



Sen. Donne E. Trotter

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LRB095 06659 NHT 38704 a

1 AMENDMENT TO HOUSE BILL 471

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 471, AS AMENDED, by  
3 replacing everything after the enacting clause with the  
4 following:

5 "Section 1. Short title. This Act may be cited as the  
6 FY2008 Budget Implementation (Education) Act.

7 Section 5. Purpose. It is the purpose of this Act to make  
8 changes in State programs that are necessary to implement the  
9 Governor's FY2008 budget recommendations concerning education.

10 Section 10. The State Finance Act is amended by changing  
11 Sections 6z-65.5, 6z-66, 6z-67, and 13.2 as follows:

12 (30 ILCS 105/6z-65.5)

13 Sec. 6z-65.5. SBE Federal Department of Education Fund. The  
14 SBE Federal Department of Education Fund is created as a

1 federal trust fund in the State treasury. This fund is  
2 established to receive funds from the federal Department of  
3 Education, including non-indirect cost administrative funds  
4 recovered from federal programs, for the specific purposes  
5 established by the terms and conditions of federal awards.  
6 Moneys in the SBE Federal Department of Education Fund shall be  
7 used, subject to appropriation by the General Assembly, for  
8 grants and contracts to local education agencies, colleges and  
9 universities, and other State agencies and for administrative  
10 expenses of the State Board of Education. However,  
11 non-appropriated spending is allowed for the refund of  
12 unexpended grant moneys to the federal government. The SBE  
13 Federal Department of Education Fund shall serve as the  
14 successor fund to the National Center for Education Statistics  
15 Fund, and any balance remaining in the National Center for  
16 Education Statistics Fund on the effective date of this  
17 amendatory Act of the 94th General Assembly must be transferred  
18 to the SBE Federal Department of Education Fund by the State  
19 Treasurer. Any future deposits that would otherwise be made  
20 into the National Center for Education Statistics Fund must  
21 instead be made into the SBE Federal Department of Education  
22 Fund.

23 On or after July 1, 2007, the State Board of Education  
24 shall notify the State Comptroller of the amount of indirect  
25 federal funds in the SBE Federal Department of Education Fund  
26 to be transferred to the State Board of Education Special

1 Purpose Trust Fund. The State Comptroller shall direct and the  
2 State Treasurer shall transfer this amount to the State Board  
3 of Education Special Purpose Trust Fund as soon as practical  
4 thereafter.

5 (Source: P.A. 93-838, eff. 7-30-04; 94-69, eff. 7-1-05.)

6 (30 ILCS 105/6z-66)

7 Sec. 6z-66. SBE Federal Agency Services Fund. The SBE  
8 Federal Agency Services Fund is created as a federal trust fund  
9 in the State treasury. This fund is established to receive  
10 funds from all federal departments and agencies except the  
11 Departments of Education and Agriculture (including among  
12 others the Departments of Health and Human Services, Defense,  
13 and Labor and the Corporation for National and Community  
14 Service), including non-indirect cost administrative funds  
15 recovered from federal programs, for the specific purposes  
16 established by the terms and conditions of federal awards.  
17 Moneys in the SBE Federal Agency Services Fund shall be used,  
18 subject to appropriation by the General Assembly, for grants  
19 and contracts to local education agencies, colleges and  
20 universities, and other State agencies and for administrative  
21 expenses of the State Board of Education. However,  
22 non-appropriated spending is allowed for the refund of  
23 unexpended grant moneys to the federal government. The SBE  
24 Federal Agency Services Fund shall serve as the successor fund  
25 to the SBE Department of Health and Human Services Fund, the

1 SBE Federal Department of Labor Federal Trust Fund, and the SBE  
2 Federal National Community Service Fund; and any balance  
3 remaining in the SBE Department of Health and Human Services  
4 Fund, the SBE Federal Department of Labor Federal Trust Fund,  
5 or the SBE Federal National Community Service Fund on the  
6 effective date of this amendatory Act of the 94th General  
7 Assembly must be transferred to the SBE Federal Agency Services  
8 Fund by the State Treasurer. Any future deposits that would  
9 otherwise be made into the SBE Department of Health and Human  
10 Services Fund, the SBE Federal Department of Labor Federal  
11 Trust Fund, or the SBE Federal National Community Service Fund  
12 must instead be made into the SBE Federal Agency Services Fund.

13 On or after July 1, 2007, the State Board of Education  
14 shall notify the State Comptroller of the amount of indirect  
15 federal funds in the SBE Federal Agency Services Fund to be  
16 transferred to the State Board of Education Special Purpose  
17 Trust Fund. The State Comptroller shall direct and the State  
18 Treasurer shall transfer this amount to the State Board of  
19 Education Special Purpose Trust Fund as soon as practical  
20 thereafter.

21 (Source: P.A. 93-838, eff. 7-30-04; 94-69, eff. 7-1-05.)

22 (30 ILCS 105/6z-67)

23 Sec. 6z-67. SBE Federal Department of Agriculture Fund. The  
24 SBE Federal Department of Agriculture Fund is created as a  
25 federal trust fund in the State treasury. This fund is

1 established to receive funds from the federal Department of  
2 Agriculture, including non-indirect cost administrative funds  
3 recovered from federal programs, for the specific purposes  
4 established by the terms and conditions of federal awards.  
5 Moneys in the SBE Federal Department of Agriculture Fund shall  
6 be used, subject to appropriation by the General Assembly, for  
7 grants and contracts to local education agencies, colleges and  
8 universities, and other State agencies and for administrative  
9 expenses of the State Board of Education. However,  
10 non-appropriated spending is allowed for the refund of  
11 unexpended grant moneys to the federal government.

12 On or after July 1, 2007, the State Board of Education  
13 shall notify the State Comptroller of the amount of indirect  
14 federal funds in the SBE Federal Department of Agriculture Fund  
15 to be transferred to the State Board of Education Special  
16 Purpose Trust Fund. The State Comptroller shall direct and the  
17 State Treasurer shall transfer this amount to the State Board  
18 of Education Special Purpose Trust Fund as soon as practical  
19 thereafter.

20 (Source: P.A. 93-838, eff. 7-30-04; 94-69, eff. 7-1-05; 94-835,  
21 eff. 6-6-06.)

22 (30 ILCS 105/13.2) (from Ch. 127, par. 149.2)

23 Sec. 13.2. Transfers among line item appropriations.

24 (a) Transfers among line item appropriations from the same  
25 treasury fund for the objects specified in this Section may be

1 made in the manner provided in this Section when the balance  
2 remaining in one or more such line item appropriations is  
3 insufficient for the purpose for which the appropriation was  
4 made.

5 (a-1) No transfers may be made from one agency to another  
6 agency, nor may transfers be made from one institution of  
7 higher education to another institution of higher education.

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

1 may transfer amounts among their respective appropriations  
2 within the same treasury fund for personal services, employee  
3 retirement contributions paid by employer, and State  
4 contributions to retirement systems. Notwithstanding, and in  
5 addition to, the transfers authorized in subsection (c) of this  
6 Section, these transfers may be made in an amount not to exceed  
7 2% of the aggregate amount appropriated to an agency within the  
8 same treasury fund.

9 (a-3) Further, if an agency receives a separate  
10 appropriation for employee retirement contributions paid by  
11 the employer, any transfer by that agency into an appropriation  
12 for personal services must be accompanied by a corresponding  
13 transfer into the appropriation for employee retirement  
14 contributions paid by the employer, in an amount sufficient to  
15 meet the employer share of the employee contributions required  
16 to be remitted to the retirement system.

17 (b) In addition to the general transfer authority provided  
18 under subsection (c), the following agencies have the specific  
19 transfer authority granted in this subsection:

20 The Department of Healthcare and Family Services is  
21 authorized to make transfers representing savings attributable  
22 to not increasing grants due to the births of additional  
23 children from line items for payments of cash grants to line  
24 items for payments for employment and social services for the  
25 purposes outlined in subsection (f) of Section 4-2 of the  
26 Illinois Public Aid Code.

1           The Department of Children and Family Services is  
2 authorized to make transfers not exceeding 2% of the aggregate  
3 amount appropriated to it within the same treasury fund for the  
4 following line items among these same line items: Foster Home  
5 and Specialized Foster Care and Prevention, Institutions and  
6 Group Homes and Prevention, and Purchase of Adoption and  
7 Guardianship Services.

8           The Department on Aging is authorized to make transfers not  
9 exceeding 2% of the aggregate amount appropriated to it within  
10 the same treasury fund for the following Community Care Program  
11 line items among these same line items: Homemaker and Senior  
12 Companion Services, Alternative Senior Services, Case  
13 Coordination Units, and Adult Day Care Services.

14           The State Treasurer is authorized to make transfers among  
15 line item appropriations from the Capital Litigation Trust  
16 Fund, with respect to costs incurred in fiscal years 2002 and  
17 2003 only, when the balance remaining in one or more such line  
18 item appropriations is insufficient for the purpose for which  
19 the appropriation was made, provided that no such transfer may  
20 be made unless the amount transferred is no longer required for  
21 the purpose for which that appropriation was made.

22           The State Board of Education is authorized to make  
23 transfers from line item appropriations within the same  
24 treasury fund for General State Aid and General State Aid -  
25 Hold Harmless, provided that no such transfer may be made  
26 unless the amount transferred is no longer required for the



1 purpose for which that appropriation was made, to the line item  
2 appropriation for Transitional Assistance when the balance  
3 remaining in such line item appropriation is insufficient for  
4 the purpose for which the appropriation was made.

