



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

SB0925

Introduced 2/7/2017, by Sen. Melinda Bush

#### SYNOPSIS AS INTRODUCED:

See Index

Amends the Children with Disabilities Article of the School Code. Makes changes concerning children attending nonpublic schools or special education facilities, public out-of-state schools, public school residential facilities, or county special education facilities. Removes certain provisions referring to public school residential facilities or nonpublic schools. Removes certain minimums on funding levels. With respect to funding for children requiring special education services, makes changes to the required deadline for filing certain claims. Adds provisions concerning funding for children with excess cost that apply beginning July 1, 2018. Provides that payments to school districts and State-authorized charter schools for children requiring special education services may be used only for the provision of special educational facilities and services. Requires school districts and State-authorized charter schools to keep accurate, detailed, and separate accounts of all expenditures for the maintenance of each of the authorized facilities, classes, and schools. Requires claims to be submitted in a certain manner. Allows school districts to classify certain payments as funds received in connection with a funding program for which it is entitled to receive funds from the State, regardless of the source or timing of the receipts. Repeals provisions concerning an account of expenditures, cost reports, and reimbursement. Makes other changes. Effective immediately.

LRB100 08523 MLM 18648 b

FISCAL NOTE ACT  
MAY APPLY

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

1 AN ACT concerning education.

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

4 Section 5. The School Code is amended by changing Sections  
5 1D-1, 14-7.02, 14-7.03, and 14-7.02b and by adding Section  
6 14-7.02c as follows:

7 (105 ILCS 5/1D-1)

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

9 (a) For fiscal year 1996 and each fiscal year thereafter,  
10 the State Board of Education shall award to a school district  
11 having a population exceeding 500,000 inhabitants a general  
12 education block grant and an educational services block grant,  
13 determined as provided in this Section, in lieu of distributing  
14 to the district separate State funding for the programs  
15 described in subsections (b) and (c). The provisions of this  
16 Section, however, do not apply to any federal funds that the  
17 district is entitled to receive. In accordance with Section  
18 2-3.32, all block grants are subject to an audit. Therefore,  
19 block grant receipts and block grant expenditures shall be  
20 recorded to the appropriate fund code for the designated block  
21 grant.

22 (b) The general education block grant shall include the  
23 following programs: REI Initiative, Summer Bridges, Preschool

1 At Risk, K-6 Comprehensive Arts, School Improvement Support,  
2 Urban Education, Scientific Literacy, Substance Abuse  
3 Prevention, Second Language Planning, Staff Development,  
4 Outcomes and Assessment, K-6 Reading Improvement, 7-12  
5 Continued Reading Improvement, Truants' Optional Education,  
6 Hispanic Programs, Agriculture Education, Parental Education,  
7 Prevention Initiative, Report Cards, and Criminal Background  
8 Investigations. Notwithstanding any other provision of law,  
9 all amounts paid under the general education block grant from  
10 State appropriations to a school district in a city having a  
11 population exceeding 500,000 inhabitants shall be appropriated  
12 and expended by the board of that district for any of the  
13 programs included in the block grant or any of the board's  
14 lawful purposes.

15 (c) The educational services block grant shall include the  
16 following programs: Regular and Vocational Transportation,  
17 State Lunch and Free Breakfast Program, Special Education  
18 (Personnel, Transportation, Orphanage, ~~Private Tuition~~),  
19 funding for children requiring special education services,  
20 Summer School, Educational Service Centers, and  
21 Administrator's Academy. This subsection (c) does not relieve  
22 the district of its obligation to provide the services required  
23 under a program that is included within the educational  
24 services block grant. It is the intention of the General  
25 Assembly in enacting the provisions of this subsection (c) to  
26 relieve the district of the administrative burdens that impede

1 efficiency and accompany single-program funding. The General  
2 Assembly encourages the board to pursue mandate waivers  
3 pursuant to Section 2-3.25g.

4 The funding program included in the educational services  
5 block grant for funding for children requiring special  
6 education services in each fiscal year shall be treated in that  
7 fiscal year as a payment to the school district in respect of  
8 services provided or costs incurred in the prior fiscal year,  
9 calculated in each case as provided in this Section. Nothing in  
10 this Section shall change the nature of payments for any  
11 program that, apart from this Section, would be or, prior to  
12 adoption or amendment of this Section, was on the basis of a  
13 payment in a fiscal year in respect of services provided or  
14 costs incurred in the prior fiscal year, calculated in each  
15 case as provided in this Section.

