



Rep. Rita Mayfield

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LRB101 07321 AXK 57536 a

1 AMENDMENT TO HOUSE BILL 3053

2 AMENDMENT NO. _____. Amend House Bill 3053 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be referred to as the
5 Classrooms First Act.

6 Section 5. The School Code is amended by changing 11E-135
7 and by adding Section 11E-140 as follows:

8 (105 ILCS 5/11E-135)

9 Sec. 11E-135. Incentives. Except as provided under Section
10 11E-140, for ~~For~~ districts reorganizing under this Article and
11 for a district or districts that annex all of the territory of
12 one or more entire other school districts in accordance with
13 Article 7 of this Code, the following payments shall be made
14 from appropriations made for these purposes:

15 (a)(1) For a combined school district, as defined in

1 Section 11E-20 of this Code, or for a unit district, as defined
2 in Section 11E-25 of this Code, for its first year of
3 existence, the general State aid and supplemental general State
4 aid calculated under Section 18-8.05 of this Code or the
5 evidence-based funding calculated under Section 18-8.15 of
6 this Code, as applicable, shall be computed for the new
7 district and for the previously existing districts for which
8 property is totally included within the new district. If the
9 computation on the basis of the previously existing districts
10 is greater, a supplementary payment equal to the difference
11 shall be made for the first 4 years of existence of the new
12 district.

13 (2) For a school district that annexes all of the territory
14 of one or more entire other school districts as defined in
15 Article 7 of this Code, for the first year during which the
16 change of boundaries attributable to the annexation becomes
17 effective for all purposes, as determined under Section 7-9 of
18 this Code, the general State aid and supplemental general State
19 aid calculated under Section 18-8.05 of this Code or the
20 evidence-based funding calculated under Section 18-8.15 of
21 this Code, as applicable, shall be computed for the annexing
22 district as constituted after the annexation and for the
23 annexing and each annexed district as constituted prior to the
24 annexation; and if the computation on the basis of the annexing
25 and annexed districts as constituted prior to the annexation is
26 greater, then a supplementary payment equal to the difference

1 shall be made for the first 4 years of existence of the
2 annexing school district as constituted upon the annexation.

3 (3) For 2 or more school districts that annex all of the
4 territory of one or more entire other school districts, as
5 defined in Article 7 of this Code, for the first year during
6 which the change of boundaries attributable to the annexation
7 becomes effective for all purposes, as determined under Section
8 7-9 of this Code, the general State aid and supplemental
9 general State aid calculated under Section 18-8.05 of this Code
10 or the evidence-based funding calculated under Section 18-8.15
11 of this Code, as applicable, shall be computed for each
12 annexing district as constituted after the annexation and for
13 each annexing and annexed district as constituted prior to the
14 annexation; and if the aggregate of the general State aid and
15 supplemental general State aid or evidence-based funding, as
16 applicable, as so computed for the annexing districts as
17 constituted after the annexation is less than the aggregate of
18 the general State aid and supplemental general State aid or
19 evidence-based funding, as applicable, as so computed for the
20 annexing and annexed districts, as constituted prior to the
21 annexation, then a supplementary payment equal to the
22 difference shall be made and allocated between or among the
23 annexing districts, as constituted upon the annexation, for the
24 first 4 years of their existence. The total difference payment
25 shall be allocated between or among the annexing districts in
26 the same ratio as the pupil enrollment from that portion of the

1 annexed district or districts that is annexed to each annexing
2 district bears to the total pupil enrollment from the entire
3 annexed district or districts, as such pupil enrollment is
4 determined for the school year last ending prior to the date
5 when the change of boundaries attributable to the annexation
6 becomes effective for all purposes. The amount of the total
7 difference payment and the amount thereof to be allocated to
8 the annexing districts shall be computed by the State Board of
9 Education on the basis of pupil enrollment and other data that
10 shall be certified to the State Board of Education, on forms
11 that it shall provide for that purpose, by the regional
12 superintendent of schools for each educational service region
13 in which the annexing and annexed districts are located.

14 (4) For a school district conversion, as defined in Section
15 11E-15 of this Code, or a multi-unit conversion, as defined in
16 subsection (b) of Section 11E-30 of this Code, if in their
17 first year of existence the newly created elementary districts
18 and the newly created high school district, from a school
19 district conversion, or the newly created elementary district
20 or districts and newly created combined high school - unit
21 district, from a multi-unit conversion, qualify for less
22 general State aid under Section 18-8.05 of this Code or
23 evidence-based funding under Section 18-8.15 of this Code than
24 would have been payable under Section 18-8.05 or 18-8.15, as
25 applicable, for that same year to the previously existing
26 districts, then a supplementary payment equal to that

1 difference shall be made for the first 4 years of existence of
2 the newly created districts. The aggregate amount of each
3 supplementary payment shall be allocated among the newly
4 created districts in the proportion that the deemed pupil
5 enrollment in each district during its first year of existence
6 bears to the actual aggregate pupil enrollment in all of the
7 districts during their first year of existence. For purposes of
8 each allocation:

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

13 (B) the deemed pupil enrollment of each newly created
14 elementary district from a school district conversion
15 shall be an amount equal to its actual pupil enrollment for
16 its first year of existence reduced by an amount equal to
17 the product obtained when the amount by which the newly
18 created high school district's deemed pupil enrollment
19 exceeds its actual pupil enrollment for its first year of
20 existence is multiplied by a fraction, the numerator of
21 which is the actual pupil enrollment of the newly created
22 elementary district for its first year of existence and the
23 denominator of which is the actual aggregate pupil
24 enrollment of all of the newly created elementary districts
25 for their first year of existence;

26 (C) the deemed high school pupil enrollment of the

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

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

20 The aggregate amount of each supplementary payment under
21 this subdivision (4) and the amount thereof to be allocated to
22 the newly created districts shall be computed by the State
23 Board of Education on the basis of pupil enrollment and other
24 data, which shall be certified to the State Board of Education,
25 on forms that it shall provide for that purpose, by the
26 regional superintendent of schools for each educational

1 service region in which the newly created districts are
2 located.