5 The State Board of Education is authorized to make  
6 transfers between the following line item appropriations  
7 within the same treasury fund: Disabled Student  
8 Services/Materials (Section 14-13.01 of the School Code),  
9 Disabled Student Transportation Reimbursement (Section  
10 14-13.01 of the School Code), Disabled Student Tuition -  
11 Private Tuition (Section 14-7.02 of the School Code),  
12 Extraordinary Special Education (Section 14-7.02b of the  
13 School Code), Reimbursement for Free Lunch/Breakfast Program,  
14 Summer School Payments (Section 18-4.3 of the School Code), and  
15 Transportation - Regular/Vocational Reimbursement (Section  
16 29-5 of the School Code). Such transfers shall be made only  
17 when the balance remaining in one or more such line item  
18 appropriations is insufficient for the purpose for which the  
19 appropriation was made and provided that no such transfer may  
20 be made unless the amount transferred is no longer required for  
21 the purpose for which that appropriation was made.

22 (c) The sum of such transfers for an agency in a fiscal  
23 year shall not exceed 2% of the aggregate amount appropriated  
24 to it within the same treasury fund for the following objects:  
25 Personal Services; Extra Help; Student and Inmate  
26 Compensation; State Contributions to Retirement Systems; State

1 Contributions to Social Security; State Contribution for  
2 Employee Group Insurance; Contractual Services; Travel;  
3 Commodities; Printing; Equipment; Electronic Data Processing;  
4 Operation of Automotive Equipment; Telecommunications  
5 Services; Travel and Allowance for Committed, Paroled and  
6 Discharged Prisoners; Library Books; Federal Matching Grants  
7 for Student Loans; Refunds; Workers' Compensation,  
8 Occupational Disease, and Tort Claims; and, in appropriations  
9 to institutions of higher education, Awards and Grants.  
10 Notwithstanding the above, any amounts appropriated for  
11 payment of workers' compensation claims to an agency to which  
12 the authority to evaluate, administer and pay such claims has  
13 been delegated by the Department of Central Management Services  
14 may be transferred to any other expenditure object where such  
15 amounts exceed the amount necessary for the payment of such  
16 claims.

17 (c-1) Special provisions for State fiscal year 2003.  
18 Notwithstanding any other provision of this Section to the  
19 contrary, for State fiscal year 2003 only, transfers among line  
20 item appropriations to an agency from the same treasury fund  
21 may be made provided that the sum of such transfers for an  
22 agency in State fiscal year 2003 shall not exceed 3% of the  
23 aggregate amount appropriated to that State agency for State  
24 fiscal year 2003 for the following objects: personal services,  
25 except that no transfer may be approved which reduces the  
26 aggregate appropriations for personal services within an

1 agency; extra help; student and inmate compensation; State  
2 contributions to retirement systems; State contributions to  
3 social security; State contributions for employee group  
4 insurance; contractual services; travel; commodities;  
5 printing; equipment; electronic data processing; operation of  
6 automotive equipment; telecommunications services; travel and  
7 allowance for committed, paroled, and discharged prisoners;  
8 library books; federal matching grants for student loans;  
9 refunds; workers' compensation, occupational disease, and tort  
10 claims; and, in appropriations to institutions of higher  
11 education, awards and grants.

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

22 (d) Transfers among appropriations made to agencies of the  
23 Legislative and Judicial departments and to the  
24 constitutionally elected officers in the Executive branch  
25 require the approval of the officer authorized in Section 10 of  
26 this Act to approve and certify vouchers. Transfers among

1 appropriations made to the University of Illinois, Southern  
2 Illinois University, Chicago State University, Eastern  
3 Illinois University, Governors State University, Illinois  
4 State University, Northeastern Illinois University, Northern  
5 Illinois University, Western Illinois University, the Illinois  
6 Mathematics and Science Academy and the Board of Higher  
7 Education require the approval of the Board of Higher Education  
8 and the Governor. Transfers among appropriations to all other  
9 agencies require the approval of the Governor.

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

23 (e) The State Board of Education, in consultation with the  
24 State Comptroller, may transfer line item appropriations for  
25 General State Aid from the Common School Fund to the Education  
26 Assistance Fund.

1 (Source: P.A. 93-680, eff. 7-1-04; 93-839, eff. 7-30-04;  
2 94-839, eff. 6-6-06.)

3 Section 15. The School Code is amended by adding Sections  
4 2-3.25p, 2-3.53b, 2-3.142, 2-3.143, 2-3.144, 2-3.145, 2-3.146,  
5 10-20.40, and 21-29 and by changing Sections 2-3.51.5,  
6 2-3.117a, 2-3.127a, 2-3.131 (as added by Public Act 93-21),  
7 7-14A, 11E-35, 11E-40, 11E-45, 11E-50, 11E-65, 11E-135,  
8 14-13.01, 18-8.05, 29-3, and 29-5 as follows:

9 (105 ILCS 5/2-3.25p new)

10 Sec. 2-3.25p. Targeted intervention strategies.

11 (a) The State Board of Education is authorized to make  
12 rules necessary to define and implement strategies to support  
13 school districts. Moneys appropriated under this Section must  
14 be used to undertake targeted interventions in eligible schools  
15 to improve student achievement, which undertaking shall  
16 include provision by the State Board of Education of a State  
17 Intervention Team.

18 (b) School districts with one or more schools that have not  
19 met adequate yearly progress for at least 3 consecutive annual  
20 calculations are eligible to participate in targeted  
21 intervention strategies. The State Board of Education shall  
22 select participating schools through a prioritization process  
23 that considers the following, in addition to other factors  
24 defined by Board rule:

1           (1) the number of consecutive years the school has not  
2           met adequate yearly progress criteria; and

3           (2) the overall percentage of students in the school  
4           with State assessment scores demonstrating proficiency.

5           (c) The State Board of Education shall provide school  
6           districts with schools eligible to participate the opportunity  
7           to accept or decline participation in targeted intervention  
8           strategies designed in cooperation with the school district,  
9           the State Board of Education, and a designated State  
10           Intervention Team.

11           (d) A State Intervention Team established under this  
12           Section shall work with school districts to identify other  
13           State, federal, and local funds that may be used to carry out  
14           targeted intervention strategies as identified in the school  
15           improvement or restructuring plan developed or revised under  
16           this Section.

17           (e) Subject to appropriation, the State Board of Education  
18           shall make funds available to school districts implementing  
19           targeted intervention strategies as identified in the school  
20           improvement or restructuring plan developed or revised under  
21           this Section.

22           (f) The State Board of Education shall assemble a State  
23           Intervention Team, which shall include at least one academic  
24           improvement specialist and may include representatives from  
25           various State agencies, such as the Department of Human  
26           Services, the Department of Healthcare and Family Services, the

1 Department of State Police, and the Department of Children and  
2 Family Services.

3 (g) A State Intervention Team shall cooperate with  
4 representatives of the participating school district, which  
5 may include the school board, district superintendent, school  
6 administration, school professional staff, school parents, and  
7 the school community.

8 (h) In cooperation with those entities listed in subsection  
9 (g) of this Section, the State Intervention Team shall, in  
10 accordance with rules adopted by the State Board of Education,  
11 develop or revise the school improvement or restructuring plan  
12 that is required to be in place for the respective school under  
13 Section 2-3.25d of this Code.

14 (i) The plan referred to in subsection (h) of this Section  
15 must be completed within the timeline established for such  
16 plans by rule of the State Board of Education and must be  
17 submitted to the State Board of Education.

18 (j) The plan developed or revised under this Section may  
19 include the following, among other appropriate strategies for  
20 school improvement:

21 (1) A plan for school participation in an extended  
22 school year or summer school services or both for  
23 low-achieving students.

24 (2) A plan to implement after-school tutoring and  
25 alternative enrichment activities for low-achieving  
26 students.

1           (3) A plan to increase the integration of technology in  
2           classroom instruction and the use of technology to  
3           encourage parental and community involvement.

4           (4) Improvements to services made available to  
5           students, parents, and guardians through the school  
6           library.

7           (5) Professional development opportunities available  
8           to school and district administrators and teachers.

9           (6) Improvements to school curriculum and school  
10          materials, including textbooks, software, and other  
11          technology.

12          (7) Hiring of specialized personnel, including those  
13          with experience in teaching reading.

14          (k) The plan developed or revised under this Section shall  
15          cover a minimum of 2 school years and must identify strategies  
16          for academic improvement that can be sustained by the school  
17          district in subsequent years.

18          (l) The State Intervention Team, in cooperation with the  
19          State Board of Education, shall assess the participating  
20          schools' progress throughout the course of the intervention  
21          period, including the participating schools' capacity to  
22          sustain academic improvement without participation in the  
23          program.

24          (m) Nothing in this Section shall alter any of the  
25          obligations of school districts or schools under Section  
26          2-3.25d of this Code. All federal requirements apply to schools



1 and school districts utilizing federal funds under Title I,  
2 Part A of the federal Elementary and Secondary Education Act of  
3 1965.

4 (105 ILCS 5/2-3.51.5)

5 Sec. 2-3.51.5. School Safety and Educational Improvement  
6 Block Grant Program. To improve the level of education and  
7 safety of students from kindergarten through grade 12 in school  
8 districts and State-recognized, non-public schools. The State  
9 Board of Education is authorized to fund a School Safety and  
10 Educational Improvement Block Grant Program.

