

AN ACT concerning education.

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

Section 5. The School Code is amended by changing Sections 11E-35, 11E-40, 11E-45, 11E-50, 11E-60, 11E-65, 11E-135, 18-8.05, 29-3, and 29-5 as follows:

(105 ILCS 5/11E-35)

Sec. 11E-35. Petition filing.

(a) A petition shall be filed with the regional superintendent of schools of the educational service region in which the territory described in the petition or that part of the territory with the greater percentage of equalized assessed valuation is situated. The petition must do the following:

(1) be signed by at least 50 legal resident voters or 10% of the legal resident voters, whichever is less, residing within each affected district; or

(2) be approved by the school board in each affected district.

(b) The petition shall contain all of the following:

(1) A request to submit the proposition at a regular scheduled election for the purpose of voting:

(A) for or against a high school - unit conversion;

(B) for or against a unit to dual conversion;

(C) for or against the establishment of a combined elementary district;

(D) for or against the establishment of a combined high school district;

(E) for or against the establishment of a combined unit district;

(F) for or against the establishment of a unit district from dual district territory exclusively;

(G) for or against the establishment of a unit district from both dual district and unit district territory;

(H) for or against the establishment of a combined high school - unit district from a combination of one or more high school districts and one or more unit districts;

(I) for or against the establishment of a combined high school - unit district and one or more new elementary districts through a multi-unit conversion;

(J) for or against the establishment of an optional elementary unit district from a combination of a substantially coterminous dual district; or

(K) for or against dissolving and becoming part of an optional elementary unit district.

(2) A description of the territory comprising the districts proposed to be dissolved and those to be created, which, for an entire district, may be a general reference

to all of the territory included within that district.

(3) A specification of the maximum tax rates for various purposes the proposed district or districts shall be authorized to levy for various purposes and, if applicable, the specifications related to the Property Tax Extension Limitation Law, in accordance with Section 11E-80 of this Code.

(4) A description of how supplementary State deficit difference payments made under subsection (c) of Section 11E-135 of this Code will be allocated among the new districts proposed to be formed.

(5) Where applicable, a division of assets and liabilities to be allocated to the proposed new or annexing school district or districts in the manner provided in Section 11E-105 of this Code.

(6) If desired, a request that at that same election as the reorganization proposition a school board or boards be elected on a separate ballot or ballots to serve as the school board or boards of the proposed new district or districts. Any election of board members at the same election at which the proposition to create the district or districts to be served by the board or boards is submitted to the voters shall proceed under the supervision of the regional superintendent of schools as provided in Section 11E-55 of this Code.

(7) If desired, a request that the referendum at which

the proposition is submitted for the purpose of voting for or against the establishment of a unit district (other than a partial elementary unit district) include as part of the proposition the election of board members by school board district rather than at large. Any petition requesting the election of board members by district shall divide the proposed school district into 7 school board districts, each of which must be compact and contiguous and substantially equal in population to each other school board district. Any election of board members by school board district shall proceed under the supervision of the regional superintendent of schools as provided in Section 11E-55 of this Code.

(8) If desired, a request that the referendum at which the proposition is submitted for the purpose of voting for or against the establishment of a unit to dual conversion include as part of the proposition the election of board members for the new high school district (i) on an at large basis, (ii) with board members representing each of the forming elementary school districts, or (iii) a combination of both. The format for the election of the new high school board must be defined in the petition. When 4 or more unit school districts and a combination of board members representing each of the forming elementary school districts are involved and at large formats are used, one member must be elected from each of the forming elementary

school districts. The remaining members may be elected on an at large basis, provided that none of the underlying elementary school districts have a majority on the resulting high school board. When 3 unit school districts and a combination of board members representing each of the forming elementary school districts are involved and at large formats are used, 2 members must be elected from each of the forming elementary school districts. The remaining member must be elected at large.

(9) If desired, a request that the referendum at which the proposition shall be submitted include a proposition on a separate ballot authorizing the issuance of bonds by the district or districts when organized in accordance with this Article. However, if the petition is submitted for the purpose of voting for or against the establishment of an optional elementary unit district, the petition may request only that the referendum at which the proposition is submitted include a proposition on a separate ballot authorizing the issuance of bonds for high school purposes (and not elementary purposes) by the district when organized in accordance with this Article. The principal amount of the bonds and the purposes of issuance, including a specification of elementary or high school purposes if the proposed issuance is to be made by a combined high school - unit district, shall be stated in the petition and in all notices and propositions submitted thereunder. Only

residents in the territory of the district proposing the bond issuance may vote on the bond issuance.

(10) A designation of a committee of ten of the petitioners as attorney in fact for all petitioners, any 7 of whom may at any time, prior to the final decision of the regional superintendent of schools, amend the petition in all respects (except that, for a unit district formation, there may not be an increase or decrease of more than 25% of the territory to be included in the proposed district) and make binding stipulations on behalf of all petitioners as to any question with respect to the petition, including the power to stipulate to accountings or the waiver thereof between school districts.

(c) The regional superintendent of schools shall not accept for filing under the authority of this Section any petition that includes any territory already included as part of the territory described in another pending petition filed under the authority of this Section.

(d) (1) Those designated as the Committee of Ten shall serve in that capacity until such time as the regional superintendent of schools determines that, because of death, resignation, transfer of residency from the territory, failure to qualify, or any other reason, the office of a particular member of the Committee of Ten is vacant. Upon determination by the regional superintendent of schools that these vacancies exist, he or she shall declare the vacancies and shall notify the remaining

members to appoint a petitioner or petitioners, as the case may be, to fill the vacancies in the Committee of Ten so designated. An appointment by the Committee of Ten to fill a vacancy shall be made by a simple majority vote of the designated remaining members.

(2) Failure of a person designated as a member of the Committee of Ten to sign the petition shall not disqualify that person as a member of the Committee of Ten, and that person may sign the petition at any time prior to final disposition of the petition and the conclusion of the proceedings to form a new school district or districts, including all litigation pertaining to the petition or proceedings.

(3) Except as stated in item (10) of subsection (b) of this Section, the Committee of Ten shall act by majority vote of the membership.

(4) The regional superintendent of schools may accept a stipulation made by the Committee of Ten instead of evidence or proof of the matter stipulated or may refuse to accept the stipulation, provided that the regional superintendent sets forth the basis for the refusal.

(5) The Committee of Ten may voluntarily dismiss its petition at any time before a final decision is issued by the ~~petition is approved by either the regional superintendent of schools or~~ State Superintendent of Education.

(Source: P.A. 94-1019, eff. 7-10-06.)

(105 ILCS 5/11E-40)

Sec. 11E-40. Notice and petition amendments.

(a) Upon the filing of a petition with the regional superintendent of schools as provided in Section 11E-35 of this Code, the regional superintendent shall do all of the following:

(1) Cause a copy of the petition to be given to each school board of the affected districts and the regional superintendent of schools of any other educational service region in which territory described in the petition is situated.

(2) Cause a notice thereof to be published at least once each week for 3 successive weeks in at least one newspaper having general circulation within the area of all of the territory of the proposed district or districts. The expense of publishing the notice shall be borne by the petitioners and paid on behalf of the petitioners by the Committee of Ten.

(b) The notice shall state all of the following:

(1) When and to whom the petition was presented.

(2) The prayer of the petition.

(3) A description of the territory comprising the districts proposed to be dissolved and those to be created, which, for an entire district, may be a general reference to all of the territory included within that district.

(4) If applicable, the proposition to elect, by

separate ballot, school board members at the same election, indicating whether the board members are to be elected at large or by school board district.

(5) If requested in the petition, the proposition to issue bonds, indicating the amount and purpose thereof.

(6) The day, time, and location on which the hearing on the action proposed in the petition shall be held.

(c) The requirements of subsection (g) of Section 28-2 of the Election Code do not apply to any petition filed under this Article. Notwithstanding any provision to the contrary contained in the Election Code, the regional superintendent of schools shall make all determinations regarding the validity of the petition, including without limitation signatures on the petition, subject to State Superintendent and administrative review in accordance with Section 11E-50 of this Code.

(d) Prior to the hearing described in Section 11E-45 of this Code, the regional superintendent of schools shall inform the Committee of Ten as to whether the petition, as amended or filed, is proper and in compliance with all applicable petition requirements set forth in the Election Code. If the regional superintendent determines that the petition is not in proper order or not in compliance with any applicable petition requirements set forth in the Election Code, the regional superintendent must identify the specific alleged defects in the petition and include specific recommendations to cure the alleged defects. The Committee of Ten may amend the petition to

cure the alleged defects at any time prior to the receipt of the regional superintendent's written order made in accordance with subsection (a) of Section 11E-50 of this Code or may elect not to amend the petition, in which case the Committee of Ten may appeal a denial by the regional superintendent following the hearing in accordance with Section 11E-50 of this Code.

(Source: P.A. 94-1019, eff. 7-10-06.)

(105 ILCS 5/11E-45)

Sec. 11E-45. Hearing.

(a) No more than 15 days after the last date on which the required notice under Section 11E-40 of this Code is published, the regional superintendent of schools with whom the petition is required to be filed shall hold a hearing on the petition. Prior to the hearing, the Committee of Ten shall submit to the regional superintendent maps showing the districts involved and any other information deemed pertinent by the Committee of Ten to the proposed action. The regional superintendent of schools may adjourn the hearing from time to time or may continue the matter for want of sufficient notice or other good cause.

(b) At the hearing, the regional superintendent of schools shall allow public testimony on the action proposed in the petition. The Committee of Ten ~~regional superintendent~~ shall present, or arrange for the presentation of all of the following:

(1) Evidence as to the school needs and conditions in the territory described in the petition and the area adjacent thereto.

(2) Evidence with respect to the ability of the proposed district or districts to meet standards of recognition as prescribed by the State Board of Education.

(3) A consideration of the division of funds and assets that will occur if the petition is approved.

(4) A description of the maximum tax rates the proposed district or districts is authorized to levy for various purposes and, if applicable, the specifications related to the Property Tax Extension Limitation Law, in accordance with Section 11E-80 of this Code.

(c) Any regional superintendent of schools entitled under the provisions of this Article to be given a copy of the petition and any resident or representative of a school district in which any territory described in the petition is situated may appear in person or by an attorney at law to provide oral or written testimony or both in relation to the action proposed in the petition.

(d) The regional superintendent of schools shall arrange for a written transcript of the hearing. The expense of the written transcript shall be borne by the petitioners and paid on behalf of the petitioners by the Committee of Ten.

(Source: P.A. 94-1019, eff. 7-10-06.)

(105 ILCS 5/11E-50)

Sec. 11E-50. Approval or denial of the petition; administrative review.