3 (5) For a partial elementary unit district, as defined in
4 subsection (a) or (c) of Section 11E-30 of this Code, if, in
5 the first year of existence, the newly created partial
6 elementary unit district qualifies for less general State aid
7 and supplemental general State aid under Section 18-8.05 of
8 this Code or less evidence-based funding under Section 18-8.15
9 of this Code, as applicable, than would have been payable under
10 those Sections for that same year to the previously existing
11 districts that formed the partial elementary unit district,
12 then a supplementary payment equal to that difference shall be
13 made to the partial elementary unit district for the first 4
14 years of existence of that newly created district.

15 (6) For an elementary opt-in, as described in subsection
16 (d) of Section 11E-30 of this Code, the general State aid or
17 evidence-based funding difference shall be computed in
18 accordance with paragraph (5) of this subsection (a) as if the
19 elementary opt-in was included in an optional elementary unit
20 district at the optional elementary unit district's original
21 effective date. If the calculation in this paragraph (6) is
22 less than that calculated in paragraph (5) of this subsection
23 (a) at the optional elementary unit district's original
24 effective date, then no adjustments may be made. If the
25 calculation in this paragraph (6) is more than that calculated
26 in paragraph (5) of this subsection (a) at the optional

1 elementary unit district's original effective date, then the
2 excess must be paid as follows:

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

9 (B) If the effective date for the elementary opt-in is
10 2 years after the effective date for the optional
11 elementary unit district, 75% of the calculated excess
12 shall be paid to the optional elementary unit district in
13 each of the first 4 years after the effective date of the
14 elementary opt-in.

15 (C) If the effective date for the elementary opt-in is
16 3 years after the effective date for the optional
17 elementary unit district, 50% of the calculated excess
18 shall be paid to the optional elementary unit district in
19 each of the first 4 years after the effective date of the
20 elementary opt-in.

21 (D) If the effective date for the elementary opt-in is
22 4 years after the effective date for the optional
23 elementary unit district, 25% of the calculated excess
24 shall be paid to the optional elementary unit district in
25 each of the first 4 years after the effective date of the
26 elementary opt-in.

1 (E) If the effective date for the elementary opt-in is
2 5 years after the effective date for the optional
3 elementary unit district, the optional elementary unit
4 district is not eligible for any additional incentives due
5 to the elementary opt-in.

6 (6.5) For a school district that annexes territory detached
7 from another school district whereby the enrollment of the
8 annexing district increases by 90% or more as a result of the
9 annexation, for the first year during which the change of
10 boundaries attributable to the annexation becomes effective
11 for all purposes as determined under Section 7-9 of this Code,
12 the general State aid and supplemental general State aid or
13 evidence-based funding, as applicable, calculated under this
14 Section shall be computed for the district gaining territory
15 and the district losing territory as constituted after the
16 annexation and for the same districts as constituted prior to
17 the annexation; and if the aggregate of the general State aid
18 and supplemental general State aid or evidence-based funding,
19 as applicable, as so computed for the district gaining
20 territory and the district losing territory as constituted
21 after the annexation is less than the aggregate of the general
22 State aid and supplemental general State aid or evidence-based
23 funding, as applicable, as so computed for the district gaining
24 territory and the district losing territory as constituted
25 prior to the annexation, then a supplementary payment shall be
26 made to the annexing district for the first 4 years of

1 existence after the annexation, equal to the difference
2 multiplied by the ratio of student enrollment in the territory
3 detached to the total student enrollment in the district losing
4 territory for the year prior to the effective date of the
5 annexation. The amount of the total difference and the
6 proportion paid to the annexing district shall be computed by
7 the State Board of Education on the basis of pupil enrollment
8 and other data that must be submitted to the State Board of
9 Education in accordance with Section 7-14A of this Code. The
10 changes to this Section made by Public Act 95-707 are intended
11 to be retroactive and applicable to any annexation taking
12 effect on or after July 1, 2004. For annexations that are
13 eligible for payments under this paragraph (6.5) and that are
14 effective on or after July 1, 2004, but before January 11, 2008
15 (the effective date of Public Act 95-707), the first required
16 yearly payment under this paragraph (6.5) shall be paid in the
17 fiscal year of January 11, 2008 (the effective date of Public
18 Act 95-707). Subsequent required yearly payments shall be paid
19 in subsequent fiscal years until the payment obligation under
20 this paragraph (6.5) is complete.

21 (7) Claims for financial assistance under this subsection
22 (a) may not be recomputed except as expressly provided under
23 Section 18-8.05 or 18-8.15 of this Code.

24 (8) Any supplementary payment made under this subsection
25 (a) must be treated as separate from all other payments made
26 pursuant to Section 18-8.05 or 18-8.15 of this Code.