16 (d) For fiscal year 1996 and each fiscal year thereafter,  
17 the amount of the district's block grants shall be determined  
18 as follows: (i) with respect to each program that is included  
19 within each block grant, the district shall receive an amount  
20 equal to the same percentage of the current fiscal year  
21 appropriation made for that program as the percentage of the  
22 appropriation received by the district from the 1995 fiscal  
23 year appropriation made for that program, and (ii) the total  
24 amount that is due the district under the block grant shall be  
25 the aggregate of the amounts that the district is entitled to  
26 receive for the fiscal year with respect to each program that

1 is included within the block grant that the State Board of  
2 Education shall award the district under this Section for that  
3 fiscal year. In the case of the Summer Bridges program, the  
4 amount of the district's block grant shall be equal to 44% of  
5 the amount of the current fiscal year appropriation made for  
6 that program.

7 (e) The district is not required to file any application or  
8 other claim in order to receive the block grants to which it is  
9 entitled under this Section. The State Board of Education shall  
10 make payments to the district of amounts due under the  
11 district's block grants on a schedule determined by the State  
12 Board of Education.

13 (f) A school district to which this Section applies shall  
14 report to the State Board of Education on its use of the block  
15 grants in such form and detail as the State Board of Education  
16 may specify. In addition, the report must include the following  
17 description for the district, which must also be reported to  
18 the General Assembly: block grant allocation and expenditures  
19 by program; population and service levels by program; and  
20 administrative expenditures by program. The State Board of  
21 Education shall ensure that the reporting requirements for the  
22 district are the same as for all other school districts in this  
23 State.

24 (g) This paragraph provides for the treatment of block  
25 grants under Article 1C for purposes of calculating the amount  
26 of block grants for a district under this Section. Those block

1 grants under Article 1C are, for this purpose, treated as  
2 included in the amount of appropriation for the various  
3 programs set forth in paragraph (b) above. The appropriation in  
4 each current fiscal year for each block grant under Article 1C  
5 shall be treated for these purposes as appropriations for the  
6 individual program included in that block grant. The proportion  
7 of each block grant so allocated to each such program included  
8 in it shall be the proportion which the appropriation for that  
9 program was of all appropriations for such purposes now in that  
10 block grant, in fiscal 1995.

11 Payments to the school district under this Section with  
12 respect to each program for which payments to school districts  
13 generally, as of the date of this amendatory Act of the 92nd  
14 General Assembly, are on a reimbursement basis shall continue  
15 to be made to the district on a reimbursement basis, pursuant  
16 to the provisions of this Code governing those programs.

17 (h) Notwithstanding any other provision of law, any school  
18 district receiving a block grant under this Section may  
19 classify all or a portion of the funds that it receives in a  
20 particular fiscal year from any block grant authorized under  
21 this Code or from general State aid pursuant to Section 18-8.05  
22 of this Code (other than supplemental general State aid) as  
23 funds received in connection with any funding program for which  
24 it is entitled to receive funds from the State in that fiscal  
25 year (including, without limitation, any funding program  
26 referred to in subsection (c) of this Section), regardless of

1 the source or timing of the receipt. The district may not  
2 classify more funds as funds received in connection with the  
3 funding program than the district is entitled to receive in  
4 that fiscal year for that program. Any classification by a  
5 district must be made by a resolution of its board of  
6 education. The resolution must identify the amount of any block  
7 grant or general State aid to be classified under this  
8 subsection (h) and must specify the funding program to which  
9 the funds are to be treated as received in connection  
10 therewith. This resolution is controlling as to the  
11 classification of funds referenced therein. A certified copy of  
12 the resolution must be sent to the State Superintendent of  
13 Education. The resolution shall still take effect even though a  
14 copy of the resolution has not been sent to the State  
15 Superintendent of Education in a timely manner. No  
16 classification under this subsection (h) by a district shall  
17 affect the total amount or timing of money the district is  
18 entitled to receive under this Code. No classification under  
19 this subsection (h) by a district shall in any way relieve the  
20 district from or affect any requirements that otherwise would  
21 apply with respect to the block grant as provided in this  
22 Section, including any accounting of funds by source, reporting  
23 expenditures by original source and purpose, reporting  
24 requirements, or requirements of provision of services.

25 (Source: P.A. 97-238, eff. 8-2-11; 97-324, eff. 8-12-11;  
26 97-813, eff. 7-13-12.)

1 (105 ILCS 5/14-7.02) (from Ch. 122, par. 14-7.02)

2 Sec. 14-7.02. Children attending ~~private schools,~~ public  
3 out-of-state schools, ~~public school residential facilities~~ or  
4 nonpublic or county private special education facilities. The  
5 General Assembly recognizes that nonpublic ~~non public schools~~  
6 ~~or~~ special education facilities provide an important service in  
7 the educational system in Illinois.