(a) Within 14 days after the conclusion of the hearing under Section 11E-45 of this Code, the regional superintendent of schools shall take into consideration the school needs and conditions of the affected districts and in the area adjacent thereto, the division of funds and assets that will result from the action described in the petition, the best interests of the schools of the area, and the best interests and the educational welfare of the pupils residing therein and, through a written order, either approve or deny the petition. If the regional superintendent fails to act upon a petition within 14 days after the conclusion of the hearing, the regional superintendent shall be deemed to have denied the petition.

(b) Upon approving or denying the petition, the regional superintendent of schools shall submit the petition and all evidence to the State Superintendent of Education. The State Superintendent shall review the petition, the record of the hearing, and the written order of the regional superintendent, if any. Within 21 days after the receipt of the regional superintendent's decision, the State Superintendent shall take into consideration the school needs and conditions of the affected districts and in the area adjacent thereto, the division of funds and assets that will result from the action described in the petition, the best interests of the schools of

the area, and the best interests and the educational welfare of the pupils residing therein and, through a written order, either approve or deny the petition. If the State Superintendent denies the petition, the State Superintendent shall set forth in writing the specific basis for the denial. The decision of the State Superintendent shall be deemed an administrative decision as defined in Section 3-101 of the Code of Civil Procedure. The State Superintendent shall provide a copy of the decision by certified mail, return receipt requested, to the Committee of Ten, any person appearing in support or opposition of the petition at the hearing, each school board of a district in which territory described in the petition is situated, the regional superintendent with whom the petition was filed, and the regional superintendent of schools of any other educational service region in which territory described in the petition is situated.

(c) Any resident of any territory described in the petition who appears in support of or opposition to the petition at the hearing or any petitioner or school board of any district in which territory described in the petition is situated may, within 35 days after a copy of the decision sought to be reviewed was served by certified mail, return receipt requested, upon the party affected thereby or upon the attorney of record for the party, apply for a review of an administrative decision of the State Superintendent of Education in accordance with the Administrative Review Law and

any rules adopted pursuant to the Administrative Review Law. The commencement of any action for review shall operate as a supersedeas ~~supersedes~~, and no further proceedings shall be had until final disposition of the review. The circuit court of the county in which the petition is filed with the regional superintendent of schools shall have sole jurisdiction to entertain a complaint for the review.

(Source: P.A. 94-1019, eff. 7-10-06.)

(105 ILCS 5/11E-60)

Sec. 11E-60. Ballots.

(a) Separate ballots shall be used for the election in each affected district. If the petition requests the submission of a proposition for the issuance of bonds, then that question shall be submitted to the voters at the referendum on a separate ballot.

(b) Ballots for all reorganization propositions submitted under the provisions of this Article must be in substantially the following form:

(1) Ballot for high school - unit conversion or unit to dual conversion:

OFFICIAL BALLOT

Shall (here identify the districts to be dissolved by name and number) be dissolved and new school districts be

established as follows: a new (here specify elementary, high school, or unit) district formed from all of the territory included within (here identify the existing school district by name and number), with the authority to levy taxes for various purposes as follows: (here specify the maximum tax rates for various purposes the new school district is authorized to levy and, if applicable, the specifications related to the Property Tax Extension Limitation Law, in accordance with Section 11E-80 of this Code), each upon all of the taxable property of the school district at the value thereof, as equalized or assessed by the Department of Revenue, and a new (here repeat the information for each new school district)?

The election authority must record the votes "Yes" or "No".

(2) Ballot for combined school district formation:

OFFICIAL BALLOT

Shall a combined (here insert elementary, high, or unit) school district, with the authority to levy taxes at the rate of (here specify the maximum tax rates for various purposes the new unit district is authorized to levy and, if applicable, the specifications related to the Property

Tax Extension Limitation Law, in accordance with Section 11E-80 of this Code), each upon all of the taxable property of the district at the value thereof, as equalized or assessed by the Department of Revenue, be established?

The election authority must record the votes "Yes" or "No".

(3) Ballot for unit district formation (other than a partial elementary unit district formation):

OFFICIAL BALLOT

Shall a unit district, with the authority to levy taxes at the rate of (here specify the maximum tax rates for various purposes the new unit district is authorized to levy and, if applicable, the specifications related to the Property Tax Extension Limitation Law, in accordance with Section 11E-80 of this Code), each upon all of the taxable property of the district at the value thereof, as equalized or assessed by the Department of Revenue, be established?

The election authority must record the votes "Yes" or "No".

(4) Ballot for a combined high school - unit district

formation:

OFFICIAL BALLOT

Shall a combined high school - unit district formed from all of the territory included within (here identify existing school districts by name and number), serving the territory included within (here identify existing school district by name and number) only for high school purposes, with the authority to levy taxes for various purposes as follows: (here specify the maximum tax rates for various purposes the new combined high school - unit district is authorized to levy and, if applicable, the specifications related to the Property Tax Extension Limitation Law, in accordance with Sections 11E-80 and 11E-90 ~~11E-95~~ of this Code), each upon all of the taxable property of the district at the value thereof, as equalized or assessed by the Department of Revenue, be established?

The election authority must record the votes "Yes" or "No".

(5) Ballot for an optional elementary unit district formation:

OFFICIAL BALLOT

Shall an optional elementary unit district, with the authority to levy taxes at the rate of (here specify the maximum tax rates for various purposes the new optional elementary unit district is authorized to levy and, if applicable, the specifications related to the Property Tax Extension Limitation Law, in accordance with Sections 11E-80 and 11E-95 of this Code), each upon all of the taxable property of the district at the value thereof, as equalized or assessed by the Department of Revenue, be established?

The election authority must record the votes "Yes" or "No".

(6) Ballot for multi-unit conversion:

OFFICIAL BALLOT

Shall (here identify the districts to be dissolved by name and number) be dissolved and new school districts established as follows: a new elementary district formed from all of the territory included within (here identify the existing school district by name and number), with the authority to levy taxes for various purposes as follows: (here specify the maximum tax rates for various purposes

the new school district is authorized to levy and, if applicable, the specifications related to the Property Tax Extension Limitation Law, in accordance with Section 11E-80 of this Code), each upon all of the taxable property of the school district at the value thereof, as equalized or assessed by the Department of Revenue, (here repeat the information for each new elementary school district), and a new combined high school - unit district formed from all of the territory included within (here identify the existing school district by name and number), with the authority to levy taxes for various purposes as follows: (here specify the maximum tax rates for various purposes the new combined high school - unit district is authorized to levy and, if applicable, the specifications related to the Property Tax Extension Limitation Law, in accordance with Sections 11E-80 and 11E-90 of this Code), each upon all of the taxable property of the school district at the value thereof, as equalized or assessed by the Department of Revenue?

The election authority must record the votes "Yes" or "No".

(7) Ballot for an elementary school district to dissolve and join an optional elementary unit district:

OFFICIAL BALLOT

Shall (here identify the elementary district by name and number) be dissolved and join (here identify the optional elementary unit district by name and number), with the authority to levy taxes at the rate of (here specify the maximum tax rates for various purposes the optional elementary unit district is authorized to levy and, if applicable, the specifications related to the Property Tax Extension Limitation Law, in accordance with Sections 11E-80 and 11E-95 of this Code), each upon all of the taxable property of the district at the value thereof, as equalized or assessed by the Department of Revenue and shall (here identify the elementary district by name and number), prior to dissolution, issue funding bonds pursuant to Sections 19-8 and 19-9 of the School Code to liquidate any operational deficit or debt incurred or accumulated since the date of the election in which the proposition to form (here identify the optional elementary unit district by name and number) passed?

The election authority must record the votes "Yes" or "No".

(Source: P.A. 94-1019, eff. 7-10-06.)

(105 ILCS 5/11E-65)

Sec. 11E-65. Passage requirements.

(a) Except as otherwise provided in subsections (b) and (c) of this Section, if a majority of the electors voting at the election in each affected district vote in favor of the proposition submitted to them, then the proposition shall be deemed to have passed.

(b) In the case of an optional elementary unit district to be created as provided in subsection (c) of Section 11E-30 of this Code, if a majority of the electors voting in the high school district and a majority of the voters voting in at least one affected elementary district vote in favor of the proposition submitted to them, then the proposition shall be deemed to have passed and an optional elementary unit district shall be created for all of the territory included in the petition for high school purposes, and for the territory included in the affected elementary districts voting in favor of the proposition for elementary purposes.

(c) In the case of an elementary district electing to join an optional elementary unit district in accordance with subsection (d) of Section 11E-30 of this Code, a majority of the electors voting in that elementary district only must vote in favor of the proposition at a regularly scheduled election.

(d) (1) If a majority of the voters in at least 2 unit districts have voted in favor of a proposition to create a new unit district, but the proposition was not approved under the standards set forth in subsection (a) of this Section, then the

members of the Committee of Ten shall submit an amended petition for consolidation to the school boards of those districts, as long as the territory involved is compact and contiguous. The petition submitted to the school boards shall be identical in form and substance to the petition previously approved by the regional superintendent of schools, with the sole exception that the territory comprising the proposed district shall be amended to include the compact and contiguous territory of those unit districts in which a majority of the voters voted in favor of the proposal.

(2) Each school board to which the petition is submitted shall meet and vote to approve or not approve the amended petition no more than 30 days after it has been filed with the school board. The regional superintendent of schools shall make available to each school board with which a petition has been filed all transcripts and records of the previous petition hearing. The school boards shall, by appropriate resolution, approve or disapprove the amended petition. No school board may approve an amended petition unless it first finds that the territory described in the petition is compact and contiguous.

(3) If a majority of the members of each school board to whom a petition is submitted votes in favor of the amended petition, then the approved petition shall be transmitted by the secretary of each school board to the State Superintendent of Education, who shall, within 21 ~~30~~ days after receipt, approve or deny the amended petition based on the criteria

stated in subsection (b) of Section 11E-50 of this Code. If approved by the State Superintendent of Education, the petition shall be placed on the ballot at the next regularly scheduled election.

(Source: P.A. 94-1019, eff. 7-10-06.)

(105 ILCS 5/11E-135)

Sec. 11E-135. Incentives. For districts reorganizing under this Article and for a district or districts that annex all of the territory of one or more entire other school districts in accordance with Article 7 of this Code, the following payments shall be made from appropriations made for these purposes:

(a)(1) For a combined school district, as defined in Section 11E-20 of this Code, or for a unit district, as defined in Section 11E-25 of this Code, for its first year of existence, the general State aid and supplemental general State aid calculated under Section 18-8.05 of this Code shall be computed for the new district and for the previously existing districts for which property is totally included within the new district. If the computation on the basis of the previously existing districts is greater, a supplementary payment equal to the difference shall be made for the first 4 years of existence of the new district.

(2) For a school district that annexes all of the territory of one or more entire other school districts as defined in Article 7 of this Code, for the first year during which the

change of boundaries attributable to the annexation becomes effective for all purposes, as determined under Section 7-9 of this Code, the general State aid and supplemental general State aid calculated under Section 18-8.05 of this Code shall be computed for the annexing district as constituted after the annexation and for the annexing and each annexed district as constituted prior to the annexation; and if the computation on the basis of the annexing and annexed districts as constituted prior to the annexation is greater, then a supplementary payment equal to the difference shall be made for the first 4 years of existence of the annexing school district as constituted upon the annexation.