1 (b) (1) After the formation of a combined school district,
2 as defined in Section 11E-20 of this Code, or a unit district,
3 as defined in Section 11E-25 of this Code, a computation shall
4 be made to determine the difference between the salaries
5 effective in each of the previously existing districts on June
6 30, prior to the creation of the new district. For the first 4
7 years after the formation of the new district, a supplementary
8 State aid reimbursement shall be paid to the new district equal
9 to the difference between the sum of the salaries earned by
10 each of the certificated members of the new district, while
11 employed in one of the previously existing districts during the
12 year immediately preceding the formation of the new district,
13 and the sum of the salaries those certificated members would
14 have been paid during the year immediately prior to the
15 formation of the new district if placed on the salary schedule
16 of the previously existing district with the highest salary
17 schedule.

18 (2) After the territory of one or more school districts is
19 annexed by one or more other school districts as defined in
20 Article 7 of this Code, a computation shall be made to
21 determine the difference between the salaries effective in each
22 annexed district and in the annexing district or districts as
23 they were each constituted on June 30 preceding the date when
24 the change of boundaries attributable to the annexation became
25 effective for all purposes, as determined under Section 7-9 of
26 this Code. For the first 4 years after the annexation, a

1 supplementary State aid reimbursement shall be paid to each
2 annexing district as constituted after the annexation equal to
3 the difference between the sum of the salaries earned by each
4 of the certificated members of the annexing district as
5 constituted after the annexation, while employed in an annexed
6 or annexing district during the year immediately preceding the
7 annexation, and the sum of the salaries those certificated
8 members would have been paid during the immediately preceding
9 year if placed on the salary schedule of whichever of the
10 annexing or annexed districts had the highest salary schedule
11 during the immediately preceding year.

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

21 (4) For each newly created partial elementary unit
22 district, the State shall make a supplementary payment for 4
23 years equal to the difference between the sum of the salaries
24 earned by each certified member of the newly created partial
25 elementary unit district, while employed in one of the
26 previously existing districts that formed the partial

1 elementary unit district, and the sum of the salaries those
2 certified members would have been paid if placed on the salary
3 schedule of the previously existing district with the highest
4 salary schedule. The salary schedules used in the calculation
5 shall be those in effect in the previously existing districts
6 for the school year prior to the creation of the new partial
7 elementary unit district.

8 (5) For an elementary district opt-in, as described in
9 subsection (d) of Section 11E-30 of this Code, the salary
10 difference incentive shall be computed in accordance with
11 paragraph (4) of this subsection (b) as if the opted-in
12 elementary district was included in the optional elementary
13 unit district at the optional elementary unit district's
14 original effective date. If the calculation in this paragraph
15 (5) is less than that calculated in paragraph (4) of this
16 subsection (b) at the optional elementary unit district's
17 original effective date, then no adjustments may be made. If
18 the calculation in this paragraph (5) is more than that
19 calculated in paragraph (4) of this subsection (b) at the
20 optional elementary unit district's original effective date,
21 then the excess must be paid as follows:

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

1 elementary opt-in.

2 (B) If the effective date for the elementary opt-in is
3 2 years after the effective date for the optional
4 elementary unit district, 75% of the calculated excess
5 shall be paid to the optional elementary unit district in
6 each of the first 4 years after the effective date of the
7 elementary opt-in.

8 (C) If the effective date for the elementary opt-in is
9 3 years after the effective date for the optional
10 elementary unit district, 50% of the calculated excess
11 shall be paid to the optional elementary unit district in
12 each of the first 4 years after the effective date of the
13 elementary opt-in.

14 (D) If the effective date for the elementary opt-in is
15 4 years after the effective date for the partial elementary
16 unit district, 25% of the calculated excess shall be paid
17 to the optional elementary unit district in each of the
18 first 4 years after the effective date of the elementary
19 opt-in.

20 (E) If the effective date for the elementary opt-in is
21 5 years after the effective date for the optional
22 elementary unit district, the optional elementary unit
23 district is not eligible for any additional incentives due
24 to the elementary opt-in.

25 (5.5) After the formation of a cooperative high school by 2
26 or more school districts under Section 10-22.22c of this Code,

1 a computation shall be made to determine the difference between
2 the salaries effective in each of the previously existing high
3 schools on June 30 prior to the formation of the cooperative
4 high school. For the first 4 years after the formation of the
5 cooperative high school, a supplementary State aid
6 reimbursement shall be paid to the cooperative high school
7 equal to the difference between the sum of the salaries earned
8 by each of the certificated members of the cooperative high
9 school while employed in one of the previously existing high
10 schools during the year immediately preceding the formation of
11 the cooperative high school and the sum of the salaries those
12 certificated members would have been paid during the year
13 immediately prior to the formation of the cooperative high
14 school if placed on the salary schedule of the previously
15 existing high school with the highest salary schedule.

16 (5.10) After the annexation of territory detached from
17 another school district whereby the enrollment of the annexing
18 district increases by 90% or more as a result of the
19 annexation, a computation shall be made to determine the
20 difference between the salaries effective in the district
21 gaining territory and the district losing territory as they
22 each were constituted on June 30 preceding the date when the
23 change of boundaries attributable to the annexation became
24 effective for all purposes as determined under Section 7-9 of
25 this Code. For the first 4 years after the annexation, a
26 supplementary State aid reimbursement shall be paid to the