11 (1) For school districts, the ~~The~~ program shall provide  
12 funding for school safety, textbooks and software, teacher  
13 training and curriculum development, school improvements,  
14 remediation programs under subsection (a) of Section 2-3.64,  
15 school report cards under Section 10-17a, and criminal history  
16 records checks under Sections 10-21.9 and 34-18.5. For  
17 State-recognized, non-public schools, the program shall  
18 provide funding for secular textbooks and software, criminal  
19 history records checks, and health and safety mandates to the  
20 extent that the funds are expended for purely secular purposes.

21 A school district or laboratory school as defined in Section  
22 18-8 or 18-8.05 is not required to file an application in order  
23 to receive the categorical funding to which it is entitled  
24 under this Section. Funds for the School Safety and Educational  
25 Improvement Block Grant Program shall be distributed to school

1 districts and laboratory schools based on the prior year's best  
2 3 months average daily attendance. Funds for the School Safety  
3 and Educational Improvement Block Grant Program shall be  
4 distributed to State-recognized, non-public schools based on  
5 the average daily attendance figure for the previous school  
6 year provided to the State Board of Education. The State Board  
7 of Education shall develop an application that requires  
8 State-recognized, non-public schools to submit average daily  
9 attendance figures. A State-recognized, non-public school must  
10 submit the application and average daily attendance figure  
11 prior to receiving funds under this Section. The State Board of  
12 Education shall promulgate rules and regulations necessary for  
13 the implementation of this program.

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

18 (3) Grants under the School Safety and Educational  
19 Improvement Block Grant Program shall be awarded provided there  
20 is an appropriation for the program, and funding levels for  
21 each district shall be prorated according to the amount of the  
22 appropriation.

23 (4) The provisions of this Section are in the public  
24 interest, are for the public benefit, and serve secular public  
25 purposes.

26 (Source: P.A. 93-909, eff. 8-12-04.)

1 (105 ILCS 5/2-3.53b new)

2 Sec. 2-3.53b. New superintendent mentoring program.

3 (a) Beginning on July 1, 2008 and subject to an annual  
4 appropriation by the General Assembly, to establish a new  
5 superintendent mentoring program for new superintendents. Any  
6 individual who begins serving as a superintendent in this State  
7 on or after July 1, 2008 and has not previously served as a  
8 school district superintendent in this State shall participate  
9 in the new superintendent mentoring program for the duration of  
10 his or her first 2 school years as a superintendent and must  
11 complete the program in accordance with the requirements  
12 established by the State Board of Education by rule. The new  
13 superintendent mentoring program shall match an experienced  
14 superintendent who meets the requirements of subsection (b) of  
15 this Section with each new superintendent in his or her first 2  
16 school years in that position in order to assist the new  
17 superintendent in the development of his or her professional  
18 growth and to provide guidance during the new superintendent's  
19 first 2 school years of service.

20 (b) Any individual who has actively served as a school  
21 district superintendent in this State for 3 or more years and  
22 who has demonstrated success as an instructional leader, as  
23 determined by the State Board of Education by rule, is eligible  
24 to apply to be a mentor under the new superintendent mentoring  
25 program. Mentors shall complete mentoring training through a

1 provider selected by the State Board of Education and shall  
2 meet any other requirements set forth by the State Board and by  
3 the school district employing the mentor.

4 (c) Under the new superintendent mentoring program, a  
5 provider selected by the State Board of Education shall assign  
6 a mentor to a new superintendent based on (i) similarity of  
7 grade level or type of school district, (ii) learning needs of  
8 the new superintendent, and (iii) geographical proximity of the  
9 mentor to the new superintendent. The new superintendent, in  
10 collaboration with the mentor, shall identify areas for  
11 improvement of the new superintendent's professional growth,  
12 including, but not limited to, each of the following:

13 (1) Analyzing data and applying it to practice.

14 (2) Aligning professional development and  
15 instructional programs.

16 (3) Building a professional learning community.

17 (4) Effective school board relations.

18 (5) Facilitating effective meetings.

19 (6) Developing distributive leadership practices.

20 (7) Facilitating organizational change.

21 The mentor must not be required to provide an evaluation of  
22 the new superintendent on the basis of the mentoring  
23 relationship.

24 (d) From January 1, 2009 until May 15, 2009 and from  
25 January 1 until May 15 each year thereafter, each mentor and  
26 each new superintendent shall complete a survey of progress of

1 the new superintendent on a form developed by the school  
2 district. On or before September 1, 2009 and on or before  
3 September 1 of each year thereafter, the provider selected by  
4 the State Board of Education shall submit a detailed annual  
5 report to the State Board of how the appropriation for the new  
6 superintendent mentoring program was spent, details on each  
7 mentor-mentee relationship, and a qualitative evaluation of  
8 the outcomes. The provider shall develop a verification form  
9 that each new superintendent and his or her mentor must  
10 complete and submit to the provider to certify completion of  
11 each year of the new superintendent mentoring program by July  
12 15 immediately following the school year just completed.

13 (e) The requirements of this Section do not apply to any  
14 individual who has previously served as an assistant  
15 superintendent in a school district in this State acting under  
16 an administrative certificate for 5 or more years and who, on  
17 or after July 1, 2008, begins serving as a superintendent in  
18 the school district where he or she had served as an assistant  
19 superintendent immediately prior to being named  
20 superintendent, although such an individual may choose to  
21 participate in the new superintendent mentoring program or may  
22 be required to participate by the school district. The  
23 requirements of this Section do not apply to any superintendent  
24 or chief executive officer of a school district organized under  
25 Article 34 of this Code.

26 (f) The State Board may adopt any rules that are necessary

1 for the implementation of this Section.

2 (105 ILCS 5/2-3.117a)

3 Sec. 2-3.117a. School Technology Revolving Loan Program.

4 (a) The State Board of Education is authorized to  
5 administer a School Technology Revolving Loan Program from  
6 funds appropriated from the School Technology Revolving Loan  
7 Fund for the purpose of making the financing of school  
8 technology hardware improvements affordable and making the  
9 integration of technology in the classroom possible. School  
10 technology loans shall be made available to public school  
11 districts, charter schools, area vocational centers, and  
12 laboratory schools to purchase technology hardware for  
13 eligible grade levels on a 2-year rotating basis: grades 9  
14 through 12 in fiscal year 2004 and each second year thereafter  
15 and grades K through 8 in fiscal year 2005 and each second year  
16 thereafter.

17 The State Board of Education shall determine the interest  
18 rate the loans shall bear which shall not be greater than 50%  
19 of the rate for the most recent date shown in the 20 G.O. Bonds  
20 Index of average municipal bond yields as published in the most  
21 recent edition of The Bond Buyer, published in New York, New  
22 York. The repayment period for School Technology Revolving  
23 Loans shall not exceed 3 years. Participants shall use at least  
24 90% of the loan proceeds for technology hardware investments  
25 for students and staff (including computer hardware,

1 technology networks, related wiring, and other items as defined  
2 in rules adopted by the State Board of Education) and up to 10%  
3 of the loan proceeds for computer furniture. No participant  
4 whose equalized assessed valuation per pupil in average daily  
5 attendance is at the 99th percentile and above for all  
6 districts of the same type shall be eligible to receive a  
7 School Technology Revolving Loan under the provisions of this  
8 Section for that year.

9 The State Board of Education shall have the authority to  
10 adopt all rules necessary for the implementation and  
11 administration of the School Technology Revolving Loan  
12 Program, including, but not limited to, rules defining  
13 application procedures, prescribing a maximum amount per pupil  
14 that may be requested annually by districts, requiring  
15 appropriate local commitments for technology investments,  
16 prescribing a mechanism for disbursing loan funds in the event  
17 requests exceed available funds, specifying collateral, and  
18 prescribing actions necessary to protect the State's interest  
19 in the event of default, foreclosure, or noncompliance with the  
20 terms and conditions of the loans.

21 (b) There is created in the State treasury the School  
22 Technology Revolving Loan Fund. The State Board shall have the  
23 authority to make expenditures from the Fund pursuant to  
24 appropriations made for the purposes of this Section, including  
25 payments for refunds. There shall be deposited into the Fund  
26 such amounts, including but not limited to:

- 1 (1) Transfers from the School Infrastructure Fund;
- 2 (2) All receipts, including principal and interest
- 3 payments, from any loan made from the Fund;
- 4 (3) All proceeds of assets of whatever nature received
- 5 by the State Board as a result of default or delinquency
- 6 with respect to loans made from the Fund;
- 7 (4) Any appropriations, grants, or gifts made to the
- 8 Fund; and
- 9 (5) Any income received from interest on investments of
- 10 money in the Fund.

11 (Source: P.A. 93-368, eff. 7-24-03.)

12 (105 ILCS 5/2-3.127a)

13 Sec. 2-3.127a. The State Board of Education Special Purpose  
14 Trust Fund. The State Board of Education Special Purpose Trust  
15 Fund is created as a special fund in the State treasury. The  
16 State Board of Education shall deposit all indirect costs  
17 recovered from federal programs into the State Board of  
18 Education Special Purpose Trust Fund. These funds may be used  
19 by the State Board of Education for its ordinary and contingent  
20 expenses. Additionally and unless ~~Unless~~ specifically directed  
21 to be deposited into other funds, all moneys received by the  
22 State Board of Education from gifts, grants, or donations from  
23 any source, public or private, shall be deposited into the  
24 State Board of Education Special Purpose Trust Fund ~~this Fund~~.  
25 These funds ~~Moneys in this Fund~~ shall be used, subject to



1 appropriation by the General Assembly, by the State Board of  
2 Education for the purposes established by the gifts, grants, or  
3 donations.