(3) For 2 or more school districts that annex all of the territory of one or more entire other school districts, as defined in Article 7 of this Code, for the first year during which the change of boundaries attributable to the annexation becomes effective for all purposes, as determined under Section 7-9 of this Code, the general State aid and supplemental general State aid calculated under Section 18-8.05 of this Code shall be computed for each annexing district as constituted after the annexation and for each annexing and annexed district as constituted prior to the annexation; and if the aggregate of the general State aid and supplemental general State aid as so computed for the annexing districts as constituted after the annexation is less than the aggregate of the general State aid and supplemental general State aid as so computed for the

annexing and annexed districts, as constituted prior to the annexation, then a supplementary payment equal to the difference shall be made and allocated between or among the annexing districts, as constituted upon the annexation, for the first 4 years of their existence. The total difference payment shall be allocated between or among the annexing districts in the same ratio as the pupil enrollment from that portion of the annexed district or districts that is annexed to each annexing district bears to the total pupil enrollment from the entire annexed district or districts, as such pupil enrollment is determined for the school year last ending prior to the date when the change of boundaries attributable to the annexation becomes effective for all purposes. The amount of the total difference payment and the amount thereof to be allocated to the annexing districts shall be computed by the State Board of Education on the basis of pupil enrollment and other data that shall be certified to the State Board of Education, on forms that it shall provide for that purpose, by the regional superintendent of schools for each educational service region in which the annexing and annexed districts are located.

(4) For a school district conversion, as defined in Section 11E-15 of this Code, or a multi-unit conversion, as defined in subsection (b) of Section 11E-30 of this Code, if in their first year of existence the newly created elementary districts and the newly created high school district, from a school district conversion, or the newly created elementary district

or districts and newly created combined high school - unit district, from a multi-unit conversion, qualify for less general State aid under Section 18-8.05 of this Code than would have been payable under Section 18-8.05 for that same year to the previously existing districts, then a supplementary payment equal to that difference shall be made for the first 4 years of existence of the newly created districts. The aggregate amount of each supplementary payment shall be allocated among the newly created districts in the proportion that the deemed pupil enrollment in each district during its first year of existence bears to the actual aggregate pupil enrollment in all of the districts during their first year of existence. For purposes of each allocation:

(A) the deemed pupil enrollment of the newly created high school district from a school district conversion shall be an amount equal to its actual pupil enrollment for its first year of existence multiplied by 1.25;

(B) the deemed pupil enrollment of each newly created elementary district from a school district conversion shall be an amount equal to its actual pupil enrollment for its first year of existence reduced by an amount equal to the product obtained when the amount by which the newly created high school district's deemed pupil enrollment exceeds its actual pupil enrollment for its first year of existence is multiplied by a fraction, the numerator of which is the actual pupil enrollment of the newly created

elementary district for its first year of existence and the denominator of which is the actual aggregate pupil enrollment of all of the newly created elementary districts for their first year of existence;

(C) the deemed high school pupil enrollment of the newly created combined high school - unit district from a multi-unit conversion shall be an amount equal to its actual grades 9 through 12 pupil enrollment for its first year of existence multiplied by 1.25; and

(D) the deemed elementary pupil enrollment of each newly created district from a multi-unit conversion shall be an amount equal to each district's actual grade K through 8 pupil enrollment for its first year of existence, reduced by an amount equal to the product obtained when the amount by which the newly created combined high school - unit district's deemed high school pupil enrollment exceeds its actual grade 9 through 12 pupil enrollment for its first year of existence is multiplied by a fraction, the numerator of which is the actual grade K through 8 pupil enrollment of each newly created district for its first year of existence and the denominator of which is the actual aggregate grade K through 8 pupil enrollment of all such newly created districts for their first year of existence.

The aggregate amount of each supplementary payment under this subdivision (4) and the amount thereof to be allocated to

the newly created districts shall be computed by the State Board of Education on the basis of pupil enrollment and other data, which shall be certified to the State Board of Education, on forms that it shall provide for that purpose, by the regional superintendent of schools for each educational service region in which the newly created districts are located.

(5) For a partial elementary unit district, as defined in subsection (a) or (c) of Section 11E-30 of this Code, if, in the first year of existence, the newly created partial elementary unit district qualifies for less general State aid and supplemental general State aid under Section 18-8.05 of this Code than would have been payable under that Section for that same year to the previously existing districts that formed the partial elementary unit district, then a supplementary payment equal to that difference shall be made to the partial elementary unit district for the first 4 years of existence of that newly created district.

(6) For an elementary opt-in, as described in subsection (d) of Section 11E-30 of this Code, the general State aid difference shall be computed in accordance with paragraph (5) of this subsection (a) as if the elementary opt-in was included in an optional elementary unit district at the optional elementary unit district's original effective date. If the calculation in this paragraph (6) is less than that calculated in paragraph (5) of this subsection (a) at the optional

elementary unit district's original effective date, then no adjustments may be made. If the calculation in this paragraph (6) is more than that calculated in paragraph (5) of this subsection (a) at the optional elementary unit district's original effective date, then the excess must be paid as follows:

(A) If the effective date for the elementary opt-in is one year after the effective date for the optional elementary unit district, 100% of the calculated excess shall be paid to the optional elementary unit district in each of the first 4 years after the effective date of the elementary opt-in.

(B) If the effective date for the elementary opt-in is 2 years after the effective date for the optional elementary unit district, 75% of the calculated excess shall be paid to the optional elementary unit district in each of the first 4 years after the effective date of the elementary opt-in.

(C) If the effective date for the elementary opt-in is 3 years after the effective date for the optional elementary unit district, 50% of the calculated excess shall be paid to the optional elementary unit district in each of the first 4 years after the effective date of the elementary opt-in.

(D) If the effective date for the elementary opt-in is 4 years after the effective date for the optional

elementary unit district, 25% of the calculated excess shall be paid to the optional elementary unit district in each of the first 4 years after the effective date of the elementary opt-in.

(E) If the effective date for the elementary opt-in is 5 years after the effective date for the optional elementary unit district, the optional elementary unit district is not eligible for any additional incentives due to the elementary opt-in.

(7) Claims for financial assistance under this subsection (a) may not be recomputed except as expressly provided under Section 18-8.05 of this Code.

(8) Any supplementary payment made under this subsection (a) must be treated as separate from all other payments made pursuant to Section 18-8.05 of this Code.

(b)(1) After the formation of a combined school district, as defined in Section 11E-20 of this Code, or a unit district, as defined in Section 11E-25 of this Code, a computation shall be made to determine the difference between the salaries effective in each of the previously existing districts on June 30, prior to the creation of the new district. For the first 4 years after the formation of the new district, a supplementary State aid reimbursement shall be paid to the new district equal to the difference between the sum of the salaries earned by each of the certificated members of the new district, while employed in one of the previously existing districts during the

year immediately preceding the formation of the new district, and the sum of the salaries those certificated members would have been paid during the year immediately prior to the formation of the new district if placed on the salary schedule of the previously existing district with the highest salary schedule.

(2) After the territory of one or more school districts is annexed by one or more other school districts as defined in Article 7 of this Code, a computation shall be made to determine the difference between the salaries effective in each annexed district and in the annexing district or districts as they were each constituted on June 30 preceding the date when the change of boundaries attributable to the annexation became effective for all purposes, as determined under Section 7-9 of this Code. For the first 4 years after the annexation, a supplementary State aid reimbursement shall be paid to each annexing district as constituted after the annexation equal to the difference between the sum of the salaries earned by each of the certificated members of the annexing district as constituted after the annexation, while employed in an annexed or annexing district during the year immediately preceding the annexation, and the sum of the salaries those certificated members would have been paid during the immediately preceding year if placed on the salary schedule of whichever of the annexing or annexed districts had the highest salary schedule during the immediately preceding year.

(3) For each new high school district formed under a school district conversion, as defined in Section 11E-15 of this Code, the State shall make a supplementary payment for 4 years equal to the difference between the sum of the salaries earned by each certified member of the new high school district, while employed in one of the previously existing districts, and the sum of the salaries those certified members would have been paid if placed on the salary schedule of the previously existing district with the highest salary schedule.

(4) For each newly created partial elementary unit district, the State shall make a supplementary payment for 4 years equal to the difference between the sum of the salaries earned by each certified member of the newly created partial elementary unit district, while employed in one of the previously existing districts that formed the partial elementary unit district, and the sum of the salaries those certified members would have been paid if placed on the salary schedule of the previously existing district with the highest salary schedule. The salary schedules used in the calculation shall be those in effect in the previously existing districts for the school year prior to the creation of the new partial elementary unit district.

(5) For an elementary district opt-in, as described in subsection (d) of Section 11E-30 of this Code, the salary difference incentive shall be computed in accordance with paragraph (4) of this subsection (b) as if the opted-in

elementary district was included in the optional elementary unit district at the optional elementary unit district's original effective date. If the calculation in this paragraph (5) is less than that calculated in paragraph (4) of this subsection (b) at the optional elementary unit district's original effective date, then no adjustments may be made. If the calculation in this paragraph (5) is more than that calculated in paragraph (4) of this subsection (b) at the optional elementary unit district's original effective date, then the excess must be paid as follows:

(A) If the effective date for the elementary opt-in is one year after the effective date for the optional elementary unit district, 100% of the calculated excess shall be paid to the optional elementary unit district in each of the first 4 years after the effective date of the elementary opt-in.

(B) If the effective date for the elementary opt-in is 2 years after the effective date for the optional elementary unit district, 75% of the calculated excess shall be paid to the optional elementary unit district in each of the first 4 years after the effective date of the elementary opt-in.

(C) If the effective date for the elementary opt-in is 3 years after the effective date for the optional elementary unit district, 50% of the calculated excess shall be paid to the optional elementary unit district in

each of the first 4 years after the effective date of the elementary opt-in.

(D) If the effective date for the elementary opt-in is 4 years after the effective date for the partial elementary unit district, 25% of the calculated excess shall be paid to the optional elementary unit district in each of the first 4 years after the effective date of the elementary opt-in.

(E) If the effective date for the elementary opt-in is 5 years after the effective date for the optional elementary unit district, the optional elementary unit district is not eligible for any additional incentives due to the elementary opt-in.

(5.5) After the formation of a cooperative high school by 2 or more school districts under Section 10-22.22c of this Code, a computation shall be made to determine the difference between the salaries effective in each of the previously existing high schools on June 30 prior to the formation of the cooperative high school. For the first 4 years after the formation of the cooperative high school, a supplementary State aid reimbursement shall be paid to the cooperative high school equal to the difference between the sum of the salaries earned by each of the certificated members of the cooperative high school while employed in one of the previously existing high schools during the year immediately preceding the formation of the cooperative high school and the sum of the salaries those

certificated members would have been paid during the year immediately prior to the formation of the cooperative high school if placed on the salary schedule of the previously existing high school with the highest salary schedule.