1 annexing district equal to the difference between the sum of
2 the salaries earned by each of the certificated members of the
3 annexing district as constituted after the annexation while
4 employed in the district gaining territory or the district
5 losing territory during the year immediately preceding the
6 annexation and the sum of the salaries those certificated
7 members would have been paid during such immediately preceding
8 year if placed on the salary schedule of whichever of the
9 district gaining territory or district losing territory had the
10 highest salary schedule during the immediately preceding year.
11 To be eligible for supplementary State aid reimbursement under
12 this Section, the intergovernmental agreement to be submitted
13 pursuant to Section 7-14A of this Code must show that staff
14 members were transferred from the control of the district
15 losing territory to the control of the district gaining
16 territory in the annexation. The changes to this Section made
17 by Public Act 95-707 are intended to be retroactive and
18 applicable to any annexation taking effect on or after July 1,
19 2004. For annexations that are eligible for payments under this
20 paragraph (5.10) and that are effective on or after July 1,
21 2004, but before January 11, 2008 (the effective date of Public
22 Act 95-707), the first required yearly payment under this
23 paragraph (5.10) shall be paid in the fiscal year of January
24 11, 2008 (the effective date of Public Act 95-707). Subsequent
25 required yearly payments shall be paid in subsequent fiscal
26 years until the payment obligation under this paragraph (5.10)

1 is complete.

2 (5.15) After the deactivation of a school facility in
3 accordance with Section 10-22.22b of this Code, a computation
4 shall be made to determine the difference between the salaries
5 effective in the sending school district and each receiving
6 school district on June 30 prior to the deactivation of the
7 school facility. For the lesser of the first 4 years after the
8 deactivation of the school facility or the length of the
9 deactivation agreement, including any renewals of the original
10 deactivation agreement, a supplementary State aid
11 reimbursement shall be paid to each receiving district equal to
12 the difference between the sum of the salaries earned by each
13 of the certificated members transferred to that receiving
14 district as a result of the deactivation while employed in the
15 sending district during the year immediately preceding the
16 deactivation and the sum of the salaries those certificated
17 members would have been paid during the year immediately
18 preceding the deactivation if placed on the salary schedule of
19 the sending or receiving district with the highest salary
20 schedule.

21 (6) The supplementary State aid reimbursement under this
22 subsection (b) shall be treated as separate from all other
23 payments made pursuant to Section 18-8.05 of this Code. In the
24 case of the formation of a new district or cooperative high
25 school or a deactivation, reimbursement shall begin during the
26 first year of operation of the new district or cooperative high

1 school or the first year of the deactivation, and in the case
2 of an annexation of the territory of one or more school
3 districts by one or more other school districts or the
4 annexation of territory detached from a school district whereby
5 the enrollment of the annexing district increases by 90% or
6 more as a result of the annexation, reimbursement shall begin
7 during the first year when the change in boundaries
8 attributable to the annexation becomes effective for all
9 purposes as determined pursuant to Section 7-9 of this Code,
10 except that for an annexation of territory detached from a
11 school district that is effective on or after July 1, 2004, but
12 before January 11, 2008 (the effective date of Public Act
13 95-707), whereby the enrollment of the annexing district
14 increases by 90% or more as a result of the annexation,
15 reimbursement shall begin during the fiscal year of January 11,
16 2008 (the effective date of Public Act 95-707). Each year that
17 the new, annexing, or receiving district or cooperative high
18 school, as the case may be, is entitled to receive
19 reimbursement, the number of eligible certified members who are
20 employed on October 1 in the district or cooperative high
21 school shall be certified to the State Board of Education on
22 prescribed forms by October 15 and payment shall be made on or
23 before November 15 of that year.

24 (c) (1) For the first year after the formation of a combined
25 school district, as defined in Section 11E-20 of this Code or a
26 unit district, as defined in Section 11E-25 of this Code, a

1 computation shall be made totaling each previously existing
2 district's audited fund balances in the educational fund,
3 working cash fund, operations and maintenance fund, and
4 transportation fund for the year ending June 30 prior to the
5 referendum for the creation of the new district. The new
6 district shall be paid supplementary State aid equal to the sum
7 of the differences between the deficit of the previously
8 existing district with the smallest deficit and the deficits of
9 each of the other previously existing districts.

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

1 prior to the annexation.

2 (3) For the first year after the annexation of all of the
3 territory of one or more entire school districts by 2 or more
4 other school districts, as defined by Article 7 of this Code,
5 computations shall be made, for the year ending June 30 prior
6 to the date that the change of boundaries attributable to the
7 annexation is allowed by the affirmative decision of the
8 regional board of school trustees under Section 7-6 of this
9 Code, notwithstanding any action for administrative review of
10 the decision, totaling each annexing and annexed district's
11 audited fund balances in their respective educational, working
12 cash, operations and maintenance, and transportation funds.
13 The annexing districts as constituted after the annexation
14 shall be paid supplementary State aid, allocated as provided in
15 this paragraph (3), in an aggregate amount equal to the sum of
16 the differences between the deficit of whichever of the
17 annexing or annexed districts as constituted prior to the
18 annexation had the smallest deficit and the deficits of each of
19 the other districts as constituted prior to the annexation. The
20 aggregate amount of the supplementary State aid payable under
21 this paragraph (3) shall be allocated between or among the
22 annexing districts as follows:

23 (A) the regional superintendent of schools for each
24 educational service region in which an annexed district is
25 located prior to the annexation shall certify to the State
26 Board of Education, on forms that it shall provide for that

1 purpose, the value of all taxable property in each annexed
2 district, as last equalized or assessed by the Department
3 of Revenue prior to the annexation, and the equalized
4 assessed value of each part of the annexed district that
5 was annexed to or included as a part of an annexing
6 district;

7 (B) using equalized assessed values as certified by the
8 regional superintendent of schools under clause (A) of this
9 paragraph (3), the combined audited fund balance deficit of
10 each annexed district as determined under this Section
11 shall be apportioned between or among the annexing
12 districts in the same ratio as the equalized assessed value
13 of that part of the annexed district that was annexed to or
14 included as a part of an annexing district bears to the
15 total equalized assessed value of the annexed district; and