8 If because of his or her disability the special education  
9 program of a district is unable to meet the needs of a child  
10 and the child attends a nonpublic ~~non public school or~~ special  
11 education facility, a public out-of-state school or a special  
12 education facility owned and operated by a county government  
13 unit that provides special educational services required by the  
14 child and is in compliance with the appropriate rules and  
15 regulations of the State Superintendent of Education, the  
16 school district in which the child is a resident shall pay the  
17 actual cost of tuition for special education and related  
18 services provided during the regular school term and during the  
19 summer school term if the child's educational needs so require,  
20 excluding room and board charged by the nonpublic ~~excluding~~  
21 ~~room, board and transportation costs charged the child by that~~  
22 ~~non public school or~~ special education facility, public  
23 out-of-state school or county special education facility, ~~or~~  
24 ~~\$4,500 per year, whichever is less,~~ and shall provide him any  
25 necessary transportation. "Nonpublic special education



1 facility" shall include a residential facility, within or  
2 outside ~~without~~ the State of Illinois, which provides special  
3 education and related services to meet the needs of the child  
4 by utilizing private schools or public schools, whether located  
5 on the site or off the site of the residential facility.

6 The State Board of Education shall promulgate rules and  
7 regulations for determining when placement in a private special  
8 education facility is appropriate. Such rules and regulations  
9 shall take into account the various types of services needed by  
10 a child and the availability of such services to the particular  
11 child in the public school. In developing these rules and  
12 regulations the State Board of Education shall consult with the  
13 Advisory Council on Education of Children with Disabilities and  
14 hold public hearings to secure recommendations from parents,  
15 school personnel, and others concerned about this matter.

16 The State Board of Education shall also promulgate rules  
17 and regulations for transportation to and from a residential  
18 school. Transportation to and from home to a residential school  
19 more than once each school term shall be subject to prior  
20 approval by the State Superintendent in accordance with the  
21 rules and regulations of the State Board.

22 A school district making tuition payments pursuant to this  
23 Section is eligible for reimbursement from the State in  
24 accordance with Section 14-7.02c of this Code ~~for the amount of~~  
25 ~~such payments actually made in excess of the district per~~  
26 ~~capita tuition charge for students not receiving special~~

1 ~~education services. Such reimbursement shall be approved in~~  
2 ~~accordance with Section 14-12.01 and each district shall file~~  
3 ~~its claims, computed in accordance with rules prescribed by the~~  
4 ~~State Board of Education, on forms prescribed by the State~~  
5 ~~Superintendent of Education. Data used as a basis of~~  
6 ~~reimbursement claims shall be for the preceding regular school~~  
7 ~~term and summer school term. Each school district shall~~  
8 ~~transmit its claims to the State Board of Education on or~~  
9 ~~before August 15. The State Board of Education, before~~  
10 ~~approving any such claims, shall determine their accuracy and~~  
11 ~~whether they are based upon services and facilities provided~~  
12 ~~under approved programs. Upon approval the State Board shall~~  
13 ~~cause vouchers to be prepared showing the amount due for~~  
14 ~~payment of reimbursement claims to school districts, for~~  
15 ~~transmittal to the State Comptroller on the 30th day of~~  
16 ~~September, December, and March, respectively, and the final~~  
17 ~~voucher, no later than June 20. If the money appropriated by~~  
18 ~~the General Assembly for such purpose for any year is~~  
19 ~~insufficient, it shall be apportioned on the basis of the~~  
20 ~~claims approved.~~

21 No child shall be placed in a special education program  
22 pursuant to this Section ~~if the tuition cost for special~~  
23 ~~education and related services increases more than 10 percent~~  
24 ~~over the tuition cost for the previous school year or exceeds~~  
25 ~~\$4,500 per year unless such costs have been approved by the~~  
26 ~~Illinois Purchased Care Review Board. The Illinois Purchased~~

1 Care Review Board shall consist of the following persons, or  
2 their designees: the Directors of Children and Family Services,  
3 Public Health, Healthcare and Family Services ~~Public Aid~~, and  
4 the Governor's Office of Management and Budget; the Secretary  
5 of Human Services; the State Superintendent of Education; and  
6 such other persons as the Governor may designate. The Review  
7 Board shall also consist of one non-voting member who is an  
8 administrator of a private, nonpublic, special education  
9 school. The Review Board shall establish rules and regulations  
10 for its determination of allowable costs and payments made by  
11 local school districts for special education, room and board,  
12 and other related services provided by nonpublic ~~non-public~~  
13 ~~schools or~~ special education facilities and shall establish  
14 uniform standards and criteria which it shall follow. The  
15 Review Board shall approve the usual and customary rate or  
16 rates of a special education program that (i) is offered by an  
17 out-of-state, nonpublic ~~non-public~~ provider of integrated  
18 autism specific educational and autism specific residential  
19 services, (ii) offers 2 or more levels of residential care,  
20 including at least one locked facility, and (iii) serves 12 or  
21 fewer Illinois students.

