is in effect at the attendance
11 center into which the student's enrollment is transferred; and
12 (ii) shall include criteria and procedures under which the
13 local school council will accommodate the needs of or otherwise
14 provide appropriate resources to assist a student from an
15 indigent family in complying with an applicable school uniform
16 or dress code policy. A student whose parents or legal
17 guardians object on religious grounds to the student's
18 compliance with an applicable school uniform or dress code
19 policy shall not be required to comply with that policy if the
20 student's parents or legal guardians present to the local
21 school council a signed statement of objection detailing the
22 grounds for the objection.

23 15. All decisions made and actions taken by the local
24 school council in the exercise of its powers and duties shall
25 comply with State and federal laws, all applicable collective
26 bargaining agreements, court orders and rules properly

1 promulgated by the Board.

2 15a. To grant, in accordance with board rules and policies,
3 the use of assembly halls and classrooms when not otherwise
4 needed, including lighting, heat, and attendants, for public
5 lectures, concerts, and other educational and social
6 activities.

7 15b. To approve, in accordance with board rules and
8 policies, receipts and expenditures for all internal accounts
9 of the attendance center, and to approve all fund-raising
10 activities by nonschool organizations that use the school
11 building.

12 16. (Blank).

13 17. Names and addresses of local school council members
14 shall be a matter of public record.

15 (Source: P.A. 96-1403, eff. 7-29-10.)

16 (105 ILCS 5/34-8.4)

17 Sec. 34-8.4. Intervention. The Chicago Schools Academic
18 Accountability Council may recommend to the Chicago School
19 Reform Board of Trustees that any school placed on remediation
20 or probation under Section 34-8.3 or schools that for the 3
21 consecutive school years of 1992-1993, 1993-1994, and
22 1994-1995 have met the State Board of Education's category of
23 "does not meet expectations" be made subject to intervention
24 under this Section 34-8.4. In addition to any powers created
25 under this Section, the Trustees shall have all powers created

1 under Section 34-8.3 with respect to schools subjected to
2 intervention.

3 Prior to subjecting a school to intervention, the Trustees
4 shall conduct a public hearing and make findings of facts
5 concerning the recommendation of the Chicago Schools Academic
6 Accountability Council and the factors causing the failure of
7 the school to adequately perform. The Trustees shall afford an
8 opportunity at the hearing for interested persons to comment
9 about the intervention recommendation. After the hearing has
10 been held and completion of findings of fact, the Trustees
11 shall make a determination whether to subject the school to
12 intervention.

13 If the Trustees determine that a school shall be subject to
14 intervention under this Section, the Trustees shall develop an
15 intervention implementation plan and shall cause a performance
16 evaluation to be made of each employee at the school. Upon
17 consideration of such evaluations, and consistent with the
18 intervention implementation plan, the Trustees may reassign,
19 layoff, or dismiss any employees at the attendance center,
20 notwithstanding the provisions of Sections 24A-5 and 34-85.

21 The chief educational officer shall appoint a principal for
22 the school and shall set the terms and conditions of the
23 principal's contract, which in no case may be longer than 2
24 years. The principal shall select all teachers and
25 non-certified personnel for the school as may be necessary. Any
26 provision of Section 34-8.1 that conflicts with this Section

1 shall not apply to a school subjected to intervention under
2 this Section.

3 If pursuant to this Section, the general superintendent,
4 with the approval of the board, orders new local school council
5 elections, the general superintendent shall carry out the
6 responsibilities of the local school council for a school
7 subject to intervention until the new local school council
8 members are elected and trained.

9 Each school year, 5% of the supplemental general State aid
10 or supplemental grant funds distributed to a school subject to
11 intervention during that school year under subsection
12 5(i)(1)(a) of part A of Section 18-8, ~~or~~ subsection (H) of
13 Section 18-8.05, or paragraph (2) of subsection (j) of Section
14 18-8.15 shall be used for employee performance incentives. The
15 Trustees shall prepare a report evaluating the results of any
16 interventions undertaken pursuant to this Section and shall
17 make recommendations concerning implementation of special
18 programs for dealing with underperforming schools on an ongoing
19 basis. This report shall be submitted to the State
20 Superintendent of Education and Mayor of the City of Chicago by
21 January 1, 1999.

22 (Source: P.A. 89-15, eff. 5-30-95; 89-698, eff. 1-14-97;
23 90-548, eff. 1-1-98.)

24 (105 ILCS 5/34-18) (from Ch. 122, par. 34-18)

25 Sec. 34-18. Powers of the board. The board shall exercise

1 general supervision and jurisdiction over the public education
2 and the public school system of the city, and, except as
3 otherwise provided by this Article, shall have power:

4 1. To make suitable provision for the establishment and
5 maintenance throughout the year or for such portion thereof
6 as it may direct, not less than 9 months, of schools of all
7 grades and kinds, including normal schools, high schools,
8 night schools, schools for defectives and delinquents,
9 parental and truant schools, schools for the blind, the
10 deaf and persons with physical disabilities, schools or
11 classes in manual training, constructural and vocational
12 teaching, domestic arts and physical culture, vocation and
13 extension schools and lecture courses, and all other
14 educational courses and facilities, including
15 establishing, equipping, maintaining and operating
16 playgrounds and recreational programs, when such programs
17 are conducted in, adjacent to, or connected with any public
18 school under the general supervision and jurisdiction of
19 the board; provided that the calendar for the school term
20 and any changes must be submitted to and approved by the
21 State Board of Education before the calendar or changes may
22 take effect, and provided that in allocating funds from
23 year to year for the operation of all attendance centers
24 within the district, the board shall ensure that
25 supplemental general State aid or supplemental grant funds
26 are allocated and applied in accordance with Section 18-8,