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

1 (4) For the new elementary districts and new high school
2 district formed through a school district conversion, as
3 defined in Section 11E-15 of this Code or the new elementary
4 district or districts and new combined high school - unit
5 district formed through a multi-unit conversion, as defined in
6 subsection (b) of Section 11E-30 of this Code, a computation
7 shall be made totaling each previously existing district's
8 audited fund balances in the educational fund, working cash
9 fund, operations and maintenance fund, and transportation fund
10 for the year ending June 30 prior to the referendum
11 establishing the new districts. In the first year of the new
12 districts, the State shall make a one-time supplementary
13 payment equal to the sum of the differences between the deficit
14 of the previously existing district with the smallest deficit
15 and the deficits of each of the other previously existing
16 districts. A district with a combined balance among the 4 funds
17 that is positive shall be considered to have a deficit of zero.
18 The supplementary payment shall be allocated among the newly
19 formed high school and elementary districts in the manner
20 provided by the petition for the formation of the districts, in
21 the form in which the petition is approved by the regional
22 superintendent of schools or State Superintendent of Education
23 under Section 11E-50 of this Code.

24 (5) For each newly created partial elementary unit
25 district, as defined in subsection (a) or (c) of Section 11E-30
26 of this Code, a computation shall be made totaling the audited

1 fund balances of each previously existing district that formed
2 the new partial elementary unit district in the educational
3 fund, working cash fund, operations and maintenance fund, and
4 transportation fund for the year ending June 30 prior to the
5 referendum for the formation of the partial elementary unit
6 district. In the first year of the new partial elementary unit
7 district, the State shall make a one-time supplementary payment
8 to the new district equal to the sum of the differences between
9 the deficit of the previously existing district with the
10 smallest deficit and the deficits of each of the other
11 previously existing districts. A district with a combined
12 balance among the 4 funds that is positive shall be considered
13 to have a deficit of zero.

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

1 follows:

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

8 (B) If the effective date for the elementary opt-in is
9 2 years after the effective date for the optional
10 elementary unit district, 75% of the calculated excess
11 shall be paid to the optional elementary unit district in
12 the first year after the effective date of the elementary
13 opt-in.

14 (C) If the effective date for the elementary opt-in is
15 3 years after the effective date for the optional
16 elementary unit district, 50% of the calculated excess
17 shall be paid to the optional elementary unit district in
18 the first year after the effective date of the elementary
19 opt-in.

20 (D) If the effective date for the elementary opt-in is
21 4 years after the effective date for the optional
22 elementary unit district, 25% of the calculated excess
23 shall be paid to the optional elementary unit district in
24 the first year after the effective date of the elementary
25 opt-in.

26 (E) If the effective date for the elementary opt-in is

1 5 years after the effective date for the optional
2 elementary unit district, the optional elementary unit
3 district is not eligible for any additional incentives due
4 to the elementary opt-in.

5 (6.5) For the first year after the annexation of territory
6 detached from another school district whereby the enrollment of
7 the annexing district increases by 90% or more as a result of
8 the annexation, a computation shall be made totaling the
9 audited fund balances of the district gaining territory and the
10 audited fund balances of the district losing territory in the
11 educational fund, working cash fund, operations and
12 maintenance fund, and transportation fund for the year ending
13 June 30 prior to the date that the change of boundaries
14 attributable to the annexation is allowed by the affirmative
15 decision of the regional board of school trustees under Section
16 7-6 of this Code, notwithstanding any action for administrative
17 review of the decision. The annexing district as constituted
18 after the annexation shall be paid supplementary State aid
19 equal to the difference between the deficit of whichever
20 district included in this calculation as constituted prior to
21 the annexation had the smallest deficit and the deficit of each
22 other district included in this calculation as constituted
23 prior to the annexation, multiplied by the ratio of equalized
24 assessed value of the territory detached to the total equalized
25 assessed value of the district losing territory. The regional
26 superintendent of schools for the educational service region in

1 which a district losing territory is located prior to the
2 annexation shall certify to the State Board of Education the
3 value of all taxable property in the district losing territory
4 and the value of all taxable property in the territory being
5 detached, as last equalized or assessed by the Department of
6 Revenue prior to the annexation. To be eligible for
7 supplementary State aid reimbursement under this Section, the
8 intergovernmental agreement to be submitted pursuant to
9 Section 7-14A of this Code must show that fund balances were
10 transferred from the district losing territory to the district
11 gaining territory in the annexation. The changes to this
12 Section made by Public Act 95-707 are intended to be
13 retroactive and applicable to any annexation taking effect on
14 or after July 1, 2004. For annexations that are eligible for
15 payments under this paragraph (6.5) and that are effective on
16 or after July 1, 2004, but before January 11, 2008 (the
17 effective date of Public Act 95-707), the required payment
18 under this paragraph (6.5) shall be paid in the fiscal year of
19 January 11, 2008 (the effective date of Public Act 95-707).

