

1 AMENDMENT TO HOUSE BILL 3541

2 AMENDMENT NO. _____. Amend House Bill 3541 by replacing
3 everything after the enacting clause with the following:

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

6 (105 ILCS 5/18-8.05)

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

10 (A) General Provisions.

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

1 amount of per pupil general State financial aid for school
2 districts, in general, varies in inverse relation to
3 Available Local Resources. Per pupil amounts are based upon
4 each school district's Average Daily Attendance as that term
5 is defined in this Section.

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

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

18 (a) Any school district which fails for any given
19 school year to maintain school as required by law, or to
20 maintain a recognized school is not eligible to file for
21 such school year any claim upon the Common School Fund.
22 In case of nonrecognition of one or more attendance
23 centers in a school district otherwise operating
24 recognized schools, the claim of the district shall be
25 reduced in the proportion which the Average Daily
26 Attendance in the attendance center or centers bear to
27 the Average Daily Attendance in the school district. A
28 "recognized school" means any public school which meets
29 the standards as established for recognition by the State
30 Board of Education. A school district or attendance
31 center not having recognition status at the end of a
32 school term is entitled to receive State aid payments due
33 upon a legal claim which was filed while it was
34 recognized.

1 (b) School district claims filed under this Section
2 are subject to Sections 18-9, 18-10, and 18-12, except as
3 otherwise provided in this Section.

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

9 (d) (Blank).

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

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

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

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

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

28 (c) "Corporate Personal Property Replacement
29 Taxes": Funds paid to local school districts pursuant to
30 "An Act in relation to the abolition of ad valorem
31 personal property tax and the replacement of revenues
32 lost thereby, and amending and repealing certain Acts and
33 parts of Acts in connection therewith", certified August
34 14, 1979, as amended (Public Act 81-1st S.S.-1).

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

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

8 (B) Foundation Level.

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

19 (2) For the 1998-1999 school year, the Foundation Level
20 of support is \$4,225. For the 1999-2000 school year, the
21 Foundation Level of support is \$4,325. For the 2000-2001
22 school year, the Foundation Level of support is \$4,425. For
23 the 2001-2002 and 2002-2003 school years, the Foundation
24 Level of support is \$4,560. For the 2003-2004 school year,
25 the Foundation Level of support is \$4,810. For the 2004-2005
26 school year, the Foundation Level of support is \$5,200. For
27 the 2005-2006 school year, the Foundation Level of support is
28 \$5,600.

29 (3) For the 2006-2007 ~~2001-2002~~ school year and each
30 school year thereafter, the Foundation Level of support is
31 \$5,950 ~~\$4,560~~ or such greater amount as may be established by
32 law by the General Assembly.

33 (C) Average Daily Attendance.

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

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

21 (D) Available Local Resources.

22 (1) For purposes of calculating general State aid
23 pursuant to subsection (E), a representation of Available
24 Local Resources per pupil, as that term is defined and
25 determined in this subsection, shall be utilized. Available
26 Local Resources per pupil shall include a calculated dollar
27 amount representing local school district revenues from local
28 property taxes and from Corporate Personal Property
29 Replacement Taxes, expressed on the basis of pupils in
30 Average Daily Attendance.

31 (2) In determining a school district's revenue from
32 local property taxes, the State Board of Education shall
33 utilize the equalized assessed valuation of all taxable
34 property of each school district as of September 30 of the

1 previous year. The equalized assessed valuation utilized
2 shall be obtained and determined as provided in subsection
3 (G).

4 (3) For school districts maintaining grades kindergarten
5 through 12, local property tax revenues per pupil shall be
6 calculated as the product of the applicable equalized
7 assessed valuation for the district multiplied by 3.00%, and
8 divided by the district's Average Daily Attendance figure.
9 For school districts maintaining grades kindergarten through
10 8, local property tax revenues per pupil shall be calculated
11 as the product of the applicable equalized assessed valuation
12 for the district multiplied by 2.30%, and divided by the
13 district's Average Daily Attendance figure. For school
14 districts maintaining grades 9 through 12, local property tax
15 revenues per pupil shall be the applicable equalized assessed
16 valuation of the district multiplied by 1.05%, and divided by
17 the district's Average Daily Attendance figure.