22 The Review Board shall establish uniform definitions and  
23 criteria for accounting separately by special education, room  
24 and board and other related services costs. The Board shall  
25 also establish guidelines for the coordination of services and  
26 financial assistance provided by all State agencies to assure

1 that no otherwise qualified child with a disability receiving  
2 services under Article 14 shall be excluded from participation  
3 in, be denied the benefits of or be subjected to discrimination  
4 under any program or activity provided by any State agency.

5 The Review Board shall review the costs for special  
6 education and related services provided by nonpublic  
7 ~~non public schools or~~ special education facilities and shall  
8 approve or disapprove such facilities in accordance with the  
9 rules and regulations established by it with respect to  
10 allowable costs.

11 The State Board of Education shall provide administrative  
12 and staff support for the Review Board as deemed reasonable by  
13 the State Superintendent of Education. This support shall not  
14 include travel expenses or other compensation for any Review  
15 Board member other than the State Superintendent of Education.

16 The Review Board shall seek the advice of the Advisory  
17 Council on Education of Children with Disabilities on the rules  
18 and regulations to be promulgated by it relative to providing  
19 special education services.

20 If a child has been placed in a program in which the actual  
21 per pupil costs of tuition for special education and related  
22 services based on program enrollment, ~~excluding room, board and~~  
23 ~~transportation costs, exceed \$4,500 and such costs~~ have been  
24 approved by the Review Board, the district shall pay such total  
25 costs ~~which exceed \$4,500. A district making such tuition~~  
26 ~~payments in excess of \$4,500 pursuant to this Section shall be~~

1 ~~responsible for an amount in excess of \$4,500 equal to the~~  
2 ~~district per capita tuition charge and shall be eligible for~~  
3 ~~reimbursement from the State for the amount of such payments~~  
4 ~~actually made in excess of the districts per capita tuition~~  
5 ~~charge for students not receiving special education services.~~

6 If a child has been placed in an approved individual  
7 program and the tuition costs including room and board costs  
8 have been approved by the Review Board, then such room and  
9 board costs shall be paid by the appropriate State agency  
10 subject to the provisions of Section 14-8.01 of this Act. Room  
11 and board costs not provided by a State agency other than the  
12 State Board of Education shall be provided by the State Board  
13 of Education on a current basis. In no event, however, shall  
14 the State's liability for funding of the ~~these~~ tuition costs,  
15 including room and board costs, begin until after the legal  
16 obligations of third party payees ~~payors~~ have been subtracted  
17 from such costs. If the money appropriated by the General  
18 Assembly for such purpose for any year is insufficient, it  
19 shall be apportioned on the basis of the claims approved. Each  
20 district shall submit room and board ~~estimated~~ claims to the  
21 State Superintendent of Education. Upon approval of such  
22 claims, the State Superintendent of Education shall direct the  
23 State Comptroller to make payments on submitted claims ~~a~~  
24 ~~monthly basis~~. The frequency for submitting ~~estimated~~ claims  
25 and the method of determining payment shall be prescribed in  
26 rules and regulations adopted by the State Board of Education.

1 Such current state reimbursement shall be reduced by an amount  
2 equal to the proceeds which the child or child's parents or  
3 legal guardian are eligible to receive under any public or  
4 private insurance or assistance program. Nothing in this  
5 Section shall be construed as relieving an insurer or similar  
6 third party from an otherwise valid obligation to provide or to  
7 pay for services provided to a child with a disability.

8 If it otherwise qualifies, a school district is eligible  
9 for the transportation reimbursement under Section 14-13.01  
10 and for the reimbursement of tuition payments ~~under this~~  
11 ~~Section~~ whether the nonpublic ~~non-public school~~ or special  
12 education facility, public out-of-state school or county  
13 special education facility, attended by a child who resides in  
14 that district and requires special educational services, is  
15 within or outside of the State of Illinois. However, a district  
16 is not eligible to claim transportation reimbursement under  
17 this Section unless the district certifies to the State  
18 Superintendent of Education that the district is unable to  
19 provide special educational services required by the child for  
20 the current school year.

21 Nothing in this Section authorizes the reimbursement of a  
22 school district for the amount paid for tuition of a child  
23 attending a nonpublic ~~non-public school~~ or special education  
24 facility, public out-of-state school or county special  
25 education facility unless the school district certifies to the  
26 State Superintendent of Education that the special education

1 program of that district is unable to meet the needs of that  
2 child because of his disability and the State Superintendent of  
3 Education finds that the school district is in substantial  
4 compliance with Section 14-4.01. However, if a child is  
5 unilaterally placed by a State agency or any court in a  
6 nonpublic ~~non-public school~~ or special education facility,  
7 public out-of-state school, or county special education  
8 facility, a school district shall not be required to certify to  
9 the State Superintendent of Education, for the purpose of  
10 tuition reimbursement, that the special education program of  
11 that district is unable to meet the needs of a child because of  
12 his or her disability.