(5.10) After the deactivation of a school facility in accordance with Section 10-22.22b of this Code, a computation shall be made to determine the difference between the salaries effective in the sending school district and each receiving school district on June 30 prior to the deactivation of the school facility. For the lesser of the first 4 years after the deactivation of the school facility or the length of the deactivation agreement, including any renewals of the original deactivation agreement, a supplementary State aid reimbursement shall be paid to each receiving district equal to the difference between the sum of the salaries earned by each of the certificated members transferred to that receiving district as a result of the deactivation while employed in the sending district during the year immediately preceding the deactivation and the sum of the salaries those certificated members would have been paid during the year immediately preceding the deactivation if placed on the salary schedule of the sending or receiving district with the highest salary schedule.

(6) The supplementary State aid reimbursement under this subsection (b) shall be treated as separate from all other payments made pursuant to Section 18-8.05 of this Code. In the

case of the formation of a new district or cooperative high school or a deactivation, reimbursement shall begin during the first year of operation of the new district or cooperative high school or the first year of the deactivation, and in the case of an annexation of the territory of one or more school districts by one or more other school districts, reimbursement shall begin during the first year when the change in boundaries attributable to the annexation ~~or division~~ becomes effective for all purposes as determined pursuant to Section 7-9 of this Code. Each year that the new, annexing, or receiving ~~resulting~~ district or cooperative high school, as the case may be, is entitled to receive reimbursement, the number of eligible certified members who are employed on October 1 in the district or cooperative high school shall be certified to the State Board of Education on prescribed forms by October 15 and payment shall be made on or before November 15 of that year.

(c) (1) For the first year after the formation of a combined school district, as defined in Section 11E-20 of this Code or a unit district, as defined in Section 11E-25 of this Code, a computation shall be made totaling each previously existing district's audited fund balances in the educational fund, working cash fund, operations and maintenance fund, and transportation fund for the year ending June 30 prior to the referendum for the creation of the new district. The new district shall be paid supplementary State aid equal to the sum of the differences between the deficit of the previously

existing district with the smallest deficit and the deficits of each of the other previously existing districts.

(2) For the first year after the annexation of all of the territory of one or more entire school districts by another school district, as defined in Article 7 of this Code, computations shall be made, for the year ending June 30 prior to the date that the change of boundaries attributable to the annexation is allowed by the affirmative decision issued by the regional board of school trustees under Section 7-6 of this Code, notwithstanding any effort to seek administrative review of the decision, totaling the annexing district's and totaling each annexed district's audited fund balances in their respective educational, working cash, operations and maintenance, and transportation funds. The annexing district as constituted after the annexation shall be paid supplementary State aid equal to the sum of the differences between the deficit of whichever of the annexing or annexed districts as constituted prior to the annexation had the smallest deficit and the deficits of each of the other districts as constituted prior to the annexation.

(3) For the first year after the annexation of all of the territory of one or more entire school districts by 2 or more other school districts, as defined by Article 7 of this Code, computations shall be made, for the year ending June 30 prior to the date that the change of boundaries attributable to the annexation is allowed by the affirmative decision of the

regional board of school trustees under Section 7-6 of this Code, notwithstanding any action for administrative review of the decision, totaling each annexing and annexed district's audited fund balances in their respective educational, working cash, operations and maintenance, and transportation funds. The annexing districts as constituted after the annexation shall be paid supplementary State aid, allocated as provided in this paragraph (3), in an aggregate amount equal to the sum of the differences between the deficit of whichever of the annexing or annexed districts as constituted prior to the annexation had the smallest deficit and the deficits of each of the other districts as constituted prior to the annexation. The aggregate amount of the supplementary State aid payable under this paragraph (3) shall be allocated between or among the annexing districts as follows:

(A) the regional superintendent of schools for each educational service region in which an annexed district is located prior to the annexation shall certify to the State Board of Education, on forms that it shall provide for that purpose, the value of all taxable property in each annexed district, as last equalized or assessed by the Department of Revenue prior to the annexation, and the equalized assessed value of each part of the annexed district that was annexed to or included as a part of an annexing district;

(B) using equalized assessed values as certified by the

regional superintendent of schools under clause (A) of this paragraph (3), the combined audited fund balance deficit of each annexed district as determined under this Section shall be apportioned between or among the annexing districts in the same ratio as the equalized assessed value of that part of the annexed district that was annexed to or included as a part of an annexing district bears to the total equalized assessed value of the annexed district; and

(C) the aggregate supplementary State aid payment under this paragraph (3) shall be allocated between or among, and shall be paid to, the annexing districts in the same ratio as the sum of the combined audited fund balance deficit of each annexing district as constituted prior to the annexation, plus all combined audited fund balance deficit amounts apportioned to that annexing district under clause (B) of this subsection, bears to the aggregate of the combined audited fund balance deficits of all of the annexing and annexed districts as constituted prior to the annexation.

(4) For the new elementary districts and new high school district formed through a school district conversion, as defined in ~~subsection (b) of~~ Section 11E-15 of this Code or the new elementary district or districts and new combined high school - unit district formed through a multi-unit conversion, as defined in subsection (b) of Section 11E-30 of this Code, a computation shall be made totaling each previously existing

district's audited fund balances in the educational fund, working cash fund, operations and maintenance fund, and transportation fund for the year ending June 30 prior to the referendum establishing the new districts. In the first year of the new districts, the State shall make a one-time supplementary payment equal to the sum of the differences between the deficit of the previously existing district with the smallest deficit and the deficits of each of the other previously existing districts. A district with a combined balance among the 4 funds that is positive shall be considered to have a deficit of zero. The supplementary payment shall be allocated among the newly formed high school and elementary districts in the manner provided by the petition for the formation of the districts, in the form in which the petition is approved by the regional superintendent of schools or State Superintendent of Education under Section 11E-50 of this Code.

(5) For each newly created partial elementary unit district, as defined in subsection (a) or (c) of Section 11E-30 of this Code, a computation shall be made totaling the audited fund balances of each previously existing district that formed the new partial elementary unit district in the educational fund, working cash fund, operations and maintenance fund, and transportation fund for the year ending June 30 prior to the referendum for the formation of the partial elementary unit district. In the first year of the new partial elementary unit district, the State shall make a one-time supplementary payment

to the new district equal to the sum of the differences between the deficit of the previously existing district with the smallest deficit and the deficits of each of the other previously existing districts. A district with a combined balance among the 4 funds that is positive shall be considered to have a deficit of zero.

(6) For an elementary opt-in as defined in subsection (d) of Section 11E-30 of this Code, the deficit fund balance incentive shall be computed in accordance with paragraph (5) of this subsection (c) as if the opted-in elementary was included in the optional elementary unit district at the optional elementary unit district's original effective date. If the calculation in this paragraph (6) is less than that calculated in paragraph (5) of this subsection (c) at the optional elementary unit district's original effective date, then no adjustments may be made. If the calculation in this paragraph (6) is more than that calculated in paragraph (5) of this subsection (c) at the optional elementary unit district's original effective date, then the excess must be paid as follows:

(A) If the effective date for the elementary opt-in is one year after the effective date for the optional elementary unit district, 100% of the calculated excess shall be paid to the optional elementary unit district in the first year after the effective date of the elementary opt-in.

(B) If the effective date for the elementary opt-in is 2 years after the effective date for the optional elementary unit district, 75% of the calculated excess shall be paid to the optional elementary unit district in the first year after the effective date of the elementary opt-in.

(C) If the effective date for the elementary opt-in is 3 years after the effective date for the optional elementary unit district, 50% of the calculated excess shall be paid to the optional elementary unit district in the first year after the effective date of the elementary opt-in.

(D) If the effective date for the elementary opt-in is 4 years after the effective date for the optional elementary unit district, 25% of the calculated excess shall be paid to the optional elementary unit district in the first year after the effective date of the elementary opt-in.

(E) If the effective date for the elementary opt-in is 5 years after the effective date for the optional elementary unit district, the optional elementary unit district is not eligible for any additional incentives due to the elementary opt-in.

(7) For purposes of any calculation required under paragraph (1), (2), (3), (4), (5), or (6) of this subsection (c), a district with a combined fund balance that is positive

shall be considered to have a deficit of zero. For purposes of determining each district's audited fund balances in its educational fund, working cash fund, operations and maintenance fund, and transportation fund for the specified year ending June 30, as provided in paragraphs (1), (2), (3), (4), (5), and (6) of this subsection (c), the balance of each fund shall be deemed decreased by an amount equal to the amount of the annual property tax theretofore levied in the fund by the district for collection and payment to the district during the calendar year in which the June 30 fell, but only to the extent that the tax so levied in the fund actually was received by the district on or before or comprised a part of the fund on such June 30. For purposes of determining each district's audited fund balances, a calculation shall be made for each fund to determine the average for the 3 years prior to the specified year ending June 30, as provided in paragraphs (1), (2), (3), (4), (5), and (6) of this subsection (c), of the district's expenditures in the categories "purchased services", "supplies and materials", and "capital outlay", as those categories are defined in rules of the State Board of Education. If this 3-year average is less than the district's expenditures in these categories for the specified year ending June 30, as provided in paragraphs (1), (2), (3), (4), (5), and (6) of this subsection (c), then the 3-year average shall be used in calculating the amounts payable under this Section in place of the amounts shown in these categories for the

specified year ending June 30, as provided in paragraphs (1), (2), (3), (4), (5), and (6) of this subsection (c). Any deficit because of State aid not yet received may not be considered in determining the June 30 deficits. The same basis of accounting shall be used by all previously existing districts and by all annexing or annexed districts, as constituted prior to the annexation, in making any computation required under paragraphs (1), (2), (3), (4), (5), and (6) of this subsection (c).

(8) The supplementary State aid payments under this subsection (c) shall be treated as separate from all other payments made pursuant to Section 18-8.05 of this Code.

(d)(1) Following the formation of a combined school district, as defined in Section 11E-20 of this Code, a new unit district, as defined in Section 11E-25 of this Code, a new elementary district or districts and a new high school district formed through a school district conversion, as defined in ~~subsection (b) of~~ Section 11E-15 of this Code, a new partial elementary unit district, as defined in Section 11E-30 of this Code, or a new elementary district or districts formed through a multi-unit conversion, as defined in subsection (b) of Section 11E-30 of this Code, or the annexation of all of the territory of one or more entire school districts by one or more other school districts, as defined in Article 7 of this Code, a supplementary State aid reimbursement shall be paid for the number of school years determined under the following table to

each new or annexing district equal to the sum of \$4,000 for each certified employee who is employed by the district on a full-time basis for the regular term of the school year:

Reorganized District's Rank by type of district (unit, high school, elementary) in Equalized Assessed Value Per Pupil by Quintile	Reorganized District's Rank in Average Daily Attendance By Quintile		
	1st Quintile	2nd Quintile	3rd, 4th, or 5th Quintile
1st Quintile	1 year	1 year	1 year
2nd Quintile	1 year	2 years	2 years
3rd Quintile	2 years	3 years	3 years
4th Quintile	2 years	3 years	3 years
5th Quintile	2 years	3 years	3 years

The State Board of Education shall make a one-time calculation of a reorganized district's quintile ranks. The average daily attendance used in this calculation shall be the best 3 months' average daily attendance for the district's first year. The equalized assessed value per pupil shall be the district's real property equalized assessed value used in calculating the district's first-year general State aid claim, under Section 18-8.05 of this Code, divided by the best 3 months' average

daily attendance.