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

28 (E) Computation of General State Aid.

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

32 (2) For any school district for which Available Local
33 Resources per pupil is less than the product of 0.93 times
34 the Foundation Level, general State aid for that district

1 shall be calculated as an amount equal to the Foundation
2 Level minus Available Local Resources, multiplied by the
3 Average Daily Attendance of the school district.

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

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

27 (5) The amount of general State aid allocated to a
28 school district for the 1999-2000 school year meeting the
29 requirements set forth in paragraph (4) of subsection (G)
30 shall be increased by an amount equal to the general State
31 aid that would have been received by the district for the
32 1998-1999 school year by utilizing the Extension Limitation
33 Equalized Assessed Valuation as calculated in paragraph (4)
34 of subsection (G) less the general State aid allotted for the

1 1998-1999 school year. This amount shall be deemed a one
2 time increase, and shall not affect any future general State
3 aid allocations.

4 (F) Compilation of Average Daily Attendance.

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

15 (a) In districts that do not hold year-round
16 classes, days of attendance in August shall be added to
17 the month of September and any days of attendance in June
18 shall be added to the month of May.

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

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

1 Except as otherwise provided in this Section, days of
2 attendance by pupils shall be counted only for sessions of
3 not less than 5 clock hours of school work per day under
4 direct supervision of: (i) teachers, or (ii) non-teaching
5 personnel or volunteer personnel when engaging in
6 non-teaching duties and supervising in those instances
7 specified in subsection (a) of Section 10-22.34 and paragraph
8 10 of Section 34-18, with pupils of legal school age and in
9 kindergarten and grades 1 through 12.

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

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

16 (a) Pupils regularly enrolled in a public school
17 for only a part of the school day may be counted on the
18 basis of 1/6 day for every class hour of instruction of
19 40 minutes or more attended pursuant to such enrollment,
20 unless a pupil is enrolled in a block-schedule format of
21 80 minutes or more of instruction, in which case the
22 pupil may be counted on the basis of the proportion of
23 minutes of school work completed each day to the minimum
24 number of minutes that school work is required to be held
25 that day.

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

31 (c) A session of 4 or more clock hours may be
32 counted as a day of attendance upon certification by the
33 regional superintendent, and approved by the State
34 Superintendent of Education to the extent that the

1 district has been forced to use daily multiple sessions.

2 (d) A session of 3 or more clock hours may be
3 counted as a day of attendance (1) when the remainder of
4 the school day or at least 2 hours in the evening of that
5 day is utilized for an in-service training program for
6 teachers, up to a maximum of 5 days per school year of
7 which a maximum of 4 days of such 5 days may be used for
8 parent-teacher conferences, provided a district conducts
9 an in-service training program for teachers which has
10 been approved by the State Superintendent of Education;
11 or, in lieu of 4 such days, 2 full days may be used, in
12 which event each such day may be counted as a day of
13 attendance; and (2) when days in addition to those
14 provided in item (1) are scheduled by a school pursuant
15 to its school improvement plan adopted under Article 34
16 or its revised or amended school improvement plan adopted
17 under Article 2, provided that (i) such sessions of 3 or
18 more clock hours are scheduled to occur at regular
19 intervals, (ii) the remainder of the school days in which
20 such sessions occur are utilized for in-service training
21 programs or other staff development activities for
22 teachers, and (iii) a sufficient number of minutes of
23 school work under the direct supervision of teachers are
24 added to the school days between such regularly scheduled
25 sessions to accumulate not less than the number of
26 minutes by which such sessions of 3 or more clock hours
27 fall short of 5 clock hours. Any full days used for the
28 purposes of this paragraph shall not be considered for
29 computing average daily attendance. Days scheduled for
30 in-service training programs, staff development
31 activities, or parent-teacher conferences may be
32 scheduled separately for different grade levels and
33 different attendance centers of the district.