13 Any educational or related services provided, pursuant to  
14 this Section in a nonpublic ~~non-public~~ school or special  
15 education facility or a special education facility owned and  
16 operated by a county government unit shall be at no cost to the  
17 parent or guardian of the child. However, current law and  
18 practices relative to contributions by parents or guardians for  
19 costs other than educational or related services are not  
20 affected by this amendatory Act of 1978.

21 ~~Reimbursement for children attending public school~~  
22 ~~residential facilities shall be made in accordance with the~~  
23 ~~provisions of this Section.~~

24 ~~Notwithstanding any other provision of law, any school~~  
25 ~~district receiving a payment under this Section or under~~  
26 ~~Section 14-7.02b, 14-13.01, or 29-5 of this Code may classify~~

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



1 ~~program, including any accounting of funds by source, reporting~~  
2 ~~expenditures by original source and purpose, reporting~~  
3 ~~requirements, or requirements of providing services.~~

4 (Source: P.A. 98-636, eff. 6-6-14; 98-1008, eff. 1-1-15; 99-78,  
5 eff. 7-20-15; 99-143, eff. 7-27-15.)

6 (105 ILCS 5/14-7.02b)

7 Sec. 14-7.02b. Funding for children requiring special  
8 education services. Payments to school districts for children  
9 requiring special education services documented in their  
10 individualized education program regardless of the program  
11 from which these services are received, excluding children  
12 identified ~~claimed~~ under Sections 14-7.02, ~~and~~ 14-7.03, and  
13 14-11.02 of this Code, shall be made in accordance with this  
14 Section. Funds received under this Section may be used only for  
15 the provision of special educational facilities and services as  
16 defined in Section 14-1.08 of this Code.

17 The appropriation each ~~for~~ fiscal year ~~2005 and thereafter~~  
18 shall be based upon the IDEA child count of all students in the  
19 State, excluding students identified ~~claimed~~ under Sections  
20 14-7.02, ~~and~~ 14-7.03, and 14-11.02 of this Code, on December 1  
21 of the fiscal year 2 years preceding, multiplied by 17.5% of  
22 the general State aid foundation level of support established  
23 for that fiscal year under Section 18-8.05 of this Code.

24 ~~Beginning with fiscal year 2005 and through fiscal year~~  
25 ~~2007, individual school districts shall not receive payments~~

1 ~~under this Section totaling less than they received under the~~  
2 ~~funding authorized under Section 14-7.02a of this Code during~~  
3 ~~fiscal year 2004, pursuant to the provisions of Section~~  
4 ~~14-7.02a as they were in effect before the effective date of~~  
5 ~~this amendatory Act of the 93rd General Assembly. This base~~  
6 ~~level funding shall be computed first.~~

7       Beginning with fiscal year 2008 and each fiscal year  
8 thereafter, individual school districts must not receive  
9 payments under this Section totaling less than they received in  
10 fiscal year 2007. This funding shall be computed last and shall  
11 be a separate calculation from any other calculation set forth  
12 in this Section. This amount is exempt from the requirements of  
13 Section 1D-1 of this Code.

14       An amount equal to 85% of the funds remaining in the  
15 appropriation shall be allocated to school districts based upon  
16 the district's average daily attendance reported for purposes  
17 of Section 18-8.05 of this Code for the preceding school year.  
18 Fifteen percent of the funds remaining in the appropriation  
19 shall be allocated to school districts based upon the  
20 district's low income eligible pupil count used in the  
21 calculation of general State aid under Section 18-8.05 of this  
22 Code for the same fiscal year. One hundred percent of the funds  
23 computed and allocated to districts under this Section shall be  
24 distributed and paid to school districts.

25       ~~For individual students with disabilities whose program~~  
26 ~~costs exceed 4 times the district's per capita tuition rate as~~

1 ~~calculated under Section 10-20.12a of this Code, the costs in~~  
2 ~~excess of 4 times the district's per capita tuition rate shall~~  
3 ~~be paid by the State Board of Education from unexpended IDEA~~  
4 ~~discretionary funds originally designated for room and board~~  
5 ~~reimbursement pursuant to Section 14-8.01 of this Code. The~~  
6 ~~amount of tuition for these children shall be determined by the~~  
7 ~~actual cost of maintaining classes for these children, using~~  
8 ~~the per capita cost formula set forth in Section 14-7.01 of~~  
9 ~~this Code, with the program and cost being pre approved by the~~  
10 ~~State Superintendent of Education. Reimbursement for~~  
11 ~~individual students with disabilities whose program costs~~  
12 ~~exceed 4 times the district's per capita tuition rate shall be~~  
13 ~~claimed beginning with costs encumbered for the 2004-2005~~  
14 ~~school year and thereafter.~~