No annexing or resulting school district shall be entitled to supplementary State aid under this subsection (d) unless the district acquires at least 30% of the average daily attendance of the district from which the territory is being detached or divided.

If a district results from multiple reorganizations that would otherwise qualify the district for multiple payments under this subsection (d) in any year, then the district shall receive a single payment only for that year based solely on the most recent reorganization.

(2) For an elementary opt-in, as defined in subsection (d) of Section 11E-30 of this Code, the full-time certified staff incentive shall be computed in accordance with paragraph (1) of this subsection (d), equal to the sum of \$4,000 for each certified employee of the elementary district that opts-in who is employed by the optional elementary unit district on a full-time basis for the regular term of the school year. The calculation from this paragraph (2) must be paid as follows:

(A) If the effective date for the elementary opt-in is one year after the effective date for the optional elementary unit district, 100% of the amount calculated in this paragraph (2) shall be paid to the optional elementary unit district for the number of years calculated in paragraph (1) of this subsection (d) at the optional elementary unit district's original effective date,

starting in the second year after the effective date of the elementary opt-in.

(B) If the effective date for the elementary opt-in is 2 years after the effective date for the optional elementary unit district, 75% of the amount calculated in this paragraph (2) shall be paid to the optional elementary unit district for the number of years calculated in paragraph (1) of this subsection (d) at the optional elementary unit district's original effective date, starting in the second year after the effective date of the elementary opt-in.

(C) If the effective date for the elementary opt-in is 3 years after the effective date for the optional elementary unit district, 50% of the amount calculated in this paragraph (2) shall be paid to the optional elementary unit district for the number of years calculated in paragraph (1) of this subsection (d) at the optional elementary unit district's original effective date, starting in the second year after the effective date of the elementary opt-in.

(D) If the effective date for the elementary opt-in is 4 years after the effective date for the optional elementary unit district, 25% of the amount calculated in this paragraph (2) shall be paid to the optional elementary unit district for the number of years calculated in paragraph (1) of this subsection (d) at the optional

elementary unit district's original effective date, starting in the second year after the effective date of the elementary opt-in.

(E) If the effective date for the elementary opt-in is 5 years after the effective date for the optional elementary unit district, the optional elementary unit district is not eligible for any additional incentives due to the elementary opt-in.

(2.5) Following the formation of a cooperative high school by 2 or more school districts under Section 10-22.22c of this Code, a supplementary State aid reimbursement shall be paid for 3 school years to the cooperative high school equal to the sum of \$4,000 for each certified employee who is employed by the cooperative high school on a full-time basis for the regular term of any such school year. If a cooperative high school results from multiple agreements that would otherwise qualify the cooperative high school for multiple payments under this Section in any year, the cooperative high school shall receive a single payment for that year based solely on the most recent agreement.

(2.10) Following the deactivation of a school facility in accordance with Section 10-22.22b of this Code, a supplementary State aid reimbursement shall be paid for the lesser of 3 school years or the length of the deactivation agreement, including any renewals of the original deactivation agreement, to each receiving school district equal to the sum of \$4,000

for each certified employee who is employed by that receiving district on a full-time basis for the regular term of any such school year who was originally transferred to the control of that receiving district as a result of the deactivation. Receiving districts are eligible for payments under this paragraph (2.10) based on the certified employees transferred to that receiving district as a result of the deactivation and are not required to receive at least 30% of the deactivating district's average daily attendance as required under paragraph (1) of this subsection (d) to be eligible for payments.

(3) The supplementary State aid reimbursement payable under this subsection (d) shall be separate from and in addition to all other payments made to the district pursuant to any other Section of this Article.

(4) During May of each school year for which a supplementary State aid reimbursement is to be paid to a new, ~~or~~ annexing, or receiving school district or cooperative high school pursuant to this subsection (d), the school board or governing board shall certify to the State Board of Education, on forms furnished to the school board or governing board by the State Board of Education for purposes of this subsection (d), the number of certified employees for which the district or cooperative high school is entitled to reimbursement under this Section, together with the names, certificate numbers, and positions held by the certified employees.

(5) Upon certification by the State Board of Education to the State Comptroller of the amount of the supplementary State aid reimbursement to which a school district or cooperative high school is entitled under this subsection (d), the State Comptroller shall draw his or her warrant upon the State Treasurer for the payment thereof to the school district or cooperative high school and shall promptly transmit the payment to the school district or cooperative high school through the appropriate school treasurer.

(Source: P.A. 94-1019, eff. 7-10-06; incorporates P.A. 94-902, eff. 7-1-06; 95-331, eff. 8-21-07.)

(105 ILCS 5/18-8.05)

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

(A) General Provisions.

(1) The provisions of this Section apply to the 1998-1999 and subsequent school years. The system of general State financial aid provided for in this Section is designed to assure that, through a combination of State financial aid and required local resources, the financial support provided each pupil in Average Daily Attendance equals or exceeds a prescribed per pupil Foundation Level. This formula approach imputes a level of per pupil Available Local Resources and

provides for the basis to calculate a per pupil level of general State financial aid that, when added to Available Local Resources, equals or exceeds the Foundation Level. The amount of per pupil general State financial aid for school districts, in general, varies in inverse relation to Available Local Resources. Per pupil amounts are based upon each school district's Average Daily Attendance as that term is defined in this Section.

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

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

(a) Any school district which fails for any given school year to maintain school as required by law, or to maintain a recognized school is not eligible to file for such school year any claim upon the Common School Fund. In case of nonrecognition of one or more attendance centers in a school district otherwise operating recognized schools,

the claim of the district shall be reduced in the proportion which the Average Daily Attendance in the attendance center or centers bear to the Average Daily Attendance in the school district. A "recognized school" means any public school which meets the standards as established for recognition by the State Board of Education. A school district or attendance center not having recognition status at the end of a school term is entitled to receive State aid payments due upon a legal claim which was filed while it was recognized.

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

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

(d) (Blank).

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

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

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

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

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

(c) "Corporate Personal Property Replacement Taxes": Funds paid to local school districts pursuant to "An Act in relation to the abolition of ad valorem personal property tax and the replacement of revenues lost thereby, and amending and repealing certain Acts and parts of Acts in connection therewith", certified August 14, 1979, as amended (Public Act 81-1st S.S.-1).

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

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

(B) Foundation Level.

(1) The Foundation Level is a figure established by the

State representing the minimum level of per pupil financial support that should be available to provide for the basic education of each pupil in Average Daily Attendance. As set forth in this Section, each school district is assumed to exert a sufficient local taxing effort such that, in combination with the aggregate of general State financial aid provided the district, an aggregate of State and local resources are available to meet the basic education needs of pupils in the district.

(2) For the 1998-1999 school year, the Foundation Level of support is \$4,225. For the 1999-2000 school year, the Foundation Level of support is \$4,325. For the 2000-2001 school year, the Foundation Level of support is \$4,425. For the 2001-2002 school year and 2002-2003 school year, the Foundation Level of support is \$4,560. For the 2003-2004 school year, the Foundation Level of support is \$4,810. For the 2004-2005 school year, the Foundation Level of support is \$4,964. For the 2005-2006 school year, the Foundation Level of support is \$5,164.

(3) For the 2006-2007 school year and each school year thereafter, the Foundation Level of support is \$5,334 or such greater amount as may be established by law by the General Assembly.

(C) Average Daily Attendance.

(1) For purposes of calculating general State aid pursuant

to subsection (E), an Average Daily Attendance figure shall be utilized. The Average Daily Attendance figure for formula calculation purposes shall be the monthly average of the actual number of pupils in attendance of each school district, as further averaged for the best 3 months of pupil attendance for each school district. In compiling the figures for the number of pupils in attendance, school districts and the State Board of Education shall, for purposes of general State aid funding, conform attendance figures to the requirements of subsection (F).

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

(D) Available Local Resources.

(1) For purposes of calculating general State aid pursuant to subsection (E), a representation of Available Local Resources per pupil, as that term is defined and determined in this subsection, shall be utilized. Available Local Resources per pupil shall include a calculated dollar amount representing

local school district revenues from local property taxes and from Corporate Personal Property Replacement Taxes, expressed on the basis of pupils in Average Daily Attendance. Calculation of Available Local Resources shall exclude any tax amnesty funds received as a result of Public Act 93-26.

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

(3) For school districts maintaining grades kindergarten through 12, local property tax revenues per pupil shall be calculated as the product of the applicable equalized assessed valuation for the district multiplied by 3.00%, and divided by the district's Average Daily Attendance figure. For school districts maintaining grades kindergarten through 8, local property tax revenues per pupil shall be calculated as the product of the applicable equalized assessed valuation for the district multiplied by 2.30%, and divided by the district's Average Daily Attendance figure. For school districts maintaining grades 9 through 12, local property tax revenues per pupil shall be the applicable equalized assessed valuation of the district multiplied by 1.05%, and divided by the district's Average Daily Attendance figure.

For partial elementary unit districts created pursuant to

Article 11E of this Code, local property tax revenues per pupil shall be calculated as the product of the equalized assessed valuation for property within ~~the elementary and high school classification of~~ the partial elementary unit district for elementary purposes, as defined in Article 11E of this Code, multiplied by 2.06% and divided by the district's Average Daily Attendance figure ~~for grades kindergarten through 8,~~ plus the product of the equalized assessed valuation for property within ~~the high school only classification of~~ the partial elementary unit district for high school purposes, as defined in Article 11E of this Code, multiplied by 0.94% and divided by the district's Average Daily Attendance figure ~~for grades 9 through 12.~~

(4) The Corporate Personal Property Replacement Taxes paid to each school district during the calendar year 2 years before the calendar year in which a school year begins, divided by the Average Daily Attendance figure for that district, shall be added to the local property tax revenues per pupil as derived by the application of the immediately preceding paragraph (3). The sum of these per pupil figures for each school district shall constitute Available Local Resources as that term is utilized in subsection (E) in the calculation of general State aid.

(E) Computation of General State Aid.

(1) For each school year, the amount of general State aid

allotted to a school district shall be computed by the State Board of Education as provided in this subsection.