4 (Source: P.A. 94-69, eff. 7-1-05.)

5 (105 ILCS 5/2-3.131)

6 Sec. 2-3.131. Transitional assistance payments.

7 (a) If the amount that the State Board of Education will  
8 pay to a school district from fiscal year 2004 appropriations,  
9 as estimated by the State Board of Education on April 1, 2004,  
10 is less than the amount that the State Board of Education paid  
11 to the school district from fiscal year 2003 appropriations,  
12 then, subject to appropriation, the State Board of Education  
13 shall make a fiscal year 2004 transitional assistance payment  
14 to the school district in an amount equal to the difference  
15 between the estimated amount to be paid from fiscal year 2004  
16 appropriations and the amount paid from fiscal year 2003  
17 appropriations.

18 (b) If the amount that the State Board of Education will  
19 pay to a school district from fiscal year 2005 appropriations,  
20 as estimated by the State Board of Education on April 1, 2005,  
21 is less than the amount that the State Board of Education paid  
22 to the school district from fiscal year 2004 appropriations,  
23 then the State Board of Education shall make a fiscal year 2005  
24 transitional assistance payment to the school district in an  
25 amount equal to the difference between the estimated amount to

1 be paid from fiscal year 2005 appropriations and the amount  
2 paid from fiscal year 2004 appropriations.

3 (c) If the amount that the State Board of Education will  
4 pay to a school district from fiscal year 2006 appropriations,  
5 as estimated by the State Board of Education on April 1, 2006,  
6 is less than the amount that the State Board of Education paid  
7 to the school district from fiscal year 2005 appropriations,  
8 then the State Board of Education shall make a fiscal year 2006  
9 transitional assistance payment to the school district in an  
10 amount equal to the difference between the estimated amount to  
11 be paid from fiscal year 2006 appropriations and the amount  
12 paid from fiscal year 2005 appropriations.

13 (d) If the amount that the State Board of Education will  
14 pay to a school district from fiscal year 2007 appropriations,  
15 as estimated by the State Board of Education on April 1, 2007,  
16 is less than the amount that the State Board of Education paid  
17 to the school district from fiscal year 2006 appropriations,  
18 then the State Board of Education, subject to appropriation,  
19 shall make a fiscal year 2007 transitional assistance payment  
20 to the school district in an amount equal to the difference  
21 between the estimated amount to be paid from fiscal year 2007  
22 appropriations and the amount paid from fiscal year 2006  
23 appropriations.

24 (e) Subject to appropriation, beginning on July 1, 2007,  
25 the State Board of Education shall adjust prior year  
26 information for the transitional assistance calculations under

1 this Section in the event of the creation or reorganization of  
2 any school district pursuant to Article 11E of this Code, the  
3 dissolution of an entire district and the annexation of all of  
4 its territory to one or more other districts pursuant to  
5 Article 7 of this Code, or a boundary change whereby the  
6 enrollment of the annexing district increases by 90% or more as  
7 a result of annexing territory detached from another district  
8 pursuant to Article 7 of this Code.

9 (f) If the amount that the State Board of Education will  
10 pay to a school district from fiscal year 2008 appropriations,  
11 as estimated by the State Board of Education on April 1, 2008,  
12 is less than the amount that the State Board of Education paid  
13 to the school district from fiscal year 2007 appropriations,  
14 then the State Board of Education, subject to appropriation,  
15 shall make a fiscal year 2008 transitional assistance payment  
16 to the school district in an amount equal to the difference  
17 between the estimated amount to be paid from fiscal year 2008  
18 appropriations and the amount paid from fiscal year 2007  
19 appropriations.

20 (Source: P.A. 93-21, eff. 7-1-03; 93-838, eff. 7-30-04; 94-69,  
21 eff. 7-1-05; 94-835, eff. 6-6-06.)

22 (105 ILCS 5/2-3.142 new)

23 Sec. 2-3.142. Rural Learning Initiative.

24 (a) Subject to appropriation, the State Board of Education  
25 shall by rule establish a Rural Learning Initiative to upgrade

1 computer lab facilities and associated components, upgrade  
2 classroom materials, and fund professional development.

3 (b) The State Board of Education shall select the  
4 participating school districts and schools based on each  
5 district's or school's need. In selecting participants, the  
6 State Board shall consider all of the following criteria:

7 (1) The district's size, student population, and  
8 location.

9 (2) Documented teacher shortages in critical areas for  
10 which teaching and learning could be provided by access to  
11 the Illinois Virtual High School.

12 (3) Limited access to advanced placement courses.

13 (4) Low rates of satisfactory performance on  
14 assessment instruments under Section 2-3.64 of this Code.

15 (5) The methods the district or school will use to  
16 measure the outcomes of the grant in the district or  
17 school.

18 (6) Whether the district or school has limited system  
19 capabilities, resource needs, and professional development  
20 support.

21 (105 ILCS 5/2-3.143 new)

22 Sec. 2-3.143. Lincoln's ChalleNGe Academy study. The State  
23 Board of Education shall conduct a study to consider the need  
24 for an expansion of enrollment at or the replication of  
25 services in other portions of this State for the Lincoln's

1 ChalleNGe Academy as an alternative program for students who  
2 have dropped out of traditional school.

3 (105 ILCS 5/2-3.144 new)

4 Sec. 2-3.144. Enhanced teacher compensation.

5 (a) Subject to appropriation, an enhanced teacher  
6 compensation system is established, beginning with the  
7 2008-2009 school year, to provide new incentives to improve  
8 student learning and to recruit and retain highly qualified  
9 teachers, encourage highly qualified teachers to undertake  
10 challenging assignments, and support teachers' roles in  
11 improving students' educational achievement.

12 (b) To be eligible to participate in an enhanced teacher  
13 compensation system, a school district or school building, at  
14 least in the school year before it expects to fully implement  
15 the system (i) must submit to the State Board of Education a  
16 letter of intent executed by the school district and the  
17 exclusive representative of the district's teachers to  
18 complete a plan preparing for full implementation, consistent  
19 with subsection (d) of this Section, that may include, among  
20 other activities, training to evaluate teacher performance, a  
21 restructured school day to develop integrated ongoing  
22 building-based professional development activities, release  
23 time to develop an enhanced teacher compensation system  
24 agreement, and teacher and staff training on using multiple  
25 data sources; and (ii) may agree to use the State funds it

1 receives under Section 10-20.41 of this Code for staff  
2 development purposes to develop the enhanced teacher  
3 compensation system agreement under this Section.

4 (c) The State Superintendent of Education may waive the  
5 planning year if he or she determines, based on the criteria  
6 set forth under subsection (d) of this Section, that the school  
7 district or school building is ready to fully implement an  
8 alternative pay system.

9 (d) To participate in the program established under this  
10 Section, a school district or school building must have an  
11 educational improvement plan under Section 10-20.43 of this  
12 Code and an enhanced teacher compensation system agreement  
13 under this Section.

14 The enhanced teacher compensation system agreement must be  
15 negotiated with, agreed to, and ratified by the exclusive  
16 representative of the district's teachers. In addition, the  
17 agreement must do the following:

18 (1) describe how teachers can achieve career  
19 advancement and additional compensation;

20 (2) describe how the school district or school building  
21 will provide teachers with career advancement options that  
22 allow teachers to retain primary roles in student  
23 instruction and facilitate site-focused professional  
24 development that helps other teachers improve their  
25 skills;

26 (3) prevent any teacher's compensation paid before

1 implementing the compensation system from being reduced as  
2 a result of participating in this system;

3 (4) for school districts having a population not  
4 exceeding 500,000, base at least 60% of any compensation  
5 increase on teacher performance using the following:

6 (A) school-wide student achievement gains;

7 (B) measures of achievement by a teacher's  
8 students; and

9 (C) an objective evaluation program that includes  
10 the following:

11 (i) individual teacher evaluations aligned  
12 with the educational improvement plan under  
13 Section 10-20.43 of this Code and the staff  
14 development plan under Section 10-20.40 of this  
15 Code; and

16 (ii) objective evaluations using multiple  
17 criteria conducted by a locally developed and  
18 periodically trained evaluation team that  
19 understands teaching and learning.

20 (5) provide integrated ongoing building-based  
21 professional development activities to improve  
22 instructional skills and learning that are aligned with  
23 student needs under Section 10-20.43 of this Code,  
24 consistent with the staff development plan under Section  
25 10-20.40 of this Code and led during the school day by  
26 trained teacher leaders such as master or mentor teachers;

1           (6) allow any teacher in a participating school  
2           district or school building that implements an enhanced  
3           teacher compensation system to participate in that system  
4           without any quota or other limit; and

5           (7) encourage collaboration rather than competition  
6           among teachers.