34 (e) A session of not less than one clock hour of

1 teaching hospitalized or homebound pupils on-site or by
2 telephone to the classroom may be counted as 1/2 day of
3 attendance, however these pupils must receive 4 or more
4 clock hours of instruction to be counted for a full day
5 of attendance.

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

12 (g) For children with disabilities who are below
13 the age of 6 years and who cannot attend 2 or more clock
14 hours because of their disability or immaturity, a
15 session of not less than one clock hour may be counted as
16 1/2 day of attendance; however for such children whose
17 educational needs so require a session of 4 or more clock
18 hours may be counted as a full day of attendance.

19 (h) A recognized kindergarten which provides for
20 only 1/2 day of attendance by each pupil shall not have
21 more than 1/2 day of attendance counted in any one day.
22 However, kindergartens may count 2 1/2 days of attendance
23 in any 5 consecutive school days. When a pupil attends
24 such a kindergarten for 2 half days on any one school
25 day, the pupil shall have the following day as a day
26 absent from school, unless the school district obtains
27 permission in writing from the State Superintendent of
28 Education. Attendance at kindergartens which provide for
29 a full day of attendance by each pupil shall be counted
30 the same as attendance by first grade pupils. Only the
31 first year of attendance in one kindergarten shall be
32 counted, except in case of children who entered the
33 kindergarten in their fifth year whose educational
34 development requires a second year of kindergarten as

1 determined under the rules and regulations of the State
2 Board of Education.

3 (G) Equalized Assessed Valuation Data.

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

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

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

19 (a) For the purposes of calculating State aid under
20 this Section, with respect to any part of a school
21 district within a redevelopment project area in respect
22 to which a municipality has adopted tax increment
23 allocation financing pursuant to the Tax Increment
24 Allocation Redevelopment Act, Sections 11-74.4-1 through
25 11-74.4-11 of the Illinois Municipal Code or the
26 Industrial Jobs Recovery Law, Sections 11-74.6-1 through
27 11-74.6-50 of the Illinois Municipal Code, no part of the
28 current equalized assessed valuation of real property
29 located in any such project area which is attributable to
30 an increase above the total initial equalized assessed
31 valuation of such property shall be used as part of the
32 equalized assessed valuation of the district, until such
33 time as all redevelopment project costs have been paid,
34 as provided in Section 11-74.4-8 of the Tax Increment

1 Allocation Redevelopment Act or in Section 11-74.6-35 of
2 the Industrial Jobs Recovery Law. For the purpose of the
3 equalized assessed valuation of the district, the total
4 initial equalized assessed valuation or the current
5 equalized assessed valuation, whichever is lower, shall
6 be used until such time as all redevelopment project
7 costs have been paid.

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

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

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

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

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

1 "Preceding Tax Year": The property tax levy year
2 immediately preceding the Base Tax Year.

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

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

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

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

18 If a school district is subject to property tax extension
19 limitations as imposed under the Property Tax Extension
20 Limitation Law, the State Board of Education shall calculate
21 the Extension Limitation Equalized Assessed Valuation of that
22 district. For the 1999-2000 school year, the Extension
23 Limitation Equalized Assessed Valuation of a school district
24 as calculated by the State Board of Education shall be equal
25 to the product of the district's 1996 Equalized Assessed
26 Valuation and the district's Extension Limitation Ratio. For
27 the 2000-2001 school year and each school year thereafter,
28 the Extension Limitation Equalized Assessed Valuation of a
29 school district as calculated by the State Board of Education
30 shall be equal to the product of the Equalized Assessed
31 Valuation last used in the calculation of general State aid
32 and the district's Extension Limitation Ratio. If the
33 Extension Limitation Equalized Assessed Valuation of a school
34 district as calculated under this subsection (G)(3) is less

1 than the district's equalized assessed valuation as
2 calculated pursuant to subsections (G)(1) and (G)(2), then
3 for purposes of calculating the district's general State aid
4 for the Budget Year pursuant to subsection (E), that
5 Extension Limitation Equalized Assessed Valuation shall be
6 utilized to calculate the district's Available Local
7 Resources under subsection (D).