1 ~~of~~ 18-8.05, or 18-8.15. To admit to such schools without
2 charge foreign exchange students who are participants in an
3 organized exchange student program which is authorized by
4 the board. The board shall permit all students to enroll in
5 apprenticeship programs in trade schools operated by the
6 board, whether those programs are union-sponsored or not.
7 No student shall be refused admission into or be excluded
8 from any course of instruction offered in the common
9 schools by reason of that student's sex. No student shall
10 be denied equal access to physical education and
11 interscholastic athletic programs supported from school
12 district funds or denied participation in comparable
13 physical education and athletic programs solely by reason
14 of the student's sex. Equal access to programs supported
15 from school district funds and comparable programs will be
16 defined in rules promulgated by the State Board of
17 Education in consultation with the Illinois High School
18 Association. Notwithstanding any other provision of this
19 Article, neither the board of education nor any local
20 school council or other school official shall recommend
21 that children with disabilities be placed into regular
22 education classrooms unless those children with
23 disabilities are provided with supplementary services to
24 assist them so that they benefit from the regular classroom
25 instruction and are included on the teacher's regular
26 education class register;

1 2. To furnish lunches to pupils, to make a reasonable
2 charge therefor, and to use school funds for the payment of
3 such expenses as the board may determine are necessary in
4 conducting the school lunch program;

5 3. To co-operate with the circuit court;

6 4. To make arrangements with the public or quasi-public
7 libraries and museums for the use of their facilities by
8 teachers and pupils of the public schools;

9 5. To employ dentists and prescribe their duties for
10 the purpose of treating the pupils in the schools, but
11 accepting such treatment shall be optional with parents or
12 guardians;

13 6. To grant the use of assembly halls and classrooms
14 when not otherwise needed, including light, heat, and
15 attendants, for free public lectures, concerts, and other
16 educational and social interests, free of charge, under
17 such provisions and control as the principal of the
18 affected attendance center may prescribe;

19 7. To apportion the pupils to the several schools;
20 provided that no pupil shall be excluded from or segregated
21 in any such school on account of his color, race, sex, or
22 nationality. The board shall take into consideration the
23 prevention of segregation and the elimination of
24 separation of children in public schools because of color,
25 race, sex, or nationality. Except that children may be
26 committed to or attend parental and social adjustment

1 schools established and maintained either for boys or girls
2 only. All records pertaining to the creation, alteration or
3 revision of attendance areas shall be open to the public.
4 Nothing herein shall limit the board's authority to
5 establish multi-area attendance centers or other student
6 assignment systems for desegregation purposes or
7 otherwise, and to apportion the pupils to the several
8 schools. Furthermore, beginning in school year 1994-95,
9 pursuant to a board plan adopted by October 1, 1993, the
10 board shall offer, commencing on a phased-in basis, the
11 opportunity for families within the school district to
12 apply for enrollment of their children in any attendance
13 center within the school district which does not have
14 selective admission requirements approved by the board.
15 The appropriate geographical area in which such open
16 enrollment may be exercised shall be determined by the
17 board of education. Such children may be admitted to any
18 such attendance center on a space available basis after all
19 children residing within such attendance center's area
20 have been accommodated. If the number of applicants from
21 outside the attendance area exceed the space available,
22 then successful applicants shall be selected by lottery.
23 The board of education's open enrollment plan must include
24 provisions that allow low income students to have access to
25 transportation needed to exercise school choice. Open
26 enrollment shall be in compliance with the provisions of

1 the Consent Decree and Desegregation Plan cited in Section
2 34-1.01;

3 8. To approve programs and policies for providing
4 transportation services to students. Nothing herein shall
5 be construed to permit or empower the State Board of
6 Education to order, mandate, or require busing or other
7 transportation of pupils for the purpose of achieving
8 racial balance in any school;

9 9. Subject to the limitations in this Article, to
10 establish and approve system-wide curriculum objectives
11 and standards, including graduation standards, which
12 reflect the multi-cultural diversity in the city and are
13 consistent with State law, provided that for all purposes
14 of this Article courses or proficiency in American Sign
15 Language shall be deemed to constitute courses or
16 proficiency in a foreign language; and to employ principals
17 and teachers, appointed as provided in this Article, and
18 fix their compensation. The board shall prepare such
19 reports related to minimal competency testing as may be
20 requested by the State Board of Education, and in addition
21 shall monitor and approve special education and bilingual
22 education programs and policies within the district to
23 assure that appropriate services are provided in
24 accordance with applicable State and federal laws to
25 children requiring services and education in those areas;

26 10. To employ non-teaching personnel or utilize

1 volunteer personnel for: (i) non-teaching duties not
2 requiring instructional judgment or evaluation of pupils,
3 including library duties; and (ii) supervising study
4 halls, long distance teaching reception areas used
5 incident to instructional programs transmitted by
6 electronic media such as computers, video, and audio,
7 detention and discipline areas, and school-sponsored
8 extracurricular activities. The board may further utilize
9 volunteer non-certificated personnel or employ
10 non-certificated personnel to assist in the instruction of
11 pupils under the immediate supervision of a teacher holding
12 a valid certificate, directly engaged in teaching subject
13 matter or conducting activities; provided that the teacher
14 shall be continuously aware of the non-certificated
15 persons' activities and shall be able to control or modify
16 them. The general superintendent shall determine
17 qualifications of such personnel and shall prescribe rules
18 for determining the duties and activities to be assigned to
19 such personnel;

20 10.5. To utilize volunteer personnel from a regional
21 School Crisis Assistance Team (S.C.A.T.), created as part
22 of the Safe to Learn Program established pursuant to
23 Section 25 of the Illinois Violence Prevention Act of 1995,
24 to provide assistance to schools in times of violence or
25 other traumatic incidents within a school community by
26 providing crisis intervention services to lessen the

1 effects of emotional trauma on individuals and the
2 community; the School Crisis Assistance Team Steering
3 Committee shall determine the qualifications for
4 volunteers;

5 11. To provide television studio facilities in not to
6 exceed one school building and to provide programs for
7 educational purposes, provided, however, that the board
8 shall not construct, acquire, operate, or maintain a
9 television transmitter; to grant the use of its studio
10 facilities to a licensed television station located in the
11 school district; and to maintain and operate not to exceed
12 one school radio transmitting station and provide programs
13 for educational purposes;

14 12. To offer, if deemed appropriate, outdoor education
15 courses, including field trips within the State of
16 Illinois, or adjacent states, and to use school educational
17 funds for the expense of the said outdoor educational
18 programs, whether within the school district or not;