7           (e) Consistent with the requirements of this Section and  
8           Sections 2-3.145 and 10-20.43 of this Code, the State Board of  
9           Education must prepare and transmit to interested school  
10           districts and school buildings a standard form for applying to  
11           participate in the enhanced teacher compensation system. An  
12           interested school district or school building must submit to  
13           the State Superintendent a completed application executed by  
14           the district superintendent and the exclusive bargaining  
15           representative of the teachers. The application must include  
16           the proposed enhanced teacher compensation system agreement  
17           under this Section. The State Board of Education must convene a  
18           review committee that at least includes teachers and  
19           administrators within 30 days after receiving a completed  
20           application to recommend to the State Superintendent of  
21           Education whether to approve or disapprove the application. The  
22           State Superintendent must approve applications on a  
23           first-come, first-served basis. The applicant's enhanced  
24           teacher compensation system agreement must be legally binding  
25           on the applicant and the exclusive bargaining representative  
26           before the applicant receives enhanced compensation revenue.



1 The State Superintendent must approve or disapprove an  
2 application based on the requirements under subsection (d) of  
3 this Section.

4 If the State Superintendent of Education disapproves an  
5 application, the State Superintendent must give the applicant  
6 timely notice of the specific reasons in detail for  
7 disapproving the application. The applicant may revise and  
8 resubmit its application and related documents to the State  
9 Superintendent within 30 days after receiving notice of the  
10 State Superintendent's disapproval and the State  
11 Superintendent must approve or disapprove the revised  
12 application, consistent with this subsection (e). Applications  
13 that are revised and then approved are considered submitted on  
14 the date the applicant initially submitted the application.

15 (f) Participating school districts and school buildings  
16 must report on the implementation and effectiveness of the  
17 enhanced teacher professional pay system, particularly  
18 addressing each requirement under subsection (d) of this  
19 Section, and make annual recommendations by June 15 to their  
20 school boards. The school board shall transmit a copy of the  
21 report with a summary of the findings and recommendations of  
22 the school district or school building to the State  
23 Superintendent of Education.

24 If the State Superintendent of Education determines that a  
25 school district or school building that receives enhanced  
26 teacher compensation revenue is not complying with the

1 requirements of this Section, the State Superintendent may  
2 withhold funding from that participant. Before making the  
3 determination, the State Superintendent must notify the  
4 participant of any deficiencies and provide the participant an  
5 opportunity to comply.

6 (g) A school district that qualifies to participate in the  
7 enhanced teacher compensation system transitional planning  
8 year under this Section may use the State funds it receives  
9 under Section 10-20.41 of this Code for complying with the  
10 planning and staff development activities under this Section.

11 (105 ILCS 5/2-3.145 new)

12 Sec. 2-3.145. Enhanced compensation revenue.

13 (a) Subject to appropriation, a school district or school  
14 building that meets the conditions of Section 2-3.144 of this  
15 Code and submits an application approved by the State  
16 Superintendent of Education is eligible for enhanced teacher  
17 compensation revenue.

18 (b) The State Superintendent of Education must consider  
19 only those applications to participate that are submitted  
20 jointly by a school district and the exclusive bargaining  
21 representative of the teachers, if any. The application must  
22 contain an enhanced teacher compensation system agreement as  
23 set forth in Section 2-3.144 of this Code.

24 (c) Enhanced teacher compensation revenue for a qualifying  
25 school district or school building shall equal \$260 times the

1 number of pupils enrolled in the district or school building on  
2 October 1 of the previous fiscal year.

3 For a newly combined or consolidated school district, the  
4 revenue shall be computed using the sum of pupils enrolled on  
5 October 1 of the previous year in the districts entering into  
6 the combination or consolidation. The State Superintendent of  
7 Education may adjust the revenue computed for a school building  
8 using prior year data to reflect changes attributable to school  
9 closings, school openings, or grade level reconfigurations  
10 between the prior year and the current year.

11 The revenue shall be available only to school districts and  
12 school buildings that fully implement an enhanced teacher  
13 compensation system by October 1 of the current school year.

14 (d) School districts and school buildings with approved  
15 applications must receive enhanced teacher compensation  
16 revenue for each school year that the district or school  
17 building implements an enhanced teacher compensation system  
18 under this subsection (d) and Section 2-3.144 of this Code. For  
19 the 2009-2010 school year and later, a qualifying district or  
20 school building that received enhanced teacher compensation  
21 aid for the previous school year must receive at least an  
22 amount of enhanced teacher compensation revenue equal to the  
23 lesser of the amount it received for the previous school year  
24 or the amount it qualifies for under subsection (c) of this  
25 Section for the current school year, if the district or school  
26 building submits a timely application and the State

1 Superintendent determines that the district or school building  
2 continues to implement an enhanced teacher compensation  
3 system, consistent with its application under this Section.

4 The State Superintendent of Education shall approve  
5 applications that comply with this Section, select applicants  
6 that qualify for the program, notify school districts and  
7 school buildings about the program, develop and disseminate  
8 application materials, and carry out other activities needed to  
9 implement this Section.

10 (105 ILCS 5/2-3.146 new)

11 Sec. 2-3.146. Severely overcrowded schools grant program.  
12 There is created a grant program, subject to appropriation, for  
13 severely overcrowded schools. The State Board of Education  
14 shall administer the program. Grant funds may be used for  
15 purposes of relieving overcrowding. In order for a school  
16 district to be eligible for a grant under this Section, (i) the  
17 main administrative office of the district must be located in a  
18 city of 85,000 or more in population, according to the 2000  
19 U.S. Census, (ii) the school district must have a district-wide  
20 percentage of low-income students of 70% or more, as identified  
21 by the 2005-2006 School Report Cards published by the State  
22 Board of Education, and (iii) the school district must not be  
23 eligible for a fast growth grant under Section 18-8.10 of this  
24 Code. The State Board of Education shall distribute the funds  
25 on a proportional basis with no single district receiving more

1 than 75% of the funds in any given year. The State Board of  
2 Education may adopt rules as needed for the implementation and  
3 distribution of grants under this Section.

4 (105 ILCS 5/7-14A) (from Ch. 122, par. 7-14A)

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

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

10 (Source: P.A. 84-1250.)

11 (105 ILCS 5/10-20.40 new)

12 Sec. 10-20.40. Report on contracts.

13 (a) This Section applies to all school districts, including  
14 a school district organized under Article 34 of this Code.

15 (b) A school board must list on the district's Internet  
16 website, if any, all contracts over \$25,000 and any contract  
17 that the school board enters into with an exclusive bargaining  
18 representative.

19 (c) Each year, no more than 30 days after the start of the  
20 fiscal year, each school district shall submit to the State  
21 Board of Education an annual report on all contracts awarded by  
22 the school district during the previous fiscal year. The report  
23 shall include at least the following:

24 (1) the total number of all contracts awarded by the  
25 school district;

1           (2) the total value of all contracts awarded;

2           (3) the number of contracts awarded to minority owned  
3           businesses, female owned businesses, and businesses owned  
4           by persons with disabilities, as defined in the Business  
5           Enterprise for Minorities, Females, and Persons with  
6           Disabilities Act; and

7           (4) the total value of contracts awarded to minority  
8           owned businesses, female owned businesses, and businesses  
9           owned by persons with disabilities, as defined in the  
10           Business Enterprise for Minorities, Females, and Persons  
11           with Disabilities Act.

12           The report shall be made available to the public, including  
13           publication on the school district's Internet website, if any.

14           (105 ILCS 5/11E-35)

15           Sec. 11E-35. Petition filing.

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

21           (1) be signed by at least 50 legal resident voters or  
22           10% of the legal resident voters, whichever is less,  
23           residing within each affected district; or

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

7           (3) A specification of the maximum tax rates for  
8           various purposes the proposed district or districts shall  
9           be authorized to levy for various purposes and, if  
10          applicable, the specifications related to the Property Tax  
11          Extension Limitation Law, in accordance with Section  
12          11E-80 of this Code.

13          (4) A description of how supplementary State deficit  
14          difference payments made under subsection (c) of Section  
15          11E-135 of this Code will be allocated among the new  
16          districts proposed to be formed.

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

21          (6) If desired, a request that at that same election as  
22          the reorganization proposition a school board or boards be  
23          elected on a separate ballot or ballots to serve as the  
24          school board or boards of the proposed new district or  
25          districts. Any election of board members at the same  
26          election at which the proposition to create the district or

1 districts to be served by the board or boards is submitted  
2 to the voters shall proceed under the supervision of the  
3 regional superintendent of schools as provided in Section  
4 11E-55 of this Code.

5 (7) If desired, a request that the referendum at which  
6 the proposition is submitted for the purpose of voting for  
7 or against the establishment of a unit district (other than  
8 a partial elementary unit district) include as part of the  
9 proposition the election of board members by school board  
10 district rather than at large. Any petition requesting the  
11 election of board members by district shall divide the  
12 proposed school district into 7 school board districts,  
13 each of which must be compact and contiguous and  
14 substantially equal in population to each other school  
15 board district. Any election of board members by school  
16 board district shall proceed under the supervision of the  
17 regional superintendent of schools as provided in Section  
18 11E-55 of this Code.

19 (8) If desired, a request that the referendum at which  
20 the proposition is submitted for the purpose of voting for  
21 or against the establishment of a unit to dual conversion  
22 include as part of the proposition the election of board  
23 members for the new high school district (i) on an at large  
24 basis, (ii) with board members representing each of the  
25 forming elementary school districts, or (iii) a  
26 combination of both. The format for the election of the new

1 high school board must be defined in the petition. When 4  
2 or more unit school districts and a combination of board  
3 members representing each of the forming elementary school  
4 districts are involved and at large formats are used, one  
5 member must be elected from each of the forming elementary  
6 school districts. The remaining members may be elected on  
7 an at large basis, provided that none of the underlying  
8 elementary school districts have a majority on the  
9 resulting high school board. When 3 unit school districts  
10 and a combination of board members representing each of the  
11 forming elementary school districts are involved and at  
12 large formats are used, 2 members must be elected from each  
13 of the forming elementary school districts. The remaining  
14 member must be elected at large.