8 (4) For the purposes of calculating general State aid
9 for the 1999-2000 school year only, if a school district
10 experienced a triennial reassessment on the equalized
11 assessed valuation used in calculating its general State
12 financial aid apportionment for the 1998-1999 school year,
13 the State Board of Education shall calculate the Extension
14 Limitation Equalized Assessed Valuation that would have been
15 used to calculate the district's 1998-1999 general State aid.
16 This amount shall equal the product of the equalized assessed
17 valuation used to calculate general State aid for the
18 1997-1998 school year and the district's Extension Limitation
19 Ratio. If the Extension Limitation Equalized Assessed
20 Valuation of the school district as calculated under this
21 paragraph (4) is less than the district's equalized assessed
22 valuation utilized in calculating the district's 1998-1999
23 general State aid allocation, then for purposes of
24 calculating the district's general State aid pursuant to
25 paragraph (5) of subsection (E), that Extension Limitation
26 Equalized Assessed Valuation shall be utilized to calculate
27 the district's Available Local Resources.

28 (5) For school districts having a majority of their
29 equalized assessed valuation in any county except Cook,
30 DuPage, Kane, Lake, McHenry, or Will, if the amount of
31 general State aid allocated to the school district for the
32 1999-2000 school year under the provisions of subsection (E),
33 (H), and (J) of this Section is less than the amount of
34 general State aid allocated to the district for the 1998-1999

1 school year under these subsections, then the general State
2 aid of the district for the 1999-2000 school year only shall
3 be increased by the difference between these amounts. The
4 total payments made under this paragraph (5) shall not exceed
5 \$14,000,000. Claims shall be prorated if they exceed
6 \$14,000,000.

7 (H) Supplemental General State Aid.

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

19 (1.5) This paragraph (1.5) applies only to those school
20 years preceding the 2003-2004 school year. For purposes of
21 this subsection (H), the term "Low-Income Concentration
22 Level" shall be the low-income eligible pupil count from the
23 most recently available federal census divided by the Average
24 Daily Attendance of the school district. If, however, (i) the
25 percentage decrease from the 2 most recent federal censuses
26 in the low-income eligible pupil count of a high school
27 district with fewer than 400 students exceeds by 75% or more
28 the percentage change in the total low-income eligible pupil
29 count of contiguous elementary school districts, whose
30 boundaries are coterminous with the high school district, or
31 (ii) a high school district within 2 counties and serving 5
32 elementary school districts, whose boundaries are coterminous
33 with the high school district, has a percentage decrease from
34 the 2 most recent federal censuses in the low-income eligible

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

20 (1.10) This paragraph (1.10) applies to the 2003-2004
21 school year. For purposes of this subsection (H), the term
22 "Low Income Concentration Level" shall be (i) the low income
23 eligible pupil count from the most recently available federal
24 census or (ii) the average low income eligible pupil count
25 over the prior 2 school years as determined by the Department
26 of Human Services based on those pupils who are eligible for
27 food stamps or Medicaid or both, whichever pupil count is
28 greater, divided by the Average Daily Attendance of the
29 school district.

30 (1.15) This paragraph (1.15) applies to the 2004-2005
31 school year and each school year thereafter. For purposes of
32 this subsection (H), the term "Low Income Concentration
33 Level" shall be (i) the low income eligible pupil count from
34 the most recently available federal census or (ii) the

1 average low income eligible pupil count over the prior 3
2 school years as determined by the Department of Human
3 Services based on those pupils who are eligible for food
4 stamps or Medicaid or both, whichever pupil count is greater,
5 divided by the Average Daily Attendance of the school
6 district.