19 13. During that period of the calendar year not
20 embraced within the regular school term, to provide and
21 conduct courses in subject matters normally embraced in the
22 program of the schools during the regular school term and
23 to give regular school credit for satisfactory completion
24 by the student of such courses as may be approved for
25 credit by the State Board of Education;

26 14. To insure against any loss or liability of the

1 board, the former School Board Nominating Commission,
2 Local School Councils, the Chicago Schools Academic
3 Accountability Council, or the former Subdistrict Councils
4 or of any member, officer, agent or employee thereof,
5 resulting from alleged violations of civil rights arising
6 from incidents occurring on or after September 5, 1967 or
7 from the wrongful or negligent act or omission of any such
8 person whether occurring within or without the school
9 premises, provided the officer, agent or employee was, at
10 the time of the alleged violation of civil rights or
11 wrongful act or omission, acting within the scope of his
12 employment or under direction of the board, the former
13 School Board Nominating Commission, the Chicago Schools
14 Academic Accountability Council, Local School Councils, or
15 the former Subdistrict Councils; and to provide for or
16 participate in insurance plans for its officers and
17 employees, including but not limited to retirement
18 annuities, medical, surgical and hospitalization benefits
19 in such types and amounts as may be determined by the
20 board; provided, however, that the board shall contract for
21 such insurance only with an insurance company authorized to
22 do business in this State. Such insurance may include
23 provision for employees who rely on treatment by prayer or
24 spiritual means alone for healing, in accordance with the
25 tenets and practice of a recognized religious
26 denomination;

1 15. To contract with the corporate authorities of any
2 municipality or the county board of any county, as the case
3 may be, to provide for the regulation of traffic in parking
4 areas of property used for school purposes, in such manner
5 as is provided by Section 11-209 of The Illinois Vehicle
6 Code, approved September 29, 1969, as amended;

7 16. (a) To provide, on an equal basis, access to a high
8 school campus and student directory information to the
9 official recruiting representatives of the armed forces of
10 Illinois and the United States for the purposes of
11 informing students of the educational and career
12 opportunities available in the military if the board has
13 provided such access to persons or groups whose purpose is
14 to acquaint students with educational or occupational
15 opportunities available to them. The board is not required
16 to give greater notice regarding the right of access to
17 recruiting representatives than is given to other persons
18 and groups. In this paragraph 16, "directory information"
19 means a high school student's name, address, and telephone
20 number.

21 (b) If a student or his or her parent or guardian
22 submits a signed, written request to the high school before
23 the end of the student's sophomore year (or if the student
24 is a transfer student, by another time set by the high
25 school) that indicates that the student or his or her
26 parent or guardian does not want the student's directory

1 information to be provided to official recruiting
2 representatives under subsection (a) of this Section, the
3 high school may not provide access to the student's
4 directory information to these recruiting representatives.
5 The high school shall notify its students and their parents
6 or guardians of the provisions of this subsection (b).

7 (c) A high school may require official recruiting
8 representatives of the armed forces of Illinois and the
9 United States to pay a fee for copying and mailing a
10 student's directory information in an amount that is not
11 more than the actual costs incurred by the high school.

12 (d) Information received by an official recruiting
13 representative under this Section may be used only to
14 provide information to students concerning educational and
15 career opportunities available in the military and may not
16 be released to a person who is not involved in recruiting
17 students for the armed forces of Illinois or the United
18 States;

19 17. (a) To sell or market any computer program
20 developed by an employee of the school district, provided
21 that such employee developed the computer program as a
22 direct result of his or her duties with the school district
23 or through the utilization of the school district resources
24 or facilities. The employee who developed the computer
25 program shall be entitled to share in the proceeds of such
26 sale or marketing of the computer program. The distribution

1 of such proceeds between the employee and the school
2 district shall be as agreed upon by the employee and the
3 school district, except that neither the employee nor the
4 school district may receive more than 90% of such proceeds.
5 The negotiation for an employee who is represented by an
6 exclusive bargaining representative may be conducted by
7 such bargaining representative at the employee's request.

8 (b) For the purpose of this paragraph 17:

9 (1) "Computer" means an internally programmed,
10 general purpose digital device capable of
11 automatically accepting data, processing data and
12 supplying the results of the operation.

13 (2) "Computer program" means a series of coded
14 instructions or statements in a form acceptable to a
15 computer, which causes the computer to process data in
16 order to achieve a certain result.

17 (3) "Proceeds" means profits derived from
18 marketing or sale of a product after deducting the
19 expenses of developing and marketing such product;

20 18. To delegate to the general superintendent of
21 schools, by resolution, the authority to approve contracts
22 and expenditures in amounts of \$10,000 or less;

23 19. Upon the written request of an employee, to
24 withhold from the compensation of that employee any dues,
25 payments or contributions payable by such employee to any
26 labor organization as defined in the Illinois Educational

1 Labor Relations Act. Under such arrangement, an amount
2 shall be withheld from each regular payroll period which is
3 equal to the pro rata share of the annual dues plus any
4 payments or contributions, and the board shall transmit
5 such withholdings to the specified labor organization
6 within 10 working days from the time of the withholding;

7 19a. Upon receipt of notice from the comptroller of a
8 municipality with a population of 500,000 or more, a county
9 with a population of 3,000,000 or more, the Cook County
10 Forest Preserve District, the Chicago Park District, the
11 Metropolitan Water Reclamation District, the Chicago
12 Transit Authority, or a housing authority of a municipality
13 with a population of 500,000 or more that a debt is due and
14 owing the municipality, the county, the Cook County Forest
15 Preserve District, the Chicago Park District, the
16 Metropolitan Water Reclamation District, the Chicago
17 Transit Authority, or the housing authority by an employee
18 of the Chicago Board of Education, to withhold, from the
19 compensation of that employee, the amount of the debt that
20 is due and owing and pay the amount withheld to the
21 municipality, the county, the Cook County Forest Preserve
22 District, the Chicago Park District, the Metropolitan
23 Water Reclamation District, the Chicago Transit Authority,
24 or the housing authority; provided, however, that the
25 amount deducted from any one salary or wage payment shall
26 not exceed 25% of the net amount of the payment. Before the