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

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

(4) For any school district for which Available Local Resources per pupil equals or exceeds the product of 1.75 times

the Foundation Level, the general State aid for the school district shall be calculated as the product of \$218 multiplied by the Average Daily Attendance of the school district.

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

(F) Compilation of Average Daily Attendance.

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

(a) In districts that do not hold year-round classes,

days of attendance in August shall be added to the month of September and any days of attendance in June shall be added to the month of May.

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

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

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

of legal school age and in kindergarten and grades 1 through 12.

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

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

(a) Pupils regularly enrolled in a public school for only a part of the school day may be counted on the basis of 1/6 day for every class hour of instruction of 40 minutes or more attended pursuant to such enrollment, unless a pupil is enrolled in a block-schedule format of 80 minutes or more of instruction, in which case the pupil may be counted on the basis of the proportion of minutes of school work completed each day to the minimum number of minutes that school work is required to be held that day.

(b) Days of attendance may be less than 5 clock hours on the opening and closing of the school term, and upon the first day of pupil attendance, if preceded by a day or days utilized as an institute or teachers' workshop.

(c) A session of 4 or more clock hours may be counted as a day of attendance upon certification by the regional superintendent, and approved by the State Superintendent of Education to the extent that the district has been forced to use daily multiple sessions.

(d) A session of 3 or more clock hours may be counted as a day of attendance (1) when the remainder of the school day or at least 2 hours in the evening of that day is utilized for an in-service training program for teachers, up to a maximum of 5 days per school year of which a maximum of 4 days of such 5 days may be used for parent-teacher conferences, provided a district conducts an in-service training program for teachers which has been approved by the State Superintendent of Education; or, in lieu of 4 such days, 2 full days may be used, in which event each such day may be counted as a day of attendance; and (2) when days in addition to those provided in item (1) are scheduled by a school pursuant to its school improvement plan adopted under Article 34 or its revised or amended school improvement plan adopted under Article 2, provided that (i) such sessions of 3 or more clock hours are scheduled to occur at regular intervals, (ii) the remainder of the school days in which such sessions occur are utilized for in-service training programs or other staff development activities for teachers, and (iii) a sufficient number of minutes of school work under the direct supervision of teachers are added to the school days between such regularly scheduled sessions to accumulate not less than the number of minutes by which such sessions of 3 or more clock hours fall short of 5 clock hours. Any full days used for the purposes of this paragraph shall not

be considered for computing average daily attendance. Days scheduled for in-service training programs, staff development activities, or parent-teacher conferences may be scheduled separately for different grade levels and different attendance centers of the district.

(e) A session of not less than one clock hour of teaching hospitalized or homebound pupils on-site or by telephone to the classroom may be counted as 1/2 day of attendance, however these pupils must receive 4 or more clock hours of instruction to be counted for a full day of attendance.

(f) A session of at least 4 clock hours may be counted as a day of attendance for first grade pupils, and pupils in full day kindergartens, and a session of 2 or more hours may be counted as 1/2 day of attendance by pupils in kindergartens which provide only 1/2 day of attendance.

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

(h) A recognized kindergarten which provides for only 1/2 day of attendance by each pupil shall not have more than 1/2 day of attendance counted in any one day. However,

kindergartens may count 2 1/2 days of attendance in any 5 consecutive school days. When a pupil attends such a kindergarten for 2 half days on any one school day, the pupil shall have the following day as a day absent from school, unless the school district obtains permission in writing from the State Superintendent of Education. Attendance at kindergartens which provide for a full day of attendance by each pupil shall be counted the same as attendance by first grade pupils. Only the first year of attendance in one kindergarten shall be counted, except in case of children who entered the kindergarten in their fifth year whose educational development requires a second year of kindergarten as determined under the rules and regulations of the State Board of Education.

(i) On the days when the Prairie State Achievement Examination is administered under subsection (c) of Section 2-3.64 of this Code, the day of attendance for a pupil whose school day must be shortened to accommodate required testing procedures may be less than 5 clock hours and shall be counted towards the 176 days of actual pupil attendance required under Section 10-19 of this Code, provided that a sufficient number of minutes of school work in excess of 5 clock hours are first completed on other school days to compensate for the loss of school work on the examination days.

(G) Equalized Assessed Valuation Data.

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

The Department of Revenue shall add to the equalized assessed value of all taxable property of each school district situated entirely or partially within a county that is or was subject to the provisions of Section 15-176 or 15-177 of the Property Tax Code (a) an amount equal to the total amount by which the homestead exemption allowed under Section 15-176 or 15-177 of the Property Tax Code for real property situated in that school district exceeds the total amount that would have been allowed in that school district if the maximum reduction under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in all other counties in tax year 2003 or (ii) \$5,000 in all counties in tax year 2004 and thereafter and (b) an amount equal to the aggregate amount for the taxable year of all additional exemptions under Section 15-175 of the Property Tax Code for owners with a household income of \$30,000 or less. The

county clerk of any county that is or was subject to the provisions of Section 15-176 or 15-177 of the Property Tax Code shall annually calculate and certify to the Department of Revenue for each school district all homestead exemption amounts under Section 15-176 or 15-177 of the Property Tax Code and all amounts of additional exemptions under Section 15-175 of the Property Tax Code for owners with a household income of \$30,000 or less. It is the intent of this paragraph that if the general homestead exemption for a parcel of property is determined under Section 15-176 or 15-177 of the Property Tax Code rather than Section 15-175, then the calculation of Available Local Resources shall not be affected by the difference, if any, between the amount of the general homestead exemption allowed for that parcel of property under Section 15-176 or 15-177 of the Property Tax Code and the amount that would have been allowed had the general homestead exemption for that parcel of property been determined under Section 15-175 of the Property Tax Code. It is further the intent of this paragraph that if additional exemptions are allowed under Section 15-175 of the Property Tax Code for owners with a household income of less than \$30,000, then the calculation of Available Local Resources shall not be affected by the difference, if any, because of those additional exemptions.

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

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

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

(b) The real property equalized assessed valuation for

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

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

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

"Budget Year": The school year for which general State aid is calculated and awarded under subsection (E).

"Base Tax Year": The property tax levy year used to calculate the Budget Year allocation of general State aid.

"Preceding Tax Year": The property tax levy year

immediately preceding the Base Tax Year.

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

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

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

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

If a school district is subject to property tax extension limitations as imposed under the Property Tax Extension Limitation Law, the State Board of Education shall calculate the Extension Limitation Equalized Assessed Valuation of that district. For the 1999-2000 school year, the Extension Limitation Equalized Assessed Valuation of a school district as calculated by the State Board of Education shall be equal to the product of the district's 1996 Equalized Assessed Valuation and the district's Extension Limitation Ratio. For the 2000-2001 school year and each school year thereafter, the

Extension Limitation Equalized Assessed Valuation of a school district as calculated by the State Board of Education shall be equal to the product of the Equalized Assessed Valuation last used in the calculation of general State aid and the district's Extension Limitation Ratio. If the Extension Limitation Equalized Assessed Valuation of a school district as calculated under this subsection (G)(3) is less than the district's equalized assessed valuation as calculated pursuant to subsections (G)(1) and (G)(2), then for purposes of calculating the district's general State aid for the Budget Year pursuant to subsection (E), that Extension Limitation Equalized Assessed Valuation shall be utilized to calculate the district's Available Local Resources under subsection (D).

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

(4) For the purposes of calculating general State aid for the 1999-2000 school year only, if a school district experienced a triennial reassessment on the equalized assessed valuation used in calculating its general State financial aid apportionment for the 1998-1999 school year, the State Board of Education shall calculate the Extension Limitation Equalized Assessed Valuation that would have been used to calculate the district's 1998-1999 general State aid. This amount shall equal the product of the equalized assessed valuation used to

calculate general State aid for the 1997-1998 school year and the district's Extension Limitation Ratio. If the Extension Limitation Equalized Assessed Valuation of the school district as calculated under this paragraph (4) is less than the district's equalized assessed valuation utilized in calculating the district's 1998-1999 general State aid allocation, then for purposes of calculating the district's general State aid pursuant to paragraph (5) of subsection (E), that Extension Limitation Equalized Assessed Valuation shall be utilized to calculate the district's Available Local Resources.

(5) For school districts having a majority of their equalized assessed valuation in any county except Cook, DuPage, Kane, Lake, McHenry, or Will, if the amount of general State aid allocated to the school district for the 1999-2000 school year under the provisions of subsection (E), (H), and (J) of this Section is less than the amount of general State aid allocated to the district for the 1998-1999 school year under these subsections, then the general State aid of the district for the 1999-2000 school year only shall be increased by the difference between these amounts. The total payments made under this paragraph (5) shall not exceed \$14,000,000. Claims shall be prorated if they exceed \$14,000,000.

(H) Supplemental General State Aid.

(1) In addition to the general State aid a school district

is allotted pursuant to subsection (E), qualifying school districts shall receive a grant, paid in conjunction with a district's payments of general State aid, for supplemental general State aid based upon the concentration level of children from low-income households within the school district. Supplemental State aid grants provided for school districts under this subsection shall be appropriated for distribution to school districts as part of the same line item in which the general State financial aid of school districts is appropriated under this Section. If the appropriation in any fiscal year for general State aid and supplemental general State aid is insufficient to pay the amounts required under the general State aid and supplemental general State aid calculations, then the State Board of Education shall ensure that each school district receives the full amount due for general State aid and the remainder of the appropriation shall be used for supplemental general State aid, which the State Board of Education shall calculate and pay to eligible districts on a prorated basis.

(1.5) This paragraph (1.5) applies only to those school years preceding the 2003-2004 school year. For purposes of this subsection (H), the term "Low-Income Concentration Level" shall be the low-income eligible pupil count from the most recently available federal census divided by the Average Daily Attendance of the school district. If, however, (i) the percentage decrease from the 2 most recent federal censuses in

the low-income eligible pupil count of a high school district with fewer than 400 students exceeds by 75% or more the percentage change in the total low-income eligible pupil count of contiguous elementary school districts, whose boundaries are coterminous with the high school district, or (ii) a high school district within 2 counties and serving 5 elementary school districts, whose boundaries are coterminous with the high school district, has a percentage decrease from the 2 most recent federal censuses in the low-income eligible pupil count and there is a percentage increase in the total low-income eligible pupil count of a majority of the elementary school districts in excess of 50% from the 2 most recent federal censuses, then the high school district's low-income eligible pupil count from the earlier federal census shall be the number used as the low-income eligible pupil count for the high school district, for purposes of this subsection (H). The changes made to this paragraph (1) by Public Act 92-28 shall apply to supplemental general State aid grants for school years preceding the 2003-2004 school year that are paid in fiscal year 1999 or thereafter and to any State aid payments made in fiscal year 1994 through fiscal year 1998 pursuant to subsection 1(n) of Section 18-8 of this Code (which was repealed on July 1, 1998), and any high school district that is affected by Public Act 92-28 is entitled to a recomputation of its supplemental general State aid grant or State aid paid in any of those fiscal years. This recomputation shall not be

affected by any other funding.