15 (9) If desired, a request that the referendum at which  
16 the proposition shall be submitted include a proposition on  
17 a separate ballot authorizing the issuance of bonds by the  
18 district or districts when organized in accordance with  
19 this Article. However, if the petition is submitted for the  
20 purpose of voting for or against the establishment of an  
21 optional elementary unit district, the petition may  
22 request only that the referendum at which the proposition  
23 is submitted include a proposition on a separate ballot  
24 authorizing the issuance of bonds for high school purposes  
25 (and not elementary purposes) by the district when  
26 organized in accordance with this Article. The principal

1 amount of the bonds and the purposes of issuance, including  
2 a specification of elementary or high school purposes if  
3 the proposed issuance is to be made by a combined high  
4 school - unit district, shall be stated in the petition and  
5 in all notices and propositions submitted thereunder. Only  
6 residents in the territory of the district proposing the  
7 bond issuance may vote on the bond issuance.

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

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

24 (d) (1) Those designated as the Committee of Ten shall serve  
25 in that capacity until such time as the regional superintendent  
26 of schools determines that, because of death, resignation,

1 transfer of residency from the territory, failure to qualify,  
2 or any other reason, the office of a particular member of the  
3 Committee of Ten is vacant. Upon determination by the regional  
4 superintendent of schools that these vacancies exist, he or she  
5 shall declare the vacancies and shall notify the remaining  
6 members to appoint a petitioner or petitioners, as the case may  
7 be, to fill the vacancies in the Committee of Ten so  
8 designated. An appointment by the Committee of Ten to fill a  
9 vacancy shall be made by a simple majority vote of the  
10 designated remaining members.

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

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

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

26 (5) The Committee of Ten may voluntarily dismiss its

1 petition at any time before the petition is approved by either  
2 the regional superintendent of schools or State Superintendent  
3 of Education.

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

5 (105 ILCS 5/11E-40)

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

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

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

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

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

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

25 (2) The prayer of the petition.

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

5           (4) If applicable, the proposition to elect, by  
6 separate ballot, school board members at the same election,  
7 indicating whether the board members are to be elected at  
8 large or by school board district.

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

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

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

21           (d) Prior to the hearing described in Section 11E-45 of  
22 this Code, the regional superintendent of schools shall inform  
23 the Committee of Ten as to whether the petition, as amended or  
24 filed, is proper and in compliance with all applicable petition  
25 requirements set forth in the Election Code. If the regional  
26 superintendent determines that the petition is not in proper

1 order or not in compliance with any applicable petition  
2 requirements set forth in the Election Code, the regional  
3 superintendent must identify the specific alleged defects in  
4 the petition and include specific recommendations to cure the  
5 alleged defects. The Committee of Ten may amend the petition to  
6 cure the alleged defects at any time prior to the receipt of  
7 the regional superintendent's written order made in accordance  
8 with subsection (a) of Section 11E-50 of this Code or may elect  
9 not to amend the petition, in which case the Committee of Ten  
10 may appeal a denial by the regional superintendent following  
11 the hearing in accordance with Section 11E-50 of this Code.

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

13 (105 ILCS 5/11E-45)

14 Sec. 11E-45. Hearing.

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



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

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

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

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

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

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

26 (d) The regional superintendent of schools shall arrange

1 for a written transcript of the hearing. The expense of the  
2 written transcript shall be borne by the petitioners and paid  
3 on behalf of the petitioners by the Committee of Ten.

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

5 (105 ILCS 5/11E-50)

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

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

20 (b) Upon approving or denying the petition, the regional  
21 superintendent of schools shall submit the petition and all  
22 evidence to the State Superintendent of Education. The State  
23 Superintendent shall review the petition, the record of the  
24 hearing, and the written order of the regional superintendent,  
25 if any. Within 21 days after the receipt of the regional

1 superintendent's decision, the State Superintendent shall take  
2 into consideration the school needs and conditions of the  
3 affected districts and in the area adjacent thereto, the  
4 division of funds and assets that will result from the action  
5 described in the petition, the best interests of the schools of  
6 the area, and the best interests and the educational welfare of  
7 the pupils residing therein and, through a written order,  
8 either approve or deny the petition. If the State  
9 Superintendent denies the petition, the State Superintendent  
10 shall set forth in writing the specific basis for the denial.  
11 The decision of the State Superintendent shall be deemed an  
12 administrative decision as defined in Section 3-101 of the Code  
13 of Civil Procedure. The State Superintendent shall provide a  
14 copy of the decision by certified mail, return receipt  
15 requested, to the Committee of Ten, any person appearing in  
16 support or opposition of the petition at the hearing, each  
17 school board of a district in which territory described in the  
18 petition is situated, the regional superintendent with whom the  
19 petition was filed, and the regional superintendent of schools  
20 of any other educational service region in which territory  
21 described in the petition is situated.

22 (c) Any resident of any territory described in the petition  
23 who appears in support of or opposition to the petition at the  
24 hearing or any petitioner or school board of any district in  
25 which territory described in the petition is situated may,  
26 within 35 days after a copy of the decision sought to be

1 reviewed was served by certified mail, return receipt  
2 requested, upon the party affected thereby or upon the attorney  
3 of record for the party, apply for a review of an  
4 administrative decision of the State Superintendent of  
5 Education in accordance with the Administrative Review Law and  
6 any rules adopted pursuant to the Administrative Review Law.  
7 The commencement of any action for review shall operate as a  
8 supersedeas ~~supersedes~~, and no further proceedings shall be had  
9 until final disposition of the review. The circuit court of the  
10 county in which the petition is filed with the regional  
11 superintendent of schools shall have sole jurisdiction to  
12 entertain a complaint for the review.

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

14 (105 ILCS 5/11E-65)

15 Sec. 11E-65. Passage requirements.

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

21 (b) In the case of an optional elementary unit district to  
22 be created as provided in subsection (c) of Section 11E-30 of  
23 this Code, if a majority of the electors voting in the high  
24 school district and a majority of the voters voting in at least  
25 one affected elementary district vote in favor of the

1 proposition submitted to them, then the proposition shall be  
2 deemed to have passed and an optional elementary unit district  
3 shall be created for all of the territory included in the  
4 petition for high school purposes, and for the territory  
5 included in the affected elementary districts voting in favor  
6 of the proposition for elementary purposes.

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

12 (d)(1) If a majority of the voters in at least 2 unit  
13 districts have voted in favor of a proposition to create a new  
14 unit district, but the proposition was not approved under the  
15 standards set forth in subsection (a) of this Section, then the  
16 members of the Committee of Ten shall submit an amended  
17 petition for consolidation to the school boards of those  
18 districts, as long as the territory involved is compact and  
19 contiguous. The petition submitted to the school boards shall  
20 be identical in form and substance to the petition previously  
21 approved by the regional superintendent of schools, with the  
22 sole exception that the territory comprising the proposed  
23 district shall be amended to include the compact and contiguous  
24 territory of those unit districts in which a majority of the  
25 voters voted in favor of the proposal.

26 (2) Each school board to which the petition is submitted

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

10 (3) If a majority of the members of each school board to  
11 whom a petition is submitted votes in favor of the amended  
12 petition, then the approved petition shall be transmitted by  
13 the secretary of each school board to the State Superintendent  
14 of Education, who shall, within 21 ~~30~~ days after receipt,  
15 approve or deny the amended petition based on the criteria  
16 stated in subsection (b) of Section 11E-50 of this Code. If  
17 approved by the State Superintendent of Education, the petition  
18 shall be placed on the ballot at the next regularly scheduled  
19 election.

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

21 (105 ILCS 5/11E-135)

22 Sec. 11E-135. Incentives. For districts reorganizing under  
23 this Article and for a district or districts that annex all of  
24 the territory of one or more entire other school districts in  
25 accordance with Article 7 of this Code, the following payments

1 shall be made from appropriations made for these purposes:

2 (a) (1) For a combined school district, as defined in  
3 Section 11E-20 of this Code, or for a unit district, as defined  
4 in Section 11E-25 of this Code, for its first year of  
5 existence, the general State aid and supplemental general State  
6 aid calculated under Section 18-8.05 of this Code shall be  
7 computed for the new district and for the previously existing  
8 districts for which property is totally included within the new  
9 district. If the computation on the basis of the previously  
10 existing districts is greater, a supplementary payment equal to  
11 the difference shall be made for the first 4 years of existence  
12 of the new 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 shall be  
20 computed for the annexing district as constituted after the  
21 annexation and for the annexing and each annexed district as  
22 constituted prior to the annexation; and if the computation on  
23 the basis of the annexing and annexed districts as constituted  
24 prior to the annexation is greater, then a supplementary  
25 payment equal to the difference shall be made for the first 4  
26 years of existence of the annexing school district as

1 constituted upon the annexation.

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



1 when the change of boundaries attributable to the annexation  
2 becomes effective for all purposes. The amount of the total  
3 difference payment and the amount thereof to be allocated to  
4 the annexing districts shall be computed by the State Board of  
5 Education on the basis of pupil enrollment and other data that  
6 shall be certified to the State Board of Education, on forms  
7 that it shall provide for that purpose, by the regional  
8 superintendent of schools for each educational service region  
9 in which the annexing and annexed districts are located.