1 Board deducts any amount from any salary or wage of an
2 employee under this paragraph, the municipality, the
3 county, the Cook County Forest Preserve District, the
4 Chicago Park District, the Metropolitan Water Reclamation
5 District, the Chicago Transit Authority, or the housing
6 authority shall certify that (i) the employee has been
7 afforded an opportunity for a hearing to dispute the debt
8 that is due and owing the municipality, the county, the
9 Cook County Forest Preserve District, the Chicago Park
10 District, the Metropolitan Water Reclamation District, the
11 Chicago Transit Authority, or the housing authority and
12 (ii) the employee has received notice of a wage deduction
13 order and has been afforded an opportunity for a hearing to
14 object to the order. For purposes of this paragraph, "net
15 amount" means that part of the salary or wage payment
16 remaining after the deduction of any amounts required by
17 law to be deducted and "debt due and owing" means (i) a
18 specified sum of money owed to the municipality, the
19 county, the Cook County Forest Preserve District, the
20 Chicago Park District, the Metropolitan Water Reclamation
21 District, the Chicago Transit Authority, or the housing
22 authority for services, work, or goods, after the period
23 granted for payment has expired, or (ii) a specified sum of
24 money owed to the municipality, the county, the Cook County
25 Forest Preserve District, the Chicago Park District, the
26 Metropolitan Water Reclamation District, the Chicago

1 Transit Authority, or the housing authority pursuant to a
2 court order or order of an administrative hearing officer
3 after the exhaustion of, or the failure to exhaust,
4 judicial review;

5 20. The board is encouraged to employ a sufficient
6 number of certified school counselors to maintain a
7 student/counselor ratio of 250 to 1 by July 1, 1990. Each
8 counselor shall spend at least 75% of his work time in
9 direct contact with students and shall maintain a record of
10 such time;

11 21. To make available to students vocational and career
12 counseling and to establish 5 special career counseling
13 days for students and parents. On these days
14 representatives of local businesses and industries shall
15 be invited to the school campus and shall inform students
16 of career opportunities available to them in the various
17 businesses and industries. Special consideration shall be
18 given to counseling minority students as to career
19 opportunities available to them in various fields. For the
20 purposes of this paragraph, minority student means a person
21 who is any of the following:

22 (a) American Indian or Alaska Native (a person having
23 origins in any of the original peoples of North and South
24 America, including Central America, and who maintains
25 tribal affiliation or community attachment).

26 (b) Asian (a person having origins in any of the

1 original peoples of the Far East, Southeast Asia, or the
2 Indian subcontinent, including, but not limited to,
3 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,
4 the Philippine Islands, Thailand, and Vietnam).

5 (c) Black or African American (a person having origins
6 in any of the black racial groups of Africa). Terms such as
7 "Haitian" or "Negro" can be used in addition to "Black or
8 African American".

9 (d) Hispanic or Latino (a person of Cuban, Mexican,
10 Puerto Rican, South or Central American, or other Spanish
11 culture or origin, regardless of race).

12 (e) Native Hawaiian or Other Pacific Islander (a person
13 having origins in any of the original peoples of Hawaii,
14 Guam, Samoa, or other Pacific Islands).

15 Counseling days shall not be in lieu of regular school
16 days;

17 22. To report to the State Board of Education the
18 annual student dropout rate and number of students who
19 graduate from, transfer from or otherwise leave bilingual
20 programs;

21 23. Except as otherwise provided in the Abused and
22 Neglected Child Reporting Act or other applicable State or
23 federal law, to permit school officials to withhold, from
24 any person, information on the whereabouts of any child
25 removed from school premises when the child has been taken
26 into protective custody as a victim of suspected child

1 abuse. School officials shall direct such person to the
2 Department of Children and Family Services, or to the local
3 law enforcement agency if appropriate;

4 24. To develop a policy, based on the current state of
5 existing school facilities, projected enrollment and
6 efficient utilization of available resources, for capital
7 improvement of schools and school buildings within the
8 district, addressing in that policy both the relative
9 priority for major repairs, renovations and additions to
10 school facilities, and the advisability or necessity of
11 building new school facilities or closing existing schools
12 to meet current or projected demographic patterns within
13 the district;

14 25. To make available to the students in every high
15 school attendance center the ability to take all courses
16 necessary to comply with the Board of Higher Education's
17 college entrance criteria effective in 1993;

18 26. To encourage mid-career changes into the teaching
19 profession, whereby qualified professionals become
20 certified teachers, by allowing credit for professional
21 employment in related fields when determining point of
22 entry on teacher pay scale;

23 27. To provide or contract out training programs for
24 administrative personnel and principals with revised or
25 expanded duties pursuant to this Act in order to assure
26 they have the knowledge and skills to perform their duties;

1 28. To establish a fund for the prioritized special
2 needs programs, and to allocate such funds and other lump
3 sum amounts to each attendance center in a manner
4 consistent with the provisions of part 4 of Section 34-2.3.
5 Nothing in this paragraph shall be construed to require any
6 additional appropriations of State funds for this purpose;

7 29. (Blank);

8 30. Notwithstanding any other provision of this Act or
9 any other law to the contrary, to contract with third
10 parties for services otherwise performed by employees,
11 including those in a bargaining unit, and to layoff those
12 employees upon 14 days written notice to the affected
13 employees. Those contracts may be for a period not to
14 exceed 5 years and may be awarded on a system-wide basis.
15 The board may not operate more than 30 contract schools,
16 provided that the board may operate an additional 5
17 contract turnaround schools pursuant to item (5.5) of
18 subsection (d) of Section 34-8.3 of this Code;

19 31. To promulgate rules establishing procedures
20 governing the layoff or reduction in force of employees and
21 the recall of such employees, including, but not limited
22 to, criteria for such layoffs, reductions in force or
23 recall rights of such employees and the weight to be given
24 to any particular criterion. Such criteria shall take into
25 account factors including, but not be limited to,
26 qualifications, certifications, experience, performance

1 ratings or evaluations, and any other factors relating to
2 an employee's job performance;

3 32. To develop a policy to prevent nepotism in the
4 hiring of personnel or the selection of contractors;

5 33. To enter into a partnership agreement, as required
6 by Section 34-3.5 of this Code, and, notwithstanding any
7 other provision of law to the contrary, to promulgate
8 policies, enter into contracts, and take any other action
9 necessary to accomplish the objectives and implement the
10 requirements of that agreement; and

11 34. To establish a Labor Management Council to the
12 board comprised of representatives of the board, the chief
13 executive officer, and those labor organizations that are
14 the exclusive representatives of employees of the board and
15 to promulgate policies and procedures for the operation of
16 the Council.