(1.10) This paragraph (1.10) applies to the 2003-2004 school year and each school year thereafter. For purposes of this subsection (H), the term "Low-Income Concentration Level" shall, for each fiscal year, be the low-income eligible pupil count as of July 1 of the immediately preceding fiscal year (as determined by the Department of Human Services based on the number of pupils who are eligible for at least one of the following low income programs: Medicaid, KidCare, TANF, or Food Stamps, excluding pupils who are eligible for services provided by the Department of Children and Family Services, averaged over the 2 immediately preceding fiscal years for fiscal year 2004 and over the 3 immediately preceding fiscal years for each fiscal year thereafter) divided by the Average Daily Attendance of the school district.

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

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

(b) For any school district with a Low Income Concentration Level of at least 35% and less than 50%, the grant for the 1998-1999 school year shall be \$1,100 multiplied by the low income eligible pupil count.

(c) For any school district with a Low Income Concentration Level of at least 50% and less than 60%, the grant for the 1998-99 school year shall be \$1,500 multiplied by the low income eligible pupil count.

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

(e) For the 1999-2000 school year, the per pupil amount specified in subparagraphs (b), (c), and (d) immediately above shall be increased to \$1,243, \$1,600, and \$2,000, respectively.

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

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

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

(b) For any school district with a Low Income Concentration Level of at least 10% and less than 20%, the grant for each school year shall be \$675 multiplied by the

low income eligible pupil count.

(c) For any school district with a Low Income Concentration Level of at least 20% and less than 35%, the grant for each school year shall be \$1,330 multiplied by the low income eligible pupil count.

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

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

(f) For any school district with a Low Income Concentration Level of 60% or more, the grant for each school year shall be \$2,080 multiplied by the low income eligible pupil count.

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

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

(b) For any school district with a Low Income

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

For the 2003-2004 school year, 2004-2005 school year, 2005-2006 school year, and 2006-2007 school year only, the grant shall be no less than the grant for the 2002-2003 school year. For the 2007-2008 school year only, the grant shall be no less than the grant for the 2002-2003 school year multiplied by 0.66. For the 2008-2009 school year only, the grant shall be no less than the grant for the 2002-2003 school year multiplied by 0.33. Notwithstanding the provisions of this paragraph to the contrary, if for any school year supplemental general State aid grants are prorated as provided in paragraph (1) of this subsection (H), then the grants under this paragraph shall be prorated.

For the 2003-2004 school year only, the grant shall be no greater than the grant received during the 2002-2003 school year added to the product of 0.25 multiplied by the difference between the grant amount calculated under subsection (a) or (b) of this paragraph (2.10), whichever is applicable, and the grant received during the 2002-2003 school year. For the 2004-2005 school year only, the grant shall be no greater than the grant received during the 2002-2003 school year added to the product of 0.50 multiplied by the difference between the grant amount calculated under subsection (a) or (b) of this

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

(3) School districts with an Average Daily Attendance of more than 1,000 and less than 50,000 that qualify for supplemental general State aid pursuant to this subsection shall submit a plan to the State Board of Education prior to October 30 of each year for the use of the funds resulting from this grant of supplemental general State aid for the improvement of instruction in which priority is given to meeting the education needs of disadvantaged children. Such plan shall be submitted in accordance with rules and regulations promulgated by the State Board of Education.

(4) School districts with an Average Daily Attendance of 50,000 or more that qualify for supplemental general State aid pursuant to this subsection shall be required to distribute from funds available pursuant to this Section, no less than \$261,000,000 in accordance with the following requirements:

(a) The required amounts shall be distributed to the attendance centers within the district in proportion to the number of pupils enrolled at each attendance center who are

eligible to receive free or reduced-price lunches or breakfasts under the federal Child Nutrition Act of 1966 and under the National School Lunch Act during the immediately preceding school year.

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

(c) Each attendance center shall be provided by the school district a distribution of noncategorical funds and other categorical funds to which an attendance center is entitled under law in order that the general State aid and supplemental general State aid provided by application of this subsection supplements rather than supplants the noncategorical funds and other categorical funds provided by the school district to the attendance centers.

(d) Any funds made available under this subsection that by reason of the provisions of this subsection are not required to be allocated and provided to attendance centers may be used and appropriated by the board of the district for any lawful school purpose.

(e) Funds received by an attendance center pursuant to

this subsection shall be used by the attendance center at the discretion of the principal and local school council for programs to improve educational opportunities at qualifying schools through the following programs and services: early childhood education, reduced class size or improved adult to student classroom ratio, enrichment programs, remedial assistance, attendance improvement, and other educationally beneficial expenditures which supplement the regular and basic programs as determined by the State Board of Education. Funds provided shall not be expended for any political or lobbying purposes as defined by board rule.

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

approved plans pursuant to rules promulgated by the State Board of Education.

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

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

For purposes of determining compliance with this subsection in relation to the requirements of attendance center funding, each district subject to the provisions of this subsection shall submit as a separate document by December 1 of each year a report of expenditure data for the prior year in addition to any modification of its current plan. If it is determined that there has been a failure to comply with the expenditure provisions of this subsection regarding contravention or supplanting, the State Superintendent of Education shall, within 60 days of receipt of the report, notify the district and any affected

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

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

(I) (Blank).

(J) Supplementary Grants in Aid.

(1) Notwithstanding any other provisions of this Section, the amount of the aggregate general State aid in combination with supplemental general State aid under this Section for which each school district is eligible shall be no less than the amount of the aggregate general State aid entitlement that was received by the district under Section 18-8 (exclusive of amounts received under subsections 5(p) and 5(p-5) of that

Section) for the 1997-98 school year, pursuant to the provisions of that Section as it was then in effect. If a school district qualifies to receive a supplementary payment made under this subsection (J), the amount of the aggregate general State aid in combination with supplemental general State aid under this Section which that district is eligible to receive for each school year shall be no less than the amount of the aggregate general State aid entitlement that was received by the district under Section 18-8 (exclusive of amounts received under subsections 5(p) and 5(p-5) of that Section) for the 1997-1998 school year, pursuant to the provisions of that Section as it was then in effect.

(2) If, as provided in paragraph (1) of this subsection (J), a school district is to receive aggregate general State aid in combination with supplemental general State aid under this Section for the 1998-99 school year and any subsequent school year that in any such school year is less than the amount of the aggregate general State aid entitlement that the district received for the 1997-98 school year, the school district shall also receive, from a separate appropriation made for purposes of this subsection (J), a supplementary payment that is equal to the amount of the difference in the aggregate State aid figures as described in paragraph (1).

(3) (Blank).

(K) Grants to Laboratory and Alternative Schools.

In calculating the amount to be paid to the governing board of a public university that operates a laboratory school under this Section or to any alternative school that is operated by a regional superintendent of schools, the State Board of Education shall require by rule such reporting requirements as it deems necessary.

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

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

with a school district or a public community college district to operate an alternative school. An alternative school serving more than one educational service region may be established by the regional superintendents of schools of the affected educational service regions. An alternative school serving more than one educational service region may be operated under such terms as the regional superintendents of schools of those educational service regions may agree.

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

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

(1) For a school district operating under the financial supervision of an Authority created under Article 34A, the general State aid otherwise payable to that district under this Section, but not the supplemental general State aid, shall be reduced by an amount equal to the budget for the operations of the Authority as certified by the Authority to the State Board of Education, and an amount equal to such reduction shall be paid to the Authority created for such district for its

operating expenses in the manner provided in Section 18-11. The remainder of general State school aid for any such district shall be paid in accordance with Article 34A when that Article provides for a disposition other than that provided by this Article.

(2) (Blank).

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

(M) Education Funding Advisory Board.

The Education Funding Advisory Board, hereinafter in this subsection (M) referred to as the "Board", is hereby created. The Board shall consist of 5 members who are appointed by the Governor, by and with the advice and consent of the Senate. The members appointed shall include representatives of education, business, and the general public. One of the members so appointed shall be designated by the Governor at the time the appointment is made as the chairperson of the Board. The initial members of the Board may be appointed any time after the effective date of this amendatory Act of 1997. The regular term of each member of the Board shall be for 4 years from the third Monday of January of the year in which the term of the member's appointment is to commence, except that of the 5 initial members appointed to serve on the Board, the member who is appointed as the chairperson shall serve for a term that commences on the date of his or her appointment and expires on

the third Monday of January, 2002, and the remaining 4 members, by lots drawn at the first meeting of the Board that is held after all 5 members are appointed, shall determine 2 of their number to serve for terms that commence on the date of their respective appointments and expire on the third Monday of January, 2001, and 2 of their number to serve for terms that commence on the date of their respective appointments and expire on the third Monday of January, 2000. All members appointed to serve on the Board shall serve until their respective successors are appointed and confirmed. Vacancies shall be filled in the same manner as original appointments. If a vacancy in membership occurs at a time when the Senate is not in session, the Governor shall make a temporary appointment until the next meeting of the Senate, when he or she shall appoint, by and with the advice and consent of the Senate, a person to fill that membership for the unexpired term. If the Senate is not in session when the initial appointments are made, those appointments shall be made as in the case of vacancies.

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

Governor as in the case of vacancies.

The State Board of Education shall provide such staff assistance to the Education Funding Advisory Board as is reasonably required for the proper performance by the Board of its responsibilities.

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

(N) (Blank).

(O) References.

(1) References in other laws to the various subdivisions of Section 18-8 as that Section existed before its repeal and replacement by this Section 18-8.05 shall be deemed to refer to

the corresponding provisions of this Section 18-8.05, to the extent that those references remain applicable.

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

(P) Public Act 93-838 and Public Act 93-808 make inconsistent changes to this Section. Under Section 6 of the Statute on Statutes there is an irreconcilable conflict between Public Act 93-808 and Public Act 93-838. Public Act 93-838, being the last acted upon, is controlling. The text of Public Act 93-838 is the law regardless of the text of Public Act 93-808.

(Source: P.A. 94-69, eff. 7-1-05; 94-438, eff. 8-4-05; 94-835, eff. 6-6-06; 94-1019, eff. 7-10-06; 94-1105, eff. 6-1-07; 95-331, eff. 8-21-07; 95-644, eff. 10-12-07.)

(105 ILCS 5/29-3) (from Ch. 122, par. 29-3)

Sec. 29-3. Transportation in school districts. School boards of community consolidated districts, community unit districts, consolidated districts, ~~and~~ consolidated high school districts, optional elementary unit districts, combined high school - unit districts, ~~and~~ combined school districts if the combined district includes any district which was previously required to provide transportation, and any newly created elementary or high school districts resulting from a high school - unit conversion, a unit to dual conversion, or a

multi-unit conversion if the newly created district includes any area that was previously required to provide transportation shall provide free transportation for pupils residing at a distance of one and one-half miles or more from any school to which they are assigned for attendance maintained within the district, except for those pupils for whom the school board shall certify to the State Board of Education that adequate transportation for the public is available.