10 (4) For a school district conversion, as defined in Section  
11 11E-15 of this Code, or a multi-unit conversion, as defined in  
12 subsection (b) of Section 11E-30 of this Code, if in their  
13 first year of existence the newly created elementary districts  
14 and the newly created high school district, from a school  
15 district conversion, or the newly created elementary district  
16 or districts and newly created combined high school - unit  
17 district, from a multi-unit conversion, qualify for less  
18 general State aid under Section 18-8.05 of this Code than would  
19 have been payable under Section 18-8.05 for that same year to  
20 the previously existing districts, then a supplementary  
21 payment equal to that difference shall be made for the first 4  
22 years of existence of the newly created districts. The  
23 aggregate amount of each supplementary payment shall be  
24 allocated among the newly created districts in the proportion  
25 that the deemed pupil enrollment in each district during its  
26 first year of existence bears to the actual aggregate pupil

1 enrollment in all of the districts during their first year of  
2 existence. For purposes of each allocation:

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

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

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

25 (D) the deemed elementary pupil enrollment of each  
26 newly created district from a multi-unit conversion shall

1 be an amount equal to each district's actual grade K  
2 through 8 pupil enrollment for its first year of existence,  
3 reduced by an amount equal to the product obtained when the  
4 amount by which the newly created combined high school -  
5 unit district's deemed high school pupil enrollment  
6 exceeds its actual grade 9 through 12 pupil enrollment for  
7 its first year of existence is multiplied by a fraction,  
8 the numerator of which is the actual grade K through 8  
9 pupil enrollment of each newly created district for its  
10 first year of existence and the denominator of which is the  
11 actual aggregate grade K through 8 pupil enrollment of all  
12 such newly created districts for their first year of  
13 existence.

14 The aggregate amount of each supplementary payment under  
15 this subdivision (4) and the amount thereof to be allocated to  
16 the newly created districts shall be computed by the State  
17 Board of Education on the basis of pupil enrollment and other  
18 data, which shall be certified to the State Board of Education,  
19 on forms that it shall provide for that purpose, by the  
20 regional superintendent of schools for each educational  
21 service region in which the newly created districts are  
22 located.

23 (5) For a partial elementary unit district, as defined in  
24 subsection (a) or (c) of Section 11E-30 of this Code, if, in  
25 the first year of existence, the newly created partial  
26 elementary unit district qualifies for less general State aid

1 and supplemental general State aid under Section 18-8.05 of  
2 this Code than would have been payable under that Section for  
3 that same year to the previously existing districts that formed  
4 the partial elementary unit district, then a supplementary  
5 payment equal to that difference shall be made to the partial  
6 elementary unit district for the first 4 years of existence of  
7 that newly created district.

8 (6) For an elementary opt-in, as described in subsection  
9 (d) of Section 11E-30 of this Code, the general State aid  
10 difference shall be computed in accordance with paragraph (5)  
11 of this subsection (a) as if the elementary opt-in was included  
12 in an optional elementary unit district at the optional  
13 elementary unit district's original effective date. If the  
14 calculation in this paragraph (6) is less than that calculated  
15 in paragraph (5) of this subsection (a) at the optional  
16 elementary unit district's original effective date, then no  
17 adjustments may be made. If the calculation in this paragraph  
18 (6) is more than that calculated in paragraph (5) of this  
19 subsection (a) at the optional elementary unit district's  
20 original effective date, then the excess must be paid as  
21 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 optional  
16 elementary unit district, 25% of the calculated excess  
17 shall be paid to the optional elementary unit district in  
18 each of the first 4 years after the effective date of the  
19 elementary 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 (6.5) For a school district that annexes territory detached  
26 from another school district whereby the enrollment of the

1 annexing district increases by 90% or more as a result of the  
2 annexation, for the first year during which the change of  
3 boundaries attributable to the annexation becomes effective  
4 for all purposes as determined under Section 7-9 of this Code,  
5 the general State aid and supplemental general State aid  
6 calculated under this Section shall be computed for the  
7 district gaining territory and the district losing territory as  
8 constituted after the annexation and for the same districts as  
9 constituted prior to the annexation; and if the aggregate of  
10 the general State aid and supplemental general State aid as so  
11 computed for the district gaining territory and the district  
12 losing territory as constituted after the annexation is less  
13 than the aggregate of the general State aid and supplemental  
14 general State aid as so computed for the district gaining  
15 territory and the district losing territory as constituted  
16 prior to the annexation, then a supplementary payment shall be  
17 made to the annexing district for the first 4 years of  
18 existence after the annexation, equal to the difference  
19 multiplied by the ratio of student enrollment in the territory  
20 detached to the total student enrollment in the district losing  
21 territory for the year prior to the effective date of the  
22 annexation. The amount of the total difference and the  
23 proportion paid to the annexing district shall be computed by  
24 the State Board of Education on the basis of pupil enrollment  
25 and other data that must be submitted to the State Board of  
26 Education in accordance with Section 7-14A of this Code. The

1 changes to this Section made by this amendatory Act of the 95th  
2 General Assembly are intended to be retroactive and applicable  
3 to any annexation taking effect on or after July 1, 2004. For  
4 annexations that are eligible for payments under this paragraph  
5 (6.5) and that are effective on or after July 1, 2004, but  
6 before the effective date of this amendatory Act of the 95th  
7 General Assembly, the first required yearly payment under this  
8 paragraph (6.5) shall be paid in the fiscal year of the  
9 effective date of this amendatory Act of the 95th General  
10 Assembly. Subsequent required yearly payments shall be paid in  
11 subsequent fiscal years until the payment obligation under this  
12 paragraph (6.5) is complete.

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

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

19 (b) (1) After the formation of a combined school district,  
20 as defined in Section 11E-20 of this Code, or a unit district,  
21 as defined in Section 11E-25 of this Code, a computation shall  
22 be made to determine the difference between the salaries  
23 effective in each of the previously existing districts on June  
24 30, prior to the creation of the new district. For the first 4  
25 years after the formation of the new district, a supplementary  
26 State aid reimbursement shall be paid to the new district equal

1 to the difference between the sum of the salaries earned by  
2 each of the certificated members of the new district, while  
3 employed in one of the previously existing districts during the  
4 year immediately preceding the formation of the new district,  
5 and the sum of the salaries those certificated members would  
6 have been paid during the year immediately prior to the  
7 formation of the new district if placed on the salary schedule  
8 of the previously existing district with the highest salary  
9 schedule.

10 (2) After the territory of one or more school districts is  
11 annexed by one or more other school districts as defined in  
12 Article 7 of this Code, a computation shall be made to  
13 determine the difference between the salaries effective in each  
14 annexed district and in the annexing district or districts as  
15 they were each constituted on June 30 preceding the date when  
16 the change of boundaries attributable to the annexation became  
17 effective for all purposes, as determined under Section 7-9 of  
18 this Code. For the first 4 years after the annexation, a  
19 supplementary State aid reimbursement shall be paid to each  
20 annexing district as constituted after the annexation equal to  
21 the difference between the sum of the salaries earned by each  
22 of the certificated members of the annexing district as  
23 constituted after the annexation, while employed in an annexed  
24 or annexing district during the year immediately preceding the  
25 annexation, and the sum of the salaries those certificated  
26 members would have been paid during the immediately preceding



1 year if placed on the salary schedule of whichever of the  
2 annexing or annexed districts had the highest salary schedule  
3 during the immediately preceding year.

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

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

26 (5) For an elementary district opt-in, as described in

1 subsection (d) of Section 11E-30 of this Code, the salary  
2 difference incentive shall be computed in accordance with  
3 paragraph (4) of this subsection (b) as if the opted-in  
4 elementary district was included in the optional elementary  
5 unit district at the optional elementary unit district's  
6 original effective date. If the calculation in this paragraph  
7 (5) is less than that calculated in paragraph (4) of this  
8 subsection (b) at the optional elementary unit district's  
9 original effective date, then no adjustments may be made. If  
10 the calculation in this paragraph (5) is more than that  
11 calculated in paragraph (4) of this subsection (b) at the  
12 optional elementary unit district's original effective date,  
13 then the excess must be paid as follows:

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

20 (B) If the effective date for the elementary opt-in is  
21 2 years after the effective date for the optional  
22 elementary unit district, 75% of the calculated excess  
23 shall be paid to the optional elementary unit district in  
24 each of the first 4 years after the effective date of the  
25 elementary opt-in.

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

1           3 years after the effective date for the optional  
2 elementary unit district, 50% of the calculated excess  
3 shall be paid to the optional elementary unit district in  
4 each of the first 4 years after the effective date of the  
5 elementary opt-in.

6           (D) If the effective date for the elementary opt-in is  
7 4 years after the effective date for the partial elementary  
8 unit district, 25% of the calculated excess shall be paid  
9 to the optional elementary unit district in each of the  
10 first 4 years after the effective date of the elementary  
11 opt-in.

12           (E) If the effective date for the elementary opt-in is  
13 5 years after the effective date for the optional  
14 elementary unit district, the optional elementary unit  
15 district is not eligible for any additional incentives due  
16 to the elementary opt-in.