17 The specifications of the powers herein granted are not to
18 be construed as exclusive but the board shall also exercise all
19 other powers that they may be requisite or proper for the
20 maintenance and the development of a public school system, not
21 inconsistent with the other provisions of this Article or
22 provisions of this Code which apply to all school districts.

23 In addition to the powers herein granted and authorized to
24 be exercised by the board, it shall be the duty of the board to
25 review or to direct independent reviews of special education
26 expenditures and services. The board shall file a report of

1 such review with the General Assembly on or before May 1, 1990.

2 (Source: P.A. 99-143, eff. 7-27-15.)

3 (105 ILCS 5/34-18.30)

4 Sec. 34-18.30. Dependents of military personnel; no
5 tuition charge. If, at the time of enrollment, a dependent of
6 United States military personnel is housed in temporary housing
7 located outside of the school district, but will be living
8 within the district within 60 days after the time of initial
9 enrollment, the dependent must be allowed to enroll, subject to
10 the requirements of this Section, and must not be charged
11 tuition. Any United States military personnel attempting to
12 enroll a dependent under this Section shall provide proof that
13 the dependent will be living within the district within 60 days
14 after the time of initial enrollment. Proof of residency may
15 include, but is not limited to, postmarked mail addressed to
16 the military personnel and sent to an address located within
17 the district, a lease agreement for occupancy of a residence
18 located within the district, or proof of ownership of a
19 residence located within the district. Non-resident dependents
20 of United States military personnel attending school on a
21 tuition-free basis may be counted for the purposes of
22 determining the apportionment of State aid provided under
23 Section 18-8.05 or 18-8.15 of this Code.

24 (Source: P.A. 95-331, eff. 8-21-07.)

1 (105 ILCS 5/34-43.1) (from Ch. 122, par. 34-43.1)

2 Sec. 34-43.1. (A) Limitation of noninstructional costs. It
3 is the purpose of this Section to establish for the Board of
4 Education and the general superintendent of schools
5 requirements and standards which maximize the proportion of
6 school district resources in direct support of educational,
7 program, and building maintenance and safety services for the
8 pupils of the district, and which correspondingly minimize the
9 amount and proportion of such resources associated with
10 centralized administration, administrative support services,
11 and other noninstructional services.

12 For the 1989-90 school year and for all subsequent school
13 years, the Board of Education shall undertake budgetary and
14 expenditure control actions which limit the administrative
15 expenditures of the Board of Education to levels, as provided
16 for in this Section, which represent an average of the
17 administrative expenses of all school districts in this State
18 not subject to Article 34.

19 (B) Certification of expenses by the State Superintendent
20 of Education. The State Superintendent of Education shall
21 annually certify, on or before May 1, to the Board of Education
22 and the School Finance Authority, for the applicable school
23 year, the following information:

24 (1) the annual expenditures of all school districts of
25 the State not subject to Article 34 properly attributable
26 to expenditure functions defined by the rules and

1 regulations of the State Board of Education as: 2210
2 (Improvement of Instructional Services); 2300 (Support
3 Services - General Administration) excluding, however,
4 2320 (Executive Administrative Services); 2490 (Other
5 Support Services - School Administration); 2500 (Support
6 Services - Business); 2600 (Support Services - Central);

7 (2) the total annual expenditures of all school
8 districts not subject to Article 34 attributable to the
9 Education Fund, the Operations, Building and Maintenance
10 Fund, the Transportation Fund and the Illinois Municipal
11 Retirement Fund of the several districts, as defined by the
12 rules and regulations of the State Board of Education; and

13 (3) a ratio, to be called the statewide average of
14 administrative expenditures, derived by dividing the
15 expenditures certified pursuant to paragraph (B) (1) by the
16 expenditures certified pursuant to paragraph (B) (2).

17 For purposes of the annual certification of expenditures
18 and ratios required by this Section, the "applicable year" of
19 certification shall initially be the 1986-87 school year and,
20 in sequent years, each succeeding school year.

21 The State Superintendent of Education shall consult with
22 the Board of Education to ascertain whether particular
23 expenditure items allocable to the administrative functions
24 enumerated in paragraph (B) (1) are appropriately or
25 necessarily higher in the applicable school district than in
26 the rest of the State due to noncomparable factors. The State

1 Superintendent shall also review the relevant cost proportions
2 in other large urban school districts. The State Superintendent
3 shall also review the expenditure categories in paragraph
4 (B)(1) to ascertain whether they contain school-level
5 expenses. If he or she finds that adjustments to the formula
6 are appropriate or necessary to establish a more fair and
7 comparable standard for administrative cost for the Board of
8 Education or to exclude school-level expenses, the State
9 Superintendent shall recommend to the School Finance Authority
10 rules and regulations adjusting particular subcategories in
11 this subsection (B) or adjusting certain costs in determining
12 the budget and expenditure items properly attributable to the
13 functions or otherwise adjust the formula.

14 (C) Administrative expenditure limitations. The annual
15 budget of the Board of Education, as adopted and implemented,
16 and the related annual expenditures for the school year, shall
17 reflect a limitation on administrative outlays as required by
18 the following provisions, taking into account any adjustments
19 established by the State Superintendent of Education: (1) the
20 budget and expenditures of the Board of Education for the
21 1989-90 school year shall reflect a ratio of administrative
22 expenditures to total expenditures equal to or less than the
23 statewide average of administrative expenditures for the
24 1986-87 school year as certified by the State Superintendent of
25 Education pursuant to paragraph (B)(3); (2) for the 1990-91
26 school year and for all subsequent school years, the budget and

1 expenditures of the Board of Education shall reflect a ratio of
2 administrative expenditures to total expenditures equal to or
3 less than the statewide average of administrative expenditures
4 certified by the State Superintendent of Education for the
5 applicable year pursuant to paragraph (B)(3); (3) if for any
6 school year the budget of the Board of Education reflects a
7 ratio of administrative expenditures to total expenditures
8 which exceeds the applicable statewide average, the Board of
9 Education shall reduce expenditure items allocable to the
10 administrative functions enumerated in paragraph (B)(1) such
11 that the Board of Education's ratio of administrative
12 expenditures to total expenditures is equal to or less than the
13 applicable statewide average ratio.