For the purpose of this Act 1 1/2 miles distance shall be from the exit of the property where the pupil resides to the point where pupils are normally unloaded at the school attended; such distance shall be measured by determining the shortest distance on normally traveled roads or streets.

Such school board may comply with the provisions of this Section by providing free transportation for pupils to and from an assigned school and a pick-up point located not more than one and one-half miles from the home of each pupil assigned to such point.

For the purposes of this Act "adequate transportation for the public" shall be assumed to exist for such pupils as can reach school by walking, one way, along normally traveled roads or streets less than 1 1/2 miles irrespective of the distance the pupil is transported by public transportation.

In addition to the other requirements of this Section, each school board may provide free transportation for any pupil residing within 1 1/2 miles from the school attended where

conditions are such that walking, either to or from the school to which a pupil is assigned for attendance or to or from a pick-up point or bus stop, constitutes a serious hazard to the safety of the pupil due to vehicular traffic or rail crossings. Such transportation shall not be provided if adequate transportation for the public is available.

The determination as to what constitutes a serious safety hazard shall be made by the school board, in accordance with guidelines promulgated by the Illinois Department of Transportation, in consultation with the State Superintendent of Education. A school board, on written petition of the parent or guardian of a pupil for whom adequate transportation for the public is alleged not to exist because the pupil is required to walk along normally traveled roads or streets where walking is alleged to constitute a serious safety hazard due to vehicular traffic or rail crossings, or who is required to walk between the pupil's home and assigned school or between the pupil's home or assigned school and a pick-up point or bus stop along roads or streets where walking is alleged to constitute a serious safety hazard due to vehicular traffic or rail crossings, shall conduct a study and make findings, which the Department of Transportation shall review and approve or disapprove as provided in this Section, to determine whether a serious safety hazard exists as alleged in the petition. The Department of Transportation shall review the findings of the school board and shall approve or disapprove the school board's

determination that a serious safety hazard exists within 30 days after the school board submits its findings to the Department. The school board shall annually review the conditions and determine whether or not the hazardous conditions remain unchanged. The State Superintendent of Education may request that the Illinois Department of Transportation verify that the conditions have not changed. No action shall lie against the school board, the State Superintendent of Education or the Illinois Department of Transportation for decisions made in accordance with this Section. The provisions of the Administrative Review Law and all amendments and modifications thereof and the rules adopted pursuant thereto shall apply to and govern all proceedings instituted for the judicial review of final administrative decisions of the Department of Transportation under this Section.

(Source: P.A. 94-439, eff. 8-4-05.)

(105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

Sec. 29-5. Reimbursement by State for transportation. Any school district, maintaining a school, transporting resident pupils to another school district's vocational program, offered through a joint agreement approved by the State Board of Education, as provided in Section 10-22.22 or transporting its resident pupils to a school which meets the standards for recognition as established by the State Board of Education

which provides transportation meeting the standards of safety, comfort, convenience, efficiency and operation prescribed by the State Board of Education for resident pupils in kindergarten or any of grades 1 through 12 who: (a) reside at least 1 1/2 miles as measured by the customary route of travel, from the school attended; or (b) reside in areas where conditions are such that walking constitutes a hazard to the safety of the child when determined under Section 29-3; and (c) are transported to the school attended from pick-up points at the beginning of the school day and back again at the close of the school day or transported to and from their assigned attendance centers during the school day, shall be reimbursed by the State as hereinafter provided in this Section.

The State will pay the cost of transporting eligible pupils less the assessed valuation in a dual school district maintaining secondary grades 9 to 12 inclusive times a qualifying rate of .05%; in elementary school districts maintaining grades K to 8 times a qualifying rate of .06%; and in unit districts maintaining grades K to 12, including optional elementary unit districts and combined high school - unit districts, times a qualifying rate of .07%; provided that for optional elementary unit districts and combined high school - unit districts, assessed valuation for high school purposes, as defined in Article 11E of this Code, must be used. To be eligible to receive reimbursement in excess of 4/5 of the cost to transport eligible pupils, a school district shall have a

Transportation Fund tax rate of at least .12%. If a school district does not have a .12% Transportation Fund tax rate, the amount of its claim in excess of 4/5 of the cost of transporting pupils shall be reduced by the sum arrived at by subtracting the Transportation Fund tax rate from .12% and multiplying that amount by the districts equalized or assessed valuation, provided, that in no case shall said reduction result in reimbursement of less than 4/5 of the cost to transport eligible pupils.

The minimum amount to be received by a district is \$16 times the number of eligible pupils transported.

Any such district transporting resident pupils during the school day to an area vocational school or another school district's vocational program more than 1 1/2 miles from the school attended, as provided in Sections 10-22.20a and 10-22.22, shall be reimbursed by the State for 4/5 of the cost of transporting eligible pupils.

School day means that period of time which the pupil is required to be in attendance for instructional purposes.

If a pupil is at a location within the school district other than his residence for child care purposes at the time for transportation to school, that location may be considered for purposes of determining the 1 1/2 miles from the school attended.

Claims for reimbursement that include children who attend any school other than a public school shall show the number of

such children transported.

Claims for reimbursement under this Section shall not be paid for the transportation of pupils for whom transportation costs are claimed for payment under other Sections of this Act.

The allowable direct cost of transporting pupils for regular, vocational, and special education pupil transportation shall be limited to the sum of the cost of physical examinations required for employment as a school bus driver; the salaries of full or part-time drivers and school bus maintenance personnel; employee benefits excluding Illinois municipal retirement payments, social security payments, unemployment insurance payments and workers' compensation insurance premiums; expenditures to independent carriers who operate school buses; payments to other school districts for pupil transportation services; pre-approved contractual expenditures for computerized bus scheduling; the cost of gasoline, oil, tires, and other supplies necessary for the operation of school buses; the cost of converting buses' gasoline engines to more fuel efficient engines or to engines which use alternative energy sources; the cost of travel to meetings and workshops conducted by the regional superintendent or the State Superintendent of Education pursuant to the standards established by the Secretary of State under Section 6-106 of the Illinois Vehicle Code to improve the driving skills of school bus drivers; the cost of maintenance of school buses including parts and materials used;

expenditures for leasing transportation vehicles, except interest and service charges; the cost of insurance and licenses for transportation vehicles; expenditures for the rental of transportation equipment; plus a depreciation allowance of 20% for 5 years for school buses and vehicles approved for transporting pupils to and from school and a depreciation allowance of 10% for 10 years for other transportation equipment so used. Each school year, if a school district has made expenditures to the Regional Transportation Authority or any of its service boards, a mass transit district, or an urban transportation district under an intergovernmental agreement with the district to provide for the transportation of pupils and if the public transit carrier received direct payment for services or passes from a school district within its service area during the 2000-2001 school year, then the allowable direct cost of transporting pupils for regular, vocational, and special education pupil transportation shall also include the expenditures that the district has made to the public transit carrier. In addition to the above allowable costs school districts shall also claim all transportation supervisory salary costs, including Illinois municipal retirement payments, and all transportation related building and building maintenance costs without limitation.

Special education allowable costs shall also include expenditures for the salaries of attendants or aides for that portion of the time they assist special education pupils while

in transit and expenditures for parents and public carriers for transporting special education pupils when pre-approved by the State Superintendent of Education.

Indirect costs shall be included in the reimbursement claim for districts which own and operate their own school buses. Such indirect costs shall include administrative costs, or any costs attributable to transporting pupils from their attendance centers to another school building for instructional purposes. No school district which owns and operates its own school buses may claim reimbursement for indirect costs which exceed 5% of the total allowable direct costs for pupil transportation.

The State Board of Education shall prescribe uniform regulations for determining the above standards and shall prescribe forms of cost accounting and standards of determining reasonable depreciation. Such depreciation shall include the cost of equipping school buses with the safety features required by law or by the rules, regulations and standards promulgated by the State Board of Education, and the Department of Transportation for the safety and construction of school buses provided, however, any equipment cost reimbursed by the Department of Transportation for equipping school buses with such safety equipment shall be deducted from the allowable cost in the computation of reimbursement under this Section in the same percentage as the cost of the equipment is depreciated.

On or before August 15, annually, the chief school

administrator for the district shall certify to the State Superintendent of Education the district's claim for reimbursement for the school year ending on June 30 next preceding. The State Superintendent of Education shall check and approve the claims and prepare the vouchers showing the amounts due for district reimbursement claims. Each fiscal year, the State Superintendent of Education shall prepare and transmit the first 3 vouchers to the Comptroller on the 30th day of September, December and March, respectively, and the final voucher, no later than June 20.

If the amount appropriated for transportation reimbursement is insufficient to fund total claims for any fiscal year, the State Board of Education shall reduce each school district's allowable costs and flat grant amount proportionately to make total adjusted claims equal the total amount appropriated.

For purposes of calculating claims for reimbursement under this Section for any school year beginning July 1, 1998, or thereafter, the equalized assessed valuation for a school district used to compute reimbursement shall be computed in the same manner as it is computed under paragraph (2) of subsection (G) of Section 18-8.05.

All reimbursements received from the State shall be deposited into the district's transportation fund or into the fund from which the allowable expenditures were made.

Notwithstanding any other provision of law, any school

district receiving a payment under this Section or under Section 14-7.02, 14-7.02b, or 14-13.01 of this Code may classify all or a portion of the funds that it receives in a particular fiscal year or from general State aid pursuant to Section 18-8.05 of this Code as funds received in connection with any funding program for which it is entitled to receive funds from the State in that fiscal year (including, without limitation, any funding program referenced in this Section), regardless of the source or timing of the receipt. The district may not classify more funds as funds received in connection with the funding program than the district is entitled to receive in that fiscal year for that program. Any classification by a district must be made by a resolution of its board of education. The resolution must identify the amount of any payments or general State aid to be classified under this paragraph and must specify the funding program to which the funds are to be treated as received in connection therewith. This resolution is controlling as to the classification of funds referenced therein. A certified copy of the resolution must be sent to the State Superintendent of Education. The resolution shall still take effect even though a copy of the resolution has not been sent to the State Superintendent of Education in a timely manner. No classification under this paragraph by a district shall affect the total amount or timing of money the district is entitled to receive under this Code. No classification under this paragraph

by a district shall in any way relieve the district from or affect any requirements that otherwise would apply with respect to that funding program, including any accounting of funds by source, reporting expenditures by original source and purpose, reporting requirements, or requirements of providing services.

Any school district with a population of not more than 500,000 must deposit all funds received under this Article into the transportation fund and use those funds for the provision of transportation services.

(Source: P.A. 93-166, eff. 7-10-03; 93-663, eff. 2-17-04; 93-1022, eff. 8-24-04; 94-875, eff. 7-1-06.)

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