20 (7) For purposes of any calculation required under
21 paragraph (1), (2), (3), (4), (5), (6), or (6.5) of this
22 subsection (c), a district with a combined fund balance that is
23 positive shall be considered to have a deficit of zero. For
24 purposes of determining each district's audited fund balances
25 in its educational fund, working cash fund, operations and
26 maintenance fund, and transportation fund for the specified

1 year ending June 30, as provided in paragraphs (1), (2), (3),
2 (4), (5), (6), and (6.5) of this subsection (c), the balance of
3 each fund shall be deemed decreased by an amount equal to the
4 amount of the annual property tax theretofore levied in the
5 fund by the district for collection and payment to the district
6 during the calendar year in which the June 30 fell, but only to
7 the extent that the tax so levied in the fund actually was
8 received by the district on or before or comprised a part of
9 the fund on such June 30. For purposes of determining each
10 district's audited fund balances, a calculation shall be made
11 for each fund to determine the average for the 3 years prior to
12 the specified year ending June 30, as provided in paragraphs
13 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c),
14 of the district's expenditures in the categories "purchased
15 services", "supplies and materials", and "capital outlay", as
16 those categories are defined in rules of the State Board of
17 Education. If this 3-year average is less than the district's
18 expenditures in these categories for the specified year ending
19 June 30, as provided in paragraphs (1), (2), (3), (4), (5),
20 (6), and (6.5) of this subsection (c), then the 3-year average
21 shall be used in calculating the amounts payable under this
22 Section in place of the amounts shown in these categories for
23 the specified year ending June 30, as provided in paragraphs
24 (1), (2), (3), (4), (5), (6), and (6.5) of this subsection (c).
25 Any deficit because of State aid not yet received may not be
26 considered in determining the June 30 deficits. The same basis

1 of accounting shall be used by all previously existing
2 districts and by all annexing or annexed districts, as
3 constituted prior to the annexation, in making any computation
4 required under paragraphs (1), (2), (3), (4), (5), (6), and
5 (6.5) of this subsection (c).

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

9 (d)(1) Following the formation of a combined school
10 district, as defined in Section 11E-20 of this Code, a new unit
11 district, as defined in Section 11E-25 of this Code, a new
12 elementary district or districts and a new high school district
13 formed through a school district conversion, as defined in
14 Section 11E-15 of this Code, a new partial elementary unit
15 district, as defined in Section 11E-30 of this Code, or a new
16 elementary district or districts formed through a multi-unit
17 conversion, as defined in subsection (b) of Section 11E-30 of
18 this Code, or the annexation of all of the territory of one or
19 more entire school districts by one or more other school
20 districts, as defined in Article 7 of this Code, a
21 supplementary State aid reimbursement shall be paid for the
22 number of school years determined under the following table to
23 each new or annexing district equal to the sum of \$4,000 for
24 each certified employee who is employed by the district on a
25 full-time basis for the regular term of the school year:

1	Reorganized District's Rank	Reorganized District's Rank		
2	by type of district (unit,	in Average Daily Attendance		
3	high school, elementary)	By Quintile		
4	in Equalized Assessed Value			
5	Per Pupil by Quintile			
6				3rd, 4th,
7		1st	2nd	or 5th
8		Quintile	Quintile	Quintile
9	1st Quintile	1 year	1 year	1 year
10	2nd Quintile	1 year	2 years	2 years
11	3rd Quintile	2 years	3 years	3 years
12	4th Quintile	2 years	3 years	3 years
13	5th Quintile	2 years	3 years	3 years

14 The State Board of Education shall make a one-time calculation
15 of a reorganized district's quintile ranks. The average daily
16 attendance used in this calculation shall be the best 3 months'
17 average daily attendance for the district's first year. The
18 equalized assessed value per pupil shall be the district's real
19 property equalized assessed value used in calculating the
20 district's first-year general State aid claim, under Section
21 18-8.05 of this Code, or first-year evidence-based funding
22 claim, under Section 18-8.15 of this Code, as applicable,
23 divided by the best 3 months' average daily attendance.

24 No annexing or resulting school district shall be entitled
25 to supplementary State aid under this subsection (d) unless the

1 district acquires at least 30% of the average daily attendance
2 of the district from which the territory is being detached or
3 divided.

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

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

17 (A) If the effective date for the elementary opt-in is
18 one year after the effective date for the optional
19 elementary unit district, 100% of the amount calculated in
20 this paragraph (2) shall be paid to the optional elementary
21 unit district for the number of years calculated in
22 paragraph (1) of this subsection (d) at the optional
23 elementary unit district's original effective date,
24 starting in the second year after the effective date of the
25 elementary opt-in.

26 (B) If the effective date for the elementary opt-in is

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

9 (C) If the effective date for the elementary opt-in is
10 3 years after the effective date for the optional
11 elementary unit district, 50% of the amount calculated in
12 this paragraph (2) shall be paid to the optional elementary
13 unit district for the number of years calculated in
14 paragraph (1) of this subsection (d) at the optional
15 elementary unit district's original effective date,
16 starting in the second year after the effective date of the
17 elementary opt-in.

18 (D) If the effective date for the elementary opt-in is
19 4 years after the effective date for the optional
20 elementary unit district, 25% of the amount calculated in
21 this paragraph (2) shall be paid to the optional elementary
22 unit district for the number of years calculated in
23 paragraph (1) of this subsection (d) at the optional
24 elementary unit district's original effective date,
25 starting in the second year after the effective date of the
26 elementary opt-in.

1 (E) If the effective date for the elementary opt-in is
2 5 years after the effective date for the optional
3 elementary unit district, the optional elementary unit
4 district is not eligible for any additional incentives due
5 to the elementary opt-in.

6 (2.5) Following the formation of a cooperative high school
7 by 2 or more school districts under Section 10-22.22c of this
8 Code, a supplementary State aid reimbursement shall be paid for
9 3 school years to the cooperative high school equal to the sum
10 of \$4,000 for each certified employee who is employed by the
11 cooperative high school on a full-time basis for the regular
12 term of any such school year. If a cooperative high school
13 results from multiple agreements that would otherwise qualify
14 the cooperative high school for multiple payments under this
15 Section in any year, the cooperative high school shall receive
16 a single payment for that year based solely on the most recent
17 agreement.