14 For purposes of this Section, the ratio of administrative
15 expenditures to the total expenditures of the Board of
16 Education, as applied to the budget of the Board of Education,
17 shall mean: the budgeted expenditure items of the Board of
18 Education properly attributable to the expenditure functions
19 identified in paragraph (B)(1) divided by the total budgeted
20 expenditures of the Board of Education properly attributable to
21 the Board of Education funds corresponding to those funds
22 identified in paragraph (B)(2), exclusive of any monies
23 budgeted for payment to the Public School Teachers' Pension and
24 Retirement System, attributable to payments due from the
25 General Funds of the State of Illinois.

26 The annual expenditure of the Board of Education for 2320

1 (Executive Administrative Services) for the 1989-90 school
2 year shall be no greater than the 2320 expenditure for the
3 1988-89 school year. The annual expenditure of the Board of
4 Education for 2320 for the 1990-91 school year and each
5 subsequent school year shall be no greater than the 2320
6 expenditure for the immediately preceding school year or the
7 1988-89 school year, whichever is less. This annual expenditure
8 limitation may be adjusted in each year in an amount not to
9 exceed any change effective during the applicable school year
10 in salary to be paid under the collective bargaining agreement
11 with instructional personnel to which the Board is a party and
12 in benefit costs either required by law or such collective
13 bargaining agreement.

14 (D) Cost control measures. In undertaking actions to
15 control or reduce expenditure items necessitated by the
16 administrative expenditure limitations of this Section, the
17 Board of Education shall give priority consideration to
18 reductions or cost controls with the least effect upon direct
19 services to students or instructional services for pupils, and
20 upon the safety and well-being of pupils, and, as applicable,
21 with the particular costs or functions to which the Board of
22 Education is higher than the statewide average.

23 For purposes of assuring that the cost control priorities
24 of this subsection (D) are met, the State Superintendent of
25 Education shall, with the assistance of the Board of Education,
26 review the cost allocation practices of the Board of Education,

1 and the State Superintendent of Education shall thereafter
2 recommend to the School Finance Authority rules and regulations
3 which define administrative areas which most impact upon the
4 direct and instructional needs of students and upon the safety
5 and well-being of the pupils of the district. No position
6 closed shall be reopened using State or federal categorical
7 funds.

8 (E) Report of Audited Information. For the 1988-89 school
9 year and for all subsequent school years, the Board of
10 Education shall file with the State Board of Education the
11 Annual Financial Report and its audit, as required by the rules
12 of the State Board of Education. Such reports shall be filed no
13 later than February 15 following the end of the school year of
14 the Board of Education, beginning with the report to be filed
15 no later than February 15, 1990 for the 1988-89 school year.

16 As part of the required Annual Financial Report, the Board
17 of Education shall provide a detailed accounting of the central
18 level, district, bureau and department costs and personnel
19 included within expenditure functions included in paragraph
20 (B)(1). The nature and detail of the reporting required for
21 these functions shall be prescribed by the State Board of
22 Education in rules and regulations. A copy of this detailed
23 accounting shall also be provided annually to the School
24 Finance Authority and the public. This report shall contain a
25 reconciliation to the board of education's adopted budget for
26 that fiscal year, specifically delineating administrative

1 functions.

2 If the information required under this Section is not
3 provided by the Board of Education in a timely manner, or is
4 initially or subsequently determined by the State
5 Superintendent of Education to be incomplete or inaccurate, the
6 State Superintendent shall, in writing, notify the Board of
7 Education of reporting deficiencies. The Board of Education
8 shall, within 60 days of such notice, address the reporting
9 deficiencies identified. If the State Superintendent of
10 Education does not receive satisfactory response to these
11 reporting deficiencies within 60 days, the next payment of
12 general State aid or primary State aid due the Board of
13 Education under Section 18-8 or Section 18-8.15, as applicable,
14 and all subsequent payments, shall be withheld by the State
15 Superintendent of Education until the enumerated deficiencies
16 have been addressed.

17 Utilizing the Annual Financial Report, the State
18 Superintendent of Education shall certify on or before May 1 to
19 the School Finance Authority the Board of Education's ratio of
20 administrative expenditures to total expenditures for the
21 1988-89 school year and for each succeeding school year. Such
22 certification shall indicate the extent to which the
23 administrative expenditure ratio of the Board of Education
24 conformed to the limitations required in subsection (C) of this
25 Section, taking into account any adjustments of the limitations
26 which may have been recommended by the State Superintendent of

1 Education to the School Finance Authority. In deriving the
2 administrative expenditure ratio of the Chicago Board of
3 Education, the State Superintendent of Education shall utilize
4 the definition of this ratio prescribed in subsection (C) of
5 this Section, except that the actual expenditures of the Board
6 of Education shall be substituted for budgeted expenditure
7 items.

8 (F) Approval and adjustments to administrative expenditure
9 limitations. The School Finance Authority organized under
10 Article 34A shall monitor the Board of Education's adherence to
11 the requirements of this Section. As part of its responsibility
12 the School Finance Authority shall determine whether the Board
13 of Education's budget for the next school year, and the
14 expenditures for a prior school year, comply with the
15 limitation of administrative expenditures required by this
16 Section. The Board of Education and the State Board of
17 Education shall provide such information as is required by the
18 School Finance Authority in order for the Authority to
19 determine compliance with the provisions of this Section. If
20 the Authority determines that the budget proposed by the Board
21 of Education does not meet the cost control requirements of
22 this Section, the Board of Education shall undertake budgetary
23 reductions, consistent with the requirements of this Section,
24 to bring the proposed budget into compliance with such cost
25 control limitations.