15 The State Board of Education shall prepare vouchers equal  
16 to one-fourth the amount allocated to districts, for  
17 transmittal to the State Comptroller on the 30th day of  
18 September and the 31st day of December, and March,  
19 respectively, and the final voucher, no later than June 20. The  
20 Comptroller shall make payments pursuant to this Section to  
21 school districts as soon as possible after receipt of vouchers.  
22 ~~If the money appropriated from the General Assembly for such~~  
23 ~~purposes for any year is insufficient, it shall be apportioned~~  
24 ~~on the basis of the payments due to school districts.~~

25 Nothing in this Section shall be construed to decrease or  
26 increase the percentage of all special education funds that are

1 allocated annually under Article 1D of this Code or to alter  
2 the requirement that a school district provide special  
3 education services.

4 Nothing in this amendatory Act of the 93rd General Assembly  
5 shall eliminate any reimbursement obligation owed as of the  
6 effective date of this amendatory Act of the 93rd General  
7 Assembly to a school district with in excess of 500,000  
8 inhabitants.

9 (Source: P.A. 93-1022, eff. 8-24-08; 95-705, eff. 1-8-08.)

10 (105 ILCS 5/14-7.02c new)

11 Sec. 14-7.02c. Funding for children with excess cost. This  
12 Section applies beginning July 1, 2018.

13 Payments to school districts and State-authorized charter  
14 schools for children requiring special education services as  
15 documented in their individualized education program  
16 regardless of the program from which these services are  
17 received, but excluding children claimed under Section 14-7.03  
18 of this Code, shall be made in accordance with this Section.  
19 Funds received under this Section may be used only for the  
20 provision of special educational facilities and services as  
21 defined in Section 14-1.08 of this Code and tuition payments to  
22 nonpublic special education facilities as defined in Section  
23 14-7.02 of this Code.

24 Each school district and State-authorized charter school  
25 shall keep an accurate, detailed, and separate account of all

1 expenditures for the maintenance of each of the types of  
2 facilities, classes, and schools authorized by this Article for  
3 the instruction and care of pupils attending them and for the  
4 cost of their transportation.

5 The amount of tuition for children, excluding children  
6 designated under Section 14-7.02 of this Code, shall be  
7 determined using the per capita cost formula set forth in  
8 Section 14-7.01 of this Code and rules adopted by the State  
9 Board of Education.

10 The amount of tuition for children attending public  
11 out-of-state schools or nonpublic special education facilities  
12 designated under Section 14-7.02 of this Code shall be  
13 determined in accordance with the costs approved by the Review  
14 Board in Section 14-7.02 of this Code, with the program being  
15 pre approved by the State Superintendent of Education.

16 Each district or State-authorized charter school shall  
17 transmit its claims in a manner prescribed by the State  
18 Superintendent of Education on or before August 15. Tuition  
19 payments shall be claimed for the preceding regular school term  
20 and summer term following. The State Board of Education shall  
21 determine the accuracy of the claims and whether they are based  
22 upon services and facilities provided under approved programs  
23 as defined in this Code.

24 For children identified under Section 14-7.02 of this Code,  
25 the State Board of Education shall reimburse each school  
26 district the tuition amount approved by the Review Board and

1 paid for the regular and following summer term less 2 per  
2 capita tuition charge amounts of the resident district for  
3 claims transmitted in the 2018-2019 school year and thereafter.

4 For children, excluding those identified under Sections  
5 14-7.02 and 14-7.03 of this Code, the State Board of Education  
6 shall reimburse each school district the education costs for  
7 each child plus a maximum of 20% of transportation costs if  
8 approved as a related service in the individualized education  
9 plan for the regular and following summer term less 2 per  
10 capita tuition charge amounts of the resident district for  
11 claims transmitted in the 2016-2017 school year and thereafter.

12 The per capita tuition charge as defined in this Section  
13 shall be utilized in accordance with the calculation set forth  
14 in Section 18-3 of this Code.

15 The State Board of Education shall prepare vouchers for the  
16 amount due to each district and transmit them to the Office of  
17 the Comptroller on or before September 30, December 31, and  
18 March 31, respectively, and the final voucher no later than  
19 June 20. If, after preparation and transmittal of the September  
20 30 vouchers, any claim has been adjusted by the State  
21 Superintendent of Education, subsequent vouchers shall be  
22 recomputed to compensate for any overpayment or underpayment  
23 previously made. If the money appropriated by the General  
24 Assembly for that purpose for any fiscal year is insufficient,  
25 it shall be apportioned on the basis of the claims approved.