7 (2) Supplemental general State aid pursuant to this
8 subsection (H) shall be provided as follows for the
9 1998-1999, 1999-2000, and 2000-2001 school years only:

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

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

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

22 (d) For any school district with a Low Income
23 Concentration Level of 60% or more, the grant for the
24 1998-99 school year shall be \$1,900 multiplied by the low
25 income eligible pupil count.

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

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

34 (2.5) Supplemental general State aid pursuant to this

1 subsection (H) shall be provided as follows for the 2002-2003
2 school year ~~and each school year thereafter:~~

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

7 (b) For any school district with a Low Income
8 Concentration Level of at least 10% and less than 20%,
9 the grant for each school year shall be \$675 multiplied
10 by the low income eligible pupil count.

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

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

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

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

27 (2.10) Supplemental general State aid pursuant to this
28 subsection (H) shall be provided as follows for the 2003-2004
29 school year and each school year thereafter:

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

34 (b) For any school district with a Low Income

1 Concentration Level greater than 15%, the grant for each
2 school year shall be \$294.25 added to the product of
3 \$2,700 multiplied by the square of the Low Income
4 Concentration Level, all multiplied by the low income
5 eligible pupil count.

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

16 (4) School districts with an Average Daily Attendance of
17 50,000 or more that qualify for supplemental general State
18 aid pursuant to this subsection shall be required to
19 distribute from funds available pursuant to this Section, no
20 less than \$261,000,000 in accordance with the following
21 requirements:

22 (a) The required amounts shall be distributed to
23 the attendance centers within the district in proportion
24 to the number of pupils enrolled at each attendance
25 center who are eligible to receive free or reduced-price
26 lunches or breakfasts under the federal Child Nutrition
27 Act of 1966 and under the National School Lunch Act
28 during the immediately preceding school year.

29 (b) The distribution of these portions of
30 supplemental and general State aid among attendance
31 centers according to these requirements shall not be
32 compensated for or contravened by adjustments of the
33 total of other funds appropriated to any attendance
34 centers, and the Board of Education shall utilize funding

1 from one or several sources in order to fully implement
2 this provision annually prior to the opening of school.

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

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

17 (e) Funds received by an attendance center pursuant
18 to this subsection shall be used by the attendance center
19 at the discretion of the principal and local school
20 council for programs to improve educational opportunities
21 at qualifying schools through the following programs and
22 services: early childhood education, reduced class size
23 or improved adult to student classroom ratio, enrichment
24 programs, remedial assistance, attendance improvement,
25 and other educationally beneficial expenditures which
26 supplement the regular and basic programs as determined
27 by the State Board of Education. Funds provided shall not
28 be expended for any political or lobbying purposes as
29 defined by board rule.

30 (f) Each district subject to the provisions of this
31 subdivision (H)(4) shall submit an acceptable plan to
32 meet the educational needs of disadvantaged children, in
33 compliance with the requirements of this paragraph, to
34 the State Board of Education prior to July 15 of each

1 year. This plan shall be consistent with the decisions of
2 local school councils concerning the school expenditure
3 plans developed in accordance with part 4 of Section
4 34-2.3. The State Board shall approve or reject the plan
5 within 60 days after its submission. If the plan is
6 rejected, the district shall give written notice of
7 intent to modify the plan within 15 days of the
8 notification of rejection and then submit a modified plan
9 within 30 days after the date of the written notice of
10 intent to modify. Districts may amend approved plans
11 pursuant to rules promulgated by the State Board of
12 Education.

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

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

26 For purposes of determining compliance with this
27 subsection in relation to the requirements of attendance
28 center funding, each district subject to the provisions
29 of this subsection shall submit as a separate document by
30 December 1 of each year a report of expenditure data for
31 the prior year in addition to any modification of its
32 current plan. If it is determined that there has been a
33 failure to comply with the expenditure provisions of this
34 subsection regarding contravention or supplanting, the

1 State Superintendent of Education shall, within 60 days
2 of receipt of the report, notify the district and any
3 affected local school council. The district shall within
4 45 days of receipt of that notification inform the State
5 Superintendent of Education of the remedial or corrective
6 action to be taken, whether by amendment of the current
7 plan, if feasible, or by adjustment in the plan for the
8 following year. Failure to provide the expenditure
9 report or the notification of remedial or corrective
10 action in a timely manner shall result in a withholding
11 of the affected funds.