18 (2.10) Following the annexation of territory detached from
19 another school district whereby the enrollment of the annexing
20 district increases 90% or more as a result of the annexation, a
21 supplementary State aid reimbursement shall be paid to the
22 annexing district equal to the sum of \$4,000 for each certified
23 employee who is employed by the annexing district on a
24 full-time basis and shall be calculated in accordance with
25 subsection (a) of this Section. To be eligible for
26 supplementary State aid reimbursement under this Section, the

1 intergovernmental agreement to be submitted pursuant to
2 Section 7-14A of this Code must show that certified staff
3 members were transferred from the control of the district
4 losing territory to the control of the district gaining
5 territory in the annexation. The changes to this Section made
6 by Public Act 95-707 are intended to be retroactive and
7 applicable to any annexation taking effect on or after July 1,
8 2004. For annexations that are eligible for payments under this
9 paragraph (2.10) and that are effective on or after July 1,
10 2004, but before January 11, 2008 (the effective date of Public
11 Act 95-707), the first required yearly payment under this
12 paragraph (2.10) shall be paid in the second fiscal year after
13 January 11, 2008 (the effective date of Public Act 95-707). Any
14 subsequent required yearly payments shall be paid in subsequent
15 fiscal years until the payment obligation under this paragraph
16 (2.10) is complete.

17 (2.15) Following the deactivation of a school facility in
18 accordance with Section 10-22.22b of this Code, a supplementary
19 State aid reimbursement shall be paid for the lesser of 3
20 school years or the length of the deactivation agreement,
21 including any renewals of the original deactivation agreement,
22 to each receiving school district equal to the sum of \$4,000
23 for each certified employee who is employed by that receiving
24 district on a full-time basis for the regular term of any such
25 school year who was originally transferred to the control of
26 that receiving district as a result of the deactivation.

1 Receiving districts are eligible for payments under this
2 paragraph (2.15) based on the certified employees transferred
3 to that receiving district as a result of the deactivation and
4 are not required to receive at least 30% of the deactivating
5 district's average daily attendance as required under
6 paragraph (1) of this subsection (d) to be eligible for
7 payments.

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

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

23 (5) Upon certification by the State Board of Education to
24 the State Comptroller of the amount of the supplementary State
25 aid reimbursement to which a school district or cooperative
26 high school is entitled under this subsection (d), the State

1 Comptroller shall draw his or her warrant upon the State
2 Treasurer for the payment thereof to the school district or
3 cooperative high school and shall promptly transmit the payment
4 to the school district or cooperative high school through the
5 appropriate school treasurer.

6 (Source: P.A. 100-465, eff. 8-31-17.)

7 (105 ILCS 5/11E-140 new)

8 Sec. 11E-140. School District Efficiency Commission.

9 (a) The School District Efficiency Commission is created.

10 The Commission shall consist of all of the following voting
11 members:

12 (1) The Lieutenant Governor or his or her appointee,
13 who shall serve as the chairperson.

14 (2) One member appointed by the State Board of
15 Education.

16 (3) One representative appointed by the Speaker of the
17 House of Representatives.

18 (4) One representative appointed by the Minority
19 Leader of the House of Representatives.

20 (5) One senator appointed by the President of the
21 Senate.

22 (6) One senator appointed by the Minority Leader of the
23 Senate.

24 (7) A representative of a statewide professional
25 teachers' organization appointed by the head of that

1 organization.

2 (8) A representative of a different statewide
3 professional teachers' organization appointed by the head
4 of that organization.

5 (9) A representative of a statewide organization that
6 represents school boards appointed by the head of that
7 organization.

8 (10) A representative of a statewide organization
9 representing principals appointed by the head of that
10 organization.

11 (11) A representative of an organization representing
12 professional teachers in a city having a population
13 exceeding 500,000 appointed by the head of that
14 organization.

15 (12) A representative of an association representing
16 school business officials appointed by the head of that
17 association.

18 (13) A representative of an association representing
19 school administrators appointed by the head of that
20 association.

21 (14) A member of the Chicago Board of Education
22 appointed by the Chicago Board of Education.

23 (15) A representative from an organization
24 representing administrators of special education appointed
25 by the head of that organization.

26 (16) A representative from a statewide parent

1 organization appointed by the head of that organization.

2 (17) A representative from an organization
3 representing high school districts appointed by the head of
4 that organization.

5 (18) A representative from a rural school district in
6 this State appointed by the Governor.

7 (19) A representative from a suburban school district
8 in this State appointed by the Governor.

9 (20) A representative of an association that
10 represents regional superintendents of schools appointed
11 by the head of that association.

12 Members shall serve without compensation, but shall be
13 reimbursed for their reasonable and necessary expenses from
14 funds appropriated for that purpose. Members shall be
15 reimbursed for their travel expenses from appropriations to the
16 State Board of Education made available for that purpose and
17 subject to the rules of the appropriate travel control board.
18 The Commission shall meet at the call of the chairperson, with
19 the initial meeting of the Commission being held as soon as
20 possible after the effective date of this amendatory Act of the
21 101st General Assembly, and shall hold public hearings
22 throughout this State. The State Board shall provide
23 administrative assistance and necessary staff support services
24 to the Commission.