17           (5.5) ~~(b-5)~~ After the formation of a cooperative high  
18 school by 2 or more school districts under Section 10-22.22c of  
19 this Code, a computation shall be made to determine the  
20 difference between the salaries effective in each of the  
21 previously existing high schools on June 30 prior to the  
22 formation of the cooperative high school. For the first 4 years  
23 after the formation of the cooperative high school, a  
24 supplementary State aid reimbursement shall be paid to the  
25 cooperative high school equal to the difference between the sum  
26 of the salaries earned by each of the certificated members of

1 the cooperative high school while employed in one of the  
2 previously existing high schools during the year immediately  
3 preceding the formation of the cooperative high school and the  
4 sum of the salaries those certificated members would have been  
5 paid during the year immediately prior to the formation of the  
6 cooperative high school if placed on the salary schedule of the  
7 previously existing high school with the highest salary  
8 schedule.

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

1 year if placed on the salary schedule of whichever of the  
2 district gaining territory or district losing territory had the  
3 highest salary schedule during the immediately preceding year.  
4 To be eligible for supplementary State aid reimbursement under  
5 this Section, the intergovernmental agreement to be submitted  
6 pursuant to Section 7-14A of this Code must show that staff  
7 members were transferred from the control of the district  
8 losing territory to the control of the district gaining  
9 territory in the annexation. The changes to this Section made  
10 by this amendatory Act of the 95th General Assembly are  
11 intended to be retroactive and applicable to any annexation  
12 taking effect on or after July 1, 2004. For annexations that  
13 are eligible for payments under this paragraph (5.10) and that  
14 are effective on or after July 1, 2004, but before the  
15 effective date of this amendatory Act of the 95th General  
16 Assembly, the first required yearly payment under this  
17 paragraph (5.10) shall be paid in the fiscal year of the  
18 effective date of this amendatory Act of the 95th General  
19 Assembly. Subsequent required yearly payments shall be paid in  
20 subsequent fiscal years until the payment obligation under this  
21 paragraph (5.10) is complete.

22 (5.15) After the deactivation of a school facility in  
23 accordance with Section 10-22.22b of this Code, a computation  
24 shall be made to determine the difference between the salaries  
25 effective in the sending school district and each receiving  
26 school district on June 30 prior to the deactivation of the

1 school facility. For the lesser of the first 4 years after the  
2 deactivation of the school facility or the length of the  
3 deactivation agreement, including any renewals of the original  
4 deactivation agreement, a supplementary State aid  
5 reimbursement shall be paid to each receiving district equal to  
6 the difference between the sum of the salaries earned by each  
7 of the certificated members transferred to that receiving  
8 district as a result of the deactivation while employed in the  
9 sending district during the year immediately preceding the  
10 deactivation and the sum of the salaries those certificated  
11 members would have been paid during the year immediately  
12 preceding the deactivation if placed on the salary schedule of  
13 the sending or receiving district with the highest salary  
14 schedule.

15 (6) The supplementary State aid reimbursement under this  
16 subsection (b) shall be treated as separate from all other  
17 payments made pursuant to Section 18-8.05 of this Code. In the  
18 case of the formation of a new district or cooperative high  
19 school or a deactivation, reimbursement shall begin during the  
20 first year of operation of the new district or cooperative high  
21 school or the first year of the deactivation, and in the case  
22 of an annexation of the territory of one or more school  
23 districts by one or more other school districts or the  
24 annexation of territory detached from a school district whereby  
25 the enrollment of the annexing district increases by 90% or  
26 more as a result of the annexation, reimbursement shall begin

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

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

1 of the differences between the deficit of the previously  
2 existing district with the smallest deficit and the deficits of  
3 each of the other previously existing districts.

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

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



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

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

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

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

21 (4) For the new elementary districts and new high school  
22 district formed through a school district conversion, as  
23 defined in ~~subsection (b) of~~ Section 11E-15 of this Code or the  
24 new elementary district or districts and new combined high  
25 school - unit district formed through a multi-unit conversion,  
26 as defined in subsection (b) of Section 11E-30 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 establishing the new districts. In the first year of  
6 the new districts, the State shall make a one-time  
7 supplementary payment equal to the sum of the differences  
8 between the deficit of the previously existing district with  
9 the smallest deficit and the deficits of each of the other  
10 previously existing districts. A district with a combined  
11 balance among the 4 funds that is positive shall be considered  
12 to have a deficit of zero. The supplementary payment shall be  
13 allocated among the newly formed high school and elementary  
14 districts in the manner provided by the petition for the  
15 formation of the districts, in the form in which the petition  
16 is approved by the regional superintendent of schools or State  
17 Superintendent of Education under Section 11E-50 of this Code.

18 (5) For each newly created partial elementary unit  
19 district, as defined in subsection (a) or (c) of Section 11E-30  
20 of this Code, a computation shall be made totaling the audited  
21 fund balances of each previously existing district that formed  
22 the new partial elementary unit district in the educational  
23 fund, working cash fund, operations and maintenance fund, and  
24 transportation fund for the year ending June 30 prior to the  
25 referendum for the formation of the partial elementary unit  
26 district. In the first year of the new partial elementary unit

1 district, the State shall make a one-time supplementary payment  
2 to the new district equal to the sum of the differences between  
3 the deficit of the previously existing district with the  
4 smallest deficit and the deficits of each of the other  
5 previously existing districts. A district with a combined  
6 balance among the 4 funds that is positive shall be considered  
7 to have a deficit of zero.

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

1 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 the first year after the effective date of the elementary  
7 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 the first year after the effective date of the elementary  
13 opt-in.

14 (D) If the effective date for the elementary opt-in is  
15 4 years after the effective date for the optional  
16 elementary unit district, 25% 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 (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 (6.5) For the first year after the annexation of territory  
26 detached from another school district whereby the enrollment of

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

1 supplementary State aid reimbursement under this Section, the  
2 intergovernmental agreement to be submitted pursuant to  
3 Section 7-14A of this Code must show that fund balances were  
4 transferred from the district losing territory to the district  
5 gaining territory in the annexation. The changes to this  
6 Section made by this amendatory Act of the 95th General  
7 Assembly are intended to be retroactive and applicable to any  
8 annexation taking effect on or after July 1, 2004. For  
9 annexations that are eligible for payments under this paragraph  
10 (6.5) and that are effective on or after July 1, 2004, but  
11 before the effective date of this amendatory Act of the 95th  
12 General Assembly, the required payment under this paragraph  
13 (6.5) shall be paid in the fiscal year of the effective date of  
14 this amendatory Act of the 95th General Assembly.

15 (7) For purposes of any calculation required under  
16 paragraph (1), (2), (3), (4), (5), ~~or~~ (6), or (6.5) of this  
17 subsection (c), a district with a combined fund balance that is  
18 positive shall be considered to have a deficit of zero. For  
19 purposes of determining each district's audited fund balances  
20 in its educational fund, working cash fund, operations and  
21 maintenance fund, and transportation fund for the specified  
22 year ending June 30, as provided in paragraphs (1), (2), (3),  
23 (4), (5), ~~and~~ (6), and (6.5) of this subsection (c), the  
24 balance of each fund shall be deemed decreased by an amount  
25 equal to the amount of the annual property tax theretofore  
26 levied in the fund by the district for collection and payment

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



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

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

21	Reorganized District's Rank	Reorganized District's Rank
22	by type of district (unit,	in Average Daily Attendance
23	high school, elementary)	By Quintile
24	in Equalized Assessed Value	
25	Per Pupil by Quintile	

1				3rd, 4th,
2		1st	2nd	or 5th
3		Quintile	Quintile	Quintile
4	1st Quintile	1 year	1 year	1 year
5	2nd Quintile	1 year	2 years	2 years
6	3rd Quintile	2 years	3 years	3 years
7	4th Quintile	2 years	3 years	3 years
8	5th Quintile	2 years	3 years	3 years

9 The State Board of Education shall make a one-time calculation  
10 of a reorganized district's quintile ranks. The average daily  
11 attendance used in this calculation shall be the best 3 months'  
12 average daily attendance for the district's first year. The  
13 equalized assessed value per pupil shall be the district's real  
14 property equalized assessed value used in calculating the  
15 district's first-year general State aid claim, under Section  
16 18-8.05 of this Code, divided by the best 3 months' average  
17 daily attendance.

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

23 If a district results from multiple reorganizations that  
24 would otherwise qualify the district for multiple payments  
25 under this subsection (d) in any year, then the district shall

1 receive a single payment only for that year based solely on the  
2 most recent reorganization.

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

11 (A) If the effective date for the elementary opt-in is  
12 one year after the effective date for the optional  
13 elementary unit district, 100% of the amount calculated in  
14 this paragraph (2) shall be paid to the optional elementary  
15 unit district for the number of years calculated in  
16 paragraph (1) of this subsection (d) at the optional  
17 elementary unit district's original effective date,  
18 starting in the second year after the effective date of the  
19 elementary opt-in.

20 (B) If the effective date for the elementary opt-in is  
21 2 years after the effective date for the optional  
22 elementary unit district, 75% of the amount calculated in  
23 this paragraph (2) shall be paid to the optional elementary  
24 unit district for the number of years calculated in  
25 paragraph (1) of this subsection (d) at the optional  
26 elementary unit district's original effective date,

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

3 (C) If the effective date for the elementary opt-in is  
4 3 years after the effective date for the optional  
5 elementary unit district, 50% of the amount calculated in  
6 this paragraph (2) shall be paid to the optional elementary  
7 unit district for the number of years calculated in  
8 paragraph (1) of this subsection (d) at the optional  
9 elementary unit district's