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

18 (5) Any additional funding for supplemental general
19 State aid pursuant to this subsection (H) that is
20 necessitated by the changes made by this amendatory Act of
21 the 93rd General Assembly shall be phased in equally over the
22 2003-2004 through 2005-2006 school years, after which the
23 changes made by this amendatory Act of the 93rd General
24 Assembly shall be funded in full.

25 (I) General State Aid for Newly Configured School Districts.

26 (1) For a new school district formed by combining
27 property included totally within 2 or more previously
28 existing school districts, for its first year of existence
29 the general State aid and supplemental general State aid
30 calculated under this Section shall be computed for the new
31 district and for the previously existing districts for which
32 property is totally included within the new district. If the
33 computation on the basis of the previously existing districts
34 is greater, a supplementary payment equal to the difference

1 shall be made for the first 4 years of existence of the new
2 district.

3 (2) For a school district which annexes all of the
4 territory of one or more entire other school districts, for
5 the first year during which the change of boundaries
6 attributable to such annexation becomes effective for all
7 purposes as determined under Section 7-9 or 7A-8, the general
8 State aid and supplemental general State aid calculated under
9 this Section shall be computed for the annexing district as
10 constituted after the annexation and for the annexing and
11 each annexed district as constituted prior to the annexation;
12 and if the computation on the basis of the annexing and
13 annexed districts as constituted prior to the annexation is
14 greater, a supplementary payment equal to the difference
15 shall be made for the first 4 years of existence of the
16 annexing school district as constituted upon such annexation.

17 (3) For 2 or more school districts which annex all of
18 the territory of one or more entire other school districts,
19 and for 2 or more community unit districts which result upon
20 the division (pursuant to petition under Section 11A-2) of
21 one or more other unit school districts into 2 or more parts
22 and which together include all of the parts into which such
23 other unit school district or districts are so divided, for
24 the first year during which the change of boundaries
25 attributable to such annexation or division becomes effective
26 for all purposes as determined under Section 7-9 or 11A-10,
27 as the case may be, the general State aid and supplemental
28 general State aid calculated under this Section shall be
29 computed for each annexing or resulting district as
30 constituted after the annexation or division and for each
31 annexing and annexed district, or for each resulting and
32 divided district, as constituted prior to the annexation or
33 division; and if the aggregate of the general State aid and
34 supplemental general State aid as so computed for the

1 annexing or resulting districts as constituted after the
2 annexation or division is less than the aggregate of the
3 general State aid and supplemental general State aid as so
4 computed for the annexing and annexed districts, or for the
5 resulting and divided districts, as constituted prior to the
6 annexation or division, then a supplementary payment equal to
7 the difference shall be made and allocated between or among
8 the annexing or resulting districts, as constituted upon such
9 annexation or division, for the first 4 years of their
10 existence. The total difference payment shall be allocated
11 between or among the annexing or resulting districts in the
12 same ratio as the pupil enrollment from that portion of the
13 annexed or divided district or districts which is annexed to
14 or included in each such annexing or resulting district bears
15 to the total pupil enrollment from the entire annexed or
16 divided district or districts, as such pupil enrollment is
17 determined for the school year last ending prior to the date
18 when the change of boundaries attributable to the annexation
19 or division becomes effective for all purposes. The amount
20 of the total difference payment and the amount thereof to be
21 allocated to the annexing or resulting districts shall be
22 computed by the State Board of Education on the basis of
23 pupil enrollment and other data which shall be certified to
24 the State Board of Education, on forms which it shall provide
25 for that purpose, by the regional superintendent of schools
26 for each educational service region in which the annexing and
27 annexed districts, or resulting and divided districts are
28 located.