26 Notwithstanding any other provision of law, any school

1 district receiving a payment under this Section or under  
2 Section 14-7.02b, 14-13.01, or 29-5 of this Code may classify  
3 all or a portion of the funds that it receives in a particular  
4 fiscal year or from general State aid pursuant to Section  
5 18-8.05 of this Code as funds received in connection with any  
6 funding program for which it is entitled to receive funds from  
7 the State in that fiscal year (including, without limitation,  
8 any funding program referenced in this Section), regardless of  
9 the source or timing of the receipt. The district may not  
10 classify more funds as funds received in connection with the  
11 funding program than the district is entitled to receive in  
12 that fiscal year for that program. Any classification by a  
13 district must be made by a resolution of its school board. The  
14 resolution must identify the amount of any payments or general  
15 State aid to be classified under this paragraph and must  
16 specify the funding program to which the funds are to be  
17 treated as received in connection therewith. This resolution is  
18 controlling as to the classification of funds referenced. A  
19 certified copy of the resolution must be sent to the State  
20 Superintendent of Education. The resolution shall still take  
21 effect even though a copy of the resolution has not been sent  
22 to the State Superintendent of Education in a timely manner. No  
23 classification under this paragraph by a district shall affect  
24 the total amount or timing of money the district is entitled to  
25 receive under this Code. No classification under this paragraph  
26 by a district shall in any way relieve the district from or

1 affect any requirements that otherwise would apply with respect  
2 to that funding program, including any accounting of funds by  
3 source, reporting expenditures by original source and purpose,  
4 reporting requirements, or requirements of providing services.

5 (105 ILCS 5/14-7.03) (from Ch. 122, par. 14-7.03)

6 Sec. 14-7.03. Special Education Classes for Children from  
7 Orphanages, Foster Family Homes, Children's Homes, or in State  
8 Housing Units. If a school district maintains special education  
9 classes on the site of orphanages and children's homes, or if  
10 children from the orphanages, children's homes, foster family  
11 homes, other State agencies, or State residential units for  
12 children attend classes for children with disabilities in which  
13 the school district is a participating member of a joint  
14 agreement, or if the children from the orphanages, children's  
15 homes, foster family homes, other State agencies, or State  
16 residential units attend classes for the children with  
17 disabilities maintained by the school district, then  
18 reimbursement shall be paid to eligible districts in accordance  
19 with the provisions of this Section by the Comptroller as  
20 directed by the State Superintendent of Education.

21 The amount of tuition for such children shall be determined  
22 by the actual cost of maintaining such classes, using the per  
23 capita cost formula set forth in Section 14-7.01, such program  
24 and cost to be pre-approved by the State Superintendent of  
25 Education.



1           If a school district makes a claim for reimbursement under  
2 Section 18-3 or 18-4 of this Act it shall not include in any  
3 claim filed under this Section a claim for such children.  
4 Payments authorized by law, including State or federal grants  
5 for education of children included in this Section, shall be  
6 deducted in determining the tuition amount.

7           Nothing in this Act shall be construed so as to prohibit  
8 reimbursement for the tuition of children placed in for profit  
9 facilities. Private facilities shall provide adequate space at  
10 the facility for special education classes provided by a school  
11 district or joint agreement for children with disabilities who  
12 are residents of the facility at no cost to the school district  
13 or joint agreement upon request of the school district or joint  
14 agreement. If such a private facility provides space at no cost  
15 to the district or joint agreement for special education  
16 classes provided to children with disabilities who are  
17 residents of the facility, the district or joint agreement  
18 shall not include any costs for the use of those facilities in  
19 its claim for reimbursement.

20           Reimbursement for tuition may include the cost of providing  
21 summer school programs for children with severe and profound  
22 disabilities served under this Section. Claims for that  
23 reimbursement shall be filed by November 1 and shall be paid on  
24 or before December 15 from appropriations made for the purposes  
25 of this Section.

26           The State Board of Education shall establish such rules and

1 regulations as may be necessary to implement the provisions of  
2 this Section.

3 Claims filed on behalf of programs operated under this  
4 Section housed in a jail, detention center, or county-owned  
5 shelter care facility shall be on an individual student basis  
6 only for eligible students with disabilities. These claims  
7 shall be in accordance with applicable rules.

8 Each district claiming reimbursement for a program  
9 operated as a group program shall have an approved budget on  
10 file with the State Board of Education prior to the initiation  
11 of the program's operation. On September 30, December 31, and  
12 March 31, the State Board of Education shall voucher payments  
13 to group programs based upon the approved budget during the  
14 year of operation. Final claims for group payments shall be  
15 filed on or before July 15. Final claims for group programs  
16 received at the State Board of Education on or before June 15  
17 shall be vouchered by June 30. Final claims received at the  
18 State Board of Education between June 16 and July 15 shall be  
19 vouchered by August 30. Claims for group programs received  
20 after July 15 shall not be honored.