26 If, in formulating cost control and cost reduction

1 alternatives, the Board of Education believes that meeting the
2 cost control requirements of this Section related to the budget
3 for the ensuing year would impair the education, safety, or
4 well-being of the pupils of the school district, the Board of
5 Education may request that the School Finance Authority make
6 adjustments to the limitations required by this Section. The
7 Board of Education shall specify the amount, nature, and
8 reasons for the relief required and shall also identify cost
9 reductions which can be made in expenditure functions not
10 enumerated in paragraph (B) (1), which would serve the purposes
11 of this Section.

12 The School Finance Authority shall consult with the State
13 Superintendent of Education concerning the reasonableness from
14 an educational administration perspective of the adjustments
15 sought by the Board of Education. The School Finance Authority
16 shall provide an opportunity for the public to comment upon the
17 reasonableness of the Board's request. If, after such
18 consultation, the School Finance Authority determines that all
19 or a portion of the adjustments sought by the Board of
20 Education are reasonably appropriate or necessary, the
21 Authority may grant such relief from the provisions of this
22 Section which the Authority deems appropriate. Adjustments so
23 granted apply only to the specific school year for which the
24 request was made.

25 In the event that the School Finance Authority determines
26 that the Board of Education has failed to achieve the required

1 administrative expenditure limitations for a prior school
2 year, or if the Authority determines that the Board of
3 Education has not met the requirements of subsection (F), the
4 Authority shall make recommendations to the Board of Education
5 concerning appropriate corrective actions. If the Board of
6 Education fails to provide adequate assurance to the Authority
7 that appropriate corrective actions have been or will be taken,
8 the Authority may, within 60 days thereafter, require the board
9 to adjust its current budget to correct for the prior year's
10 shortage or may recommend to the members of the General
11 Assembly and the Governor such sanctions or remedial actions as
12 will serve to deter any further such failures on the part of
13 the Board of Education.

14 To assist the Authority in its monitoring
15 responsibilities, the Board of Education shall provide such
16 reports and information as are from time to time required by
17 the Authority.

18 (G) Independent reviews of administrative expenditures.
19 The School Finance Authority may direct independent reviews of
20 the administrative and administrative support expenditures and
21 services and other non-instructional expenditure functions of
22 the Board of Education. The Board of Education shall afford
23 full cooperation to the School Finance Authority in such review
24 activity. The purpose of such reviews shall be to verify
25 specific targets for improved operating efficiencies of the
26 Board of Education, to identify other areas of potential

1 efficiencies, and to assure full and proper compliance by the
2 Board of Education with all requirements of this Section.

3 In the conduct of reviews under this subsection, the
4 Authority may request the assistance and consultation of the
5 State Superintendent of Education with regard to questions of
6 efficiency and effectiveness in educational administration.

7 (H) Reports to Governor and General Assembly. On or before
8 May 1, 1991 and no less frequently than yearly thereafter, the
9 School Finance Authority shall provide to the Governor, the
10 State Board of Education, and the members of the General
11 Assembly an annual report, as outlined in Section 34A-606,
12 which includes the following information: (1) documenting the
13 compliance or non-compliance of the Board of Education with the
14 requirements of this Section; (2) summarizing the costs,
15 findings, and recommendations of any reviews directed by the
16 School Finance Authority, and the response to such
17 recommendations made by the Board of Education; and (3)
18 recommending sanctions or legislation necessary to fulfill the
19 intent of this Section.

20 (Source: P.A. 86-124; 86-1477.)

21 (105 ILCS 5/34-53) (from Ch. 122, par. 34-53)

22 Sec. 34-53. Tax levies; Purpose; Rates. For the purpose of
23 establishing and supporting free schools for not fewer than 9
24 months in each year and defraying their expenses the board may
25 levy annually, upon all taxable property of such district for

1 educational purposes a tax for the fiscal years 1996 and each
2 succeeding fiscal year at a rate of not to exceed the sum of
3 (i) 2.81% ~~3.07%~~ (or such other rate as may be set by law
4 independent of the rate difference described in (ii) below) and
5 (ii) the difference between .50% and the rate per cent of taxes
6 extended for a School Finance Authority organized under Article
7 34A of the School Code, for the calendar year in which the
8 applicable fiscal year of the board begins as determined by the
9 county clerk and certified to the board pursuant to Section
10 18-110 of the Property Tax Code, of the value as equalized or
11 assessed by the Department of Revenue for the year in which
12 such levy is made.

13 For fiscal year 2017 and each succeeding fiscal year, for
14 the purpose of making an employer contribution to the Public
15 School Teachers' Pension and Retirement Fund of Chicago, the
16 board shall levy annually, upon all taxable property located
17 within the district, a tax at the rate of 0.26%. The proceeds
18 from this additional tax shall be paid directly to the Pension
19 Fund. The changes made to this Section by this amendatory Act
20 of the 99th General Assembly: (1) do not authorize an increase
21 in the district's maximum aggregate extension or limiting rate
22 under the Property Tax Extension Limitation Law; and (2)
23 constitute a continuation of the existing total maximum rate
24 under this Section and are not a new rate for the purposes of
25 the Property Tax Extension Limitation Law.

26 Nothing in this amendatory Act of 1995 shall in any way

1 impair or restrict the levy or extension of taxes pursuant to
2 any tax levies for any purposes of the board lawfully made
3 prior to the adoption of this amendatory Act of 1995.

4 Notwithstanding any other provision of this Code and in
5 addition to any other methods provided for increasing the tax
6 rate the board may, by proper resolution, cause a proposition
7 to increase the annual tax rate for educational purposes to be
8 submitted to the voters of such district at any general or
9 special election. The maximum rate for educational purposes
10 shall not exceed 4.00%. The election called for such purpose
11 shall be governed by Article 9 of this Act. If at such election
12 a majority of the votes cast on the proposition is in favor
13 thereof, the Board of Education may thereafter until such
14 authority is revoked in a like manner, levy annually the tax so
15 authorized.