29 (3.5) Claims for financial assistance under this
30 subsection (I) shall not be recomputed except as expressly
31 provided under this Section.

32 (4) Any supplementary payment made under this subsection
33 (I) shall be treated as separate from all other payments made
34 pursuant to this Section.

1 (J) Supplementary Grants in Aid.

2 (1) Notwithstanding any other provisions of this
3 Section, the amount of the aggregate general State aid in
4 combination with supplemental general State aid under this
5 Section for which each school district is eligible shall be
6 no less than the amount of the aggregate general State aid
7 entitlement that was received by the district under Section
8 18-8 (exclusive of amounts received under subsections 5(p)
9 and 5(p-5) of that Section) for the 1997-98 school year,
10 pursuant to the provisions of that Section as it was then in
11 effect. If a school district qualifies to receive a
12 supplementary payment made under this subsection (J), the
13 amount of the aggregate general State aid in combination with
14 supplemental general State aid under this Section which that
15 district is eligible to receive for each school year shall be
16 no less than the amount of the aggregate general State aid
17 entitlement that was received by the district under Section
18 18-8 (exclusive of amounts received under subsections 5(p)
19 and 5(p-5) of that Section) for the 1997-1998 school year,
20 pursuant to the provisions of that Section as it was then in
21 effect.

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

33 (3) (Blank).

34 (K) Grants to Laboratory and Alternative Schools.

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

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

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

1 schools of those educational service regions may agree.

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

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

12 (1) For a school district operating under the financial
13 supervision of an Authority created under Article 34A, the
14 general State aid otherwise payable to that district under
15 this Section, but not the supplemental general State aid,
16 shall be reduced by an amount equal to the budget for the
17 operations of the Authority as certified by the Authority to
18 the State Board of Education, and an amount equal to such
19 reduction shall be paid to the Authority created for such
20 district for its operating expenses in the manner provided in
21 Section 18-11. The remainder of general State school aid for
22 any such district shall be paid in accordance with Article
23 34A when that Article provides for a disposition other than
24 that provided by this Article.

25 (2) (Blank).

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

28 (M) Education Funding Advisory Board.

29 The Education Funding Advisory Board, hereinafter in this
30 subsection (M) referred to as the "Board", is hereby created.
31 The Board shall consist of 5 members who are appointed by the
32 Governor, by and with the advice and consent of the Senate.
33 The members appointed shall include representatives of

1 education, business, and the general public. One of the
2 members so appointed shall be designated by the Governor at
3 the time the appointment is made as the chairperson of the
4 Board. The initial members of the Board may be appointed any
5 time after the effective date of this amendatory Act of 1997.
6 The regular term of each member of the Board shall be for 4
7 years from the third Monday of January of the year in which
8 the term of the member's appointment is to commence, except
9 that of the 5 initial members appointed to serve on the
10 Board, the member who is appointed as the chairperson shall
11 serve for a term that commences on the date of his or her
12 appointment and expires on the third Monday of January, 2002,
13 and the remaining 4 members, by lots drawn at the first
14 meeting of the Board that is held after all 5 members are
15 appointed, shall determine 2 of their number to serve for
16 terms that commence on the date of their respective
17 appointments and expire on the third Monday of January, 2001,
18 and 2 of their number to serve for terms that commence on the
19 date of their respective appointments and expire on the third
20 Monday of January, 2000. All members appointed to serve on
21 the Board shall serve until their respective successors are
22 appointed and confirmed. Vacancies shall be filled in the
23 same manner as original appointments. If a vacancy in
24 membership occurs at a time when the Senate is not in
25 session, the Governor shall make a temporary appointment
26 until the next meeting of the Senate, when he or she shall
27 appoint, by and with the advice and consent of the Senate, a
28 person to fill that membership for the unexpired term. If
29 the Senate is not in session when the initial appointments
30 are made, those appointments shall be made as in the case of
31 vacancies.