21 Each district claiming reimbursement for individual  
22 students shall have the eligibility of those students verified  
23 by the State Board of Education. On September 30, December 31,  
24 and March 31, the State Board of Education shall voucher  
25 payments for individual students based upon an estimated cost  
26 calculated from the prior year's claim. Final claims for

1 individual students for the regular school term must be  
2 received at the State Board of Education by July 15. Claims for  
3 individual students received after July 15 shall not be  
4 honored. Final claims for individual students shall be  
5 vouchered by August 30.

6 Reimbursement shall be made based upon approved group  
7 programs or individual students. The State Superintendent of  
8 Education shall direct the Comptroller to pay a specified  
9 amount to the district by the 30th day of September, December,  
10 March, June, or August, respectively. However, notwithstanding  
11 any other provisions of this Section or the School Code,  
12 beginning with fiscal year 1994 and each fiscal year  
13 thereafter, if the amount appropriated for any fiscal year is  
14 less than the amount required for purposes of this Section, the  
15 amount required to eliminate any insufficient reimbursement  
16 for each district claim under this Section shall be reimbursed  
17 on August 30 of the next fiscal year. Payments required to  
18 eliminate any insufficiency for prior fiscal year claims shall  
19 be made before any claims are paid for the current fiscal year.

20 The claim of a school district otherwise eligible to be  
21 reimbursed in accordance with Section 14-12.01 (now repealed)  
22 for the 1976-77 school year but for this amendatory Act of 1977  
23 shall not be paid unless the district ceases to maintain such  
24 classes for one entire school year.

25 If a school district's current reimbursement payment for  
26 the 1977-78 school year only is less than the prior year's

1 reimbursement payment owed, the district shall be paid the  
2 amount of the difference between the payments in addition to  
3 the current reimbursement payment, and the amount so paid shall  
4 be subtracted from the amount of prior year's reimbursement  
5 payment owed to the district.

6 Regional superintendents may operate special education  
7 classes for children from orphanages, foster family homes,  
8 children's homes or State housing units located within the  
9 educational services region upon consent of the school board  
10 otherwise so obligated. In electing to assume the powers and  
11 duties of a school district in providing and maintaining such a  
12 special education program, the regional superintendent may  
13 enter into joint agreements with other districts and may  
14 contract with public or private schools or the orphanage,  
15 foster family home, children's home or State housing unit for  
16 provision of the special education program. The regional  
17 superintendent exercising the powers granted under this  
18 Section shall claim the reimbursement authorized by this  
19 Section directly from the State Board of Education.

20 Any child who is not a resident of Illinois who is placed  
21 in a child welfare institution, private facility, foster family  
22 home, State operated program, orphanage or children's home  
23 shall have the payment for his educational tuition and any  
24 related services assured by the placing agent.

25 For each student with a disability who is placed in a  
26 residential facility by an Illinois public agency or by any

1 court in this State, the costs for educating the student are  
2 eligible for reimbursement under this Section.

3 The district of residence of the student with a disability  
4 as defined in Section 14-1.11a is responsible for the actual  
5 costs of the student's special education program and is  
6 eligible for reimbursement under this Section when placement is  
7 made by a State agency or the courts.

8 When a dispute arises over the determination of the  
9 district of residence under this Section, the district or  
10 districts may appeal the decision in writing to the State  
11 Superintendent of Education, who, upon review of materials  
12 submitted and any other items or information he or she may  
13 request for submission, shall issue a written decision on the  
14 matter. The decision of the State Superintendent of Education  
15 shall be final.

16 In the event a district does not make a tuition payment to  
17 another district that is providing the special education  
18 program and services, the State Board of Education shall  
19 immediately withhold 125% of the then remaining annual tuition  
20 cost from the State aid or categorical aid payment due to the  
21 school district that is determined to be the resident school  
22 district. All funds withheld by the State Board of Education  
23 shall immediately be forwarded to the school district where the  
24 student is being served.

25 When a child eligible for services under this Section  
26 14-7.03 must be placed in a nonpublic facility, that facility

1 shall meet the programmatic requirements of Section 14-7.02 and  
2 its regulations, and the educational services shall be funded  
3 only in accordance with this Section 14-7.03.

4 (Source: P.A. 98-739, eff. 7-16-14; 99-143, eff. 7-27-15.)

5 (105 ILCS 5/14-12.01 rep.)

6 Section 10. The School Code is amended by repealing Section  
7 14-12.01.

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

1 INDEX

2 Statutes amended in order of appearance

3 105 ILCS 5/1D-1

4 105 ILCS 5/14-7.02 from Ch. 122, par. 14-7.02

5 105 ILCS 5/14-7.02b

6 105 ILCS 5/14-7.02c new

7 105 ILCS 5/14-7.03 from Ch. 122, par. 14-7.03

8 105 ILCS 5/14-12.01 rep.