16 For purposes of this Article, educational purposes for
17 fiscal years beginning in 1995 and each subsequent year shall
18 also include, but not be limited to, in addition to those
19 purposes authorized before this amendatory Act of 1995,
20 constructing, acquiring, leasing (other than from the Public
21 Building Commission of Chicago), operating, maintaining,
22 improving, repairing, and renovating land, buildings,
23 furnishings, and equipment for school houses and buildings, and
24 related incidental expenses, and provision of special
25 education, furnishing free textbooks and instructional aids
26 and school supplies, establishing, equipping, maintaining, and

1 operating supervised playgrounds under the control of the
2 board, school extracurricular activities, and stadia, social
3 center, and summer swimming pool programs open to the public in
4 connection with any public school; making an employer
5 contribution to the Public School Teachers' Pension and
6 Retirement Fund as required by Section 17-129 of the Illinois
7 Pension Code; and providing an agricultural science school,
8 including site development and improvements, maintenance
9 repairs, and supplies. Educational purposes also includes
10 student transportation expenses.

11 All collections of all taxes levied for fiscal years ending
12 before 1996 under this Section or under Sections 34-53.2,
13 34-53.3, 34-58, 34-60, or 34-62 of this Article as in effect
14 prior to this amendatory Act of 1995 may be used for any
15 educational purposes as defined by this amendatory Act of 1995
16 and need not be used for the particular purposes for which they
17 were levied. The levy and extension of taxes pursuant to this
18 Section as amended by this amendatory Act of 1995 shall not
19 constitute a new or increased tax rate within the meaning of
20 the Property Tax Extension Limitation Law or the One-year
21 Property Tax Extension Limitation Law.

22 The rate at which taxes may be levied for the fiscal year
23 beginning September 1, 1996, for educational purposes shall be
24 the full rate authorized by this Section for such taxes for
25 fiscal years ending after 1995.

26 (Source: P.A. 88-511; 88-670, eff. 12-2-94; 89-15, eff.

1 5-30-95.)

2 Section 950. The Educational Opportunity for Military
3 Children Act is amended by changing Section 25 as follows:

4 (105 ILCS 70/25)

5 Sec. 25. Tuition for children of active duty military
6 personnel who are transfer students. If a student who is a
7 child of active duty military personnel is (i) placed with a
8 non-custodial parent and (ii) as a result of placement, must
9 attend a non-resident school district, then the student must
10 not be charged the tuition of the school that the student
11 attends as a result of placement with the non-custodial parent
12 and the student must be counted in the calculation of average
13 daily attendance under Section 18-8.05 or 18-8.15 of the School
14 Code.

15 (Source: P.A. 98-673, eff. 6-30-14.)

16 Section 955. The Illinois Public Aid Code is amended by
17 changing Section 5-16.4 as follows:

18 (305 ILCS 5/5-16.4)

19 Sec. 5-16.4. Medical Assistance Provider Payment Fund.

20 (a) There is created in the State treasury the Medical
21 Assistance Provider Payment Fund. Interest earned by the Fund
22 shall be credited to the Fund.

1 (b) The Fund is created for the purpose of disbursing
2 moneys as follows:

3 (1) For medical services provided to recipients of aid
4 under Articles V, VI, and XII.

5 (2) For payment of administrative expenses incurred by
6 the Illinois Department or its agent in performing the
7 activities authorized by this Section.

8 (3) For making transfers to the General Obligation Bond
9 Retirement and Interest Fund, as those transfers are
10 authorized in the proceedings authorizing debt under the
11 Medicaid Liability Liquidity Borrowing Act, but transfers
12 made under this paragraph (3) may not exceed the principal
13 amount of debt issued under that Act.

14 Disbursements from the Fund, other than transfers to the
15 General Obligation Bond Retirement and Interest Fund (which
16 shall be made in accordance with the provisions of the Medicaid
17 Liability Liquidity Borrowing Act), shall be by warrants drawn
18 by the State Comptroller upon receipt of vouchers duly executed
19 and certified by the Illinois Department.

20 (c) The Fund shall consist of the following:

21 (1) All federal matching funds received by the Illinois
22 Department as a result of expenditures made by the Illinois
23 Department that are attributable to moneys deposited into
24 the Fund.

25 (2) Proceeds from any short-term borrowing directed to
26 the Fund by the Governor pursuant to the Medicaid Liability

1 Liquidity Borrowing Act.

2 (3) Amounts transferred into the Fund under subsection
3 (d) of this Section.

4 (4) All other moneys received for the Fund from any
5 other source, including interest earned on those moneys.

6 (d) Beginning July 1, 1995, on the 13th and 26th days of
7 each month the State Comptroller and Treasurer shall transfer
8 from the General Revenue Fund to the Medical Assistance
9 Provider Payment Fund an amount equal to 1/48th of the annual
10 Medical Assistance appropriation to the Department of
11 Healthcare and Family Services (formerly Illinois Department
12 of Public Aid) from the Medical Assistance Provider Payment
13 Fund, plus cumulative deficiencies from those prior transfers.
14 In addition to those transfers, the State Comptroller and
15 Treasurer may transfer from the General Revenue Fund to the
16 Medical Assistance Provider Payment Fund as much as is
17 necessary to pay claims pursuant to the new twice-monthly
18 payment schedule established in Section 5-16.5 and to avoid
19 interest liabilities under the State Prompt Payment Act. No
20 transfers made pursuant to this subsection shall interfere with
21 the timely payment of the general State aid or primary State
22 aid payment made pursuant to Section 18-11 of the School Code.
23 (Source: P.A. 95-331, eff. 8-21-07.)

24 Section 995. Savings clause. Any repeal or amendment made
25 by this Act shall not affect or impair any of the following:

1 suits pending or rights existing at the time this Act takes
2 effect; any grant or conveyance made or right acquired or cause
3 of action now existing under any Section, Article, or Act
4 repealed or amended by this Act; the validity of any bonds or
5 other obligations issued or sold and constituting valid
6 obligations of the issuing authority at the time this Act takes
7 effect; the validity of any contract; the validity of any tax
8 levied under any law in effect prior to the effective date of
9 this Act; or any offense committed, act done, penalty,
10 punishment, or forfeiture incurred or any claim, right, power,
11 or remedy accrued under any law in effect prior to the
12 effective date of this Act.

13 Section 999. Effective date. This Act takes effect upon
14 becoming law.