25 (b) The Commission must make recommendations to the
26 Governor and the General Assembly on the number of school

1 districts in this State, the optimal amount of enrollment for a
2 school district, and where reorganization and realignment of
3 school districts would be beneficial in this State. The
4 Commission's recommendations must focus on all of the following
5 areas:

6 (1) Reducing the money spent on the duplication of
7 efforts.

8 (2) Improving the education of students by having fewer
9 obstacles between qualified teachers and their students.

10 (3) Lowering the property tax burden.

11 (4) Providing recommendations on what the net cost
12 savings of realignment is to this State.

13 (5) With a view toward reducing unnecessary
14 administrative costs, improving the education of students,
15 and lowering the property tax burden, drafting specific
16 propositions to reduce the statewide total number of school
17 districts by no less than 25% through the reorganization of
18 school districts into unit districts under Section 11E-25.
19 Each proposition under this paragraph must include all of
20 the following:

21 (A) A request to submit the proposition at the next
22 general election for the purpose of voting for or
23 against the establishment of a combined unit district.

24 (B) A description of the territory comprising the
25 districts proposed to be dissolved and those to be
26 created, which, for an entire district, may be a

1 general reference to all of the territory included
2 within that district.

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

9 (c) On or before May 1, 2020, the Commission must vote on
10 its recommended propositions and file a report with the
11 Governor and the General Assembly. If the Commission adopts the
12 report by an affirmative vote of at least 11 of its members,
13 then the Commission's specific propositions for reorganization
14 of school districts into unit districts under paragraph (5) of
15 subsection (b) shall be filed with the appropriate regional
16 superintendent of schools in the same form as required for
17 petitions under Section 11E-35.

18 (d) Upon the filing of a proposition with the regional
19 superintendent of schools under subsection (c), the regional
20 superintendent shall do both of the following:

21 (1) Provide a copy of the proposition to each school
22 board affected by the proposition and the regional
23 superintendent of schools of any other educational service
24 region in which the territory described in the proposition
25 is situated.

26 (2) Publish a notice of the proposition at least once

1 each week for 3 successive weeks in at least one newspaper
2 having general circulation within the area of all of the
3 territory of the proposed district or districts. The
4 expense of publishing the notice shall be paid by the
5 School District Efficiency Commission.

6 (e) The notice described in paragraph (2) of subsection (d)
7 must include all of the following information:

8 (1) When and to whom the proposition was presented.

9 (2) The proposition.

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

14 (f) Within 14 days after receipt of the recommended
15 proposition, the regional superintendent of schools must
16 inform the School District Efficiency Commission if the
17 recommended proposition, as amended or filed, is proper and in
18 compliance with all applicable requirements set forth in the
19 Election Code. If the regional superintendent determines that
20 the proposition is not in proper order or not in compliance
21 with any applicable requirements set forth in the Election
22 Code, the regional superintendent must identify the specific
23 alleged defects in the proposition and include specific
24 recommendations to cure the alleged defects. The School
25 District Efficiency Commission may amend the proposition to
26 cure the alleged defects within 14 days after receipt of the

1 regional superintendent's specific recommendations.

2 (g) Within 14 days after receipt of the School District
3 Efficiency Commission's amendments in response to the specific
4 recommendations, the regional superintendent of schools shall,
5 upon determining the proposition is in proper order and in
6 compliance with applicable requirements set forth in the
7 Election Code, through a written order, approve the
8 proposition, or, if the regional superintendent of schools
9 determines that the amended proposition is not proper or not in
10 compliance with the Election Code, the regional superintendent
11 shall deny the proposition.

12 (h) Upon approving or denying the proposition, the regional
13 superintendent of schools shall submit the proposition and all
14 evidence to the State Superintendent of Education. The State
15 Superintendent shall review the proposition and the written
16 order of the regional superintendent, if any. Within 21 days
17 after the receipt of the regional superintendent's decision,
18 the State Superintendent shall determine whether the
19 proposition is proper and in compliance with the applicable
20 requirements set forth in the Election Code, and, through a
21 written order, either approve or deny the proposition. If the
22 State Superintendent denies the proposition, the State
23 Superintendent shall set forth in writing the specific basis
24 for determining the proposition is not proper or not in
25 compliance with the applicable provisions of the Election Code.
26 The decision of the State Superintendent is an administrative

1 decision as defined in Section 3-101 of the Code of Civil
2 Procedure. The State Superintendent shall provide a copy of the
3 decision by certified mail, return receipt requested, to the
4 School District Efficiency Commission, each school board of a
5 district in which territory described in the proposition is
6 situated, the regional superintendent with whom the
7 proposition was filed, and the regional superintendent of
8 schools of any other educational service region in which
9 territory described in the proposition is situated. If the
10 proposition is approved, the State Superintendent shall
11 otherwise treat the approved proposition as a petition approved
12 under subsection (b) of Section 11E-50.

13 (i) Any member of the School District Efficiency Commission
14 or school board of any district in which territory described in
15 the proposition is situated may, within 35 days after a copy of
16 the decision sought to be reviewed was served by certified
17 mail, return receipt requested, upon the affected party or upon
18 the attorney of record for the party, apply for a review of an
19 administrative decision of the State Superintendent of
20 Education in accordance with the Administrative Review Law and
21 any rules adopted pursuant to the Administrative Review Law.
22 The commencement of any action for review shall operate as a
23 supersedeas, and no further proceedings shall be had until
24 final disposition of the review. The circuit court of the
25 county in which the proposition is filed with the regional
26 superintendent of schools shall have sole jurisdiction to

1 entertain a complaint for review.

2 (j) This Section is repealed on January 31, 2021.

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