32 The Education Funding Advisory Board shall be deemed
33 established, and the initial members appointed by the
34 Governor to serve as members of the Board shall take office,

1 on the date that the Governor makes his or her appointment of
2 the fifth initial member of the Board, whether those initial
3 members are then serving pursuant to appointment and
4 confirmation or pursuant to temporary appointments that are
5 made by the Governor as in the case of vacancies.

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

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

24 (N) (Blank).

25 (O) References.

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

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

1 (Source: P.A. 91-24, eff. 7-1-99; 91-93, eff. 7-9-99; 91-96,
 2 eff. 7-9-99; 91-111, eff. 7-14-99; 91-357, eff. 7-29-99;
 3 91-533, eff. 8-13-99; 92-7, eff. 6-29-01; 92-16, eff.
 4 6-28-01; 92-28, eff. 7-1-01; 92-29, eff. 7-1-01; 92-269, eff.
 5 8-7-01; 92-604, eff. 7-1-02; 92-636, eff. 7-11-02; 92-651,
 6 eff. 7-11-02; revised 7-26-02.)

7 Section 10. The State Aid Continuing Appropriation Law
 8 is amended by changing Sections 15-10, 15-15, and 15-25 and
 9 adding Section 15-21 as follows:

10 (105 ILCS 235/15-10)

11 (Section scheduled to be repealed on June 30, 2003)

12 Sec. 15-10. Annual budget; recommendation. The Governor
 13 shall include a Common School Fund recommendation to the
 14 State Board of Education in the ~~fiscal-year-1999-through-2003~~
 15 annual Budget Budgets sufficient to fund ~~(i)~~ the General
 16 State Aid Formula set forth in subsection (E) (Computation of
 17 General State Aid) and subsection (H) (Supplemental General
 18 State Aid) of Section 18-8.05 of the School Code and ~~(ii)-the~~
 19 ~~supplementary--payments--for--school--districts--set-forth-in~~
 20 ~~subsection-(J)--(Supplementary--Grants--in--Aid)--of--Section~~
 21 ~~18-8.05-of-the-School-Code.~~

22 (Source: P.A. 92-7, eff. 6-29-01; 92-597, eff. 6-28-02.)

23 (105 ILCS 235/15-15)

24 (Section scheduled to be repealed on June 30, 2003)

25 Sec. 15-15. State Aid Formula; Funding. The General
 26 Assembly shall annually make Common School Fund
 27 appropriations to the State Board of Education in ~~fiscal~~
 28 ~~years-1999-through-2003~~ sufficient to fund ~~(i)~~ the General
 29 State Aid Formula set forth in subsection (E) (Computation of
 30 General State Aid) and subsection (H) (Supplemental General
 31 State Aid) of Section 18-8.05 of the School Code and ~~(ii)-the~~

1 supplementary-payments-for--school--districts--set--forth--in
2 subsection--(J)--(Supplementary--Grants--in--Aid)--of-Section
3 18-8.05-of-the-School-Code.

4 (Source: P.A. 92-7, eff. 6-29-01; 92-597, eff. 6-28-02.)

5 (105 ILCS 235/15-21 new)

6 Sec. 15-21. Continuing appropriation. If the General
7 Assembly fails to make Common School Fund appropriations to
8 the State Board of Education in fiscal year 2004 or in any
9 fiscal year thereafter sufficient to fund the General State
10 Aid Formula set forth in subsection (E) (Computation of
11 General State Aid) and subsection (H) (Supplemental General
12 State Aid) of Section 18-8.05 of the School Code, this Law
13 shall constitute an irrevocable and continuing appropriation
14 from the Common School Fund of all amounts necessary for
15 those purposes.

16 (105 ILCS 235/15-25)

17 (Section scheduled to be repealed on June 30, 2003)

18 ~~Sec. 15-25. Repeal. This Article is repealed June 30,~~
19 ~~2003.~~ Section 15-20 of this Article is repealed June 30,
20 2002.

21 (Source: P.A. 92-7, eff. 6-29-01; 92-597, eff. 6-28-02.)

22 Section 99. Effective date. This Act takes effect on
23 July 1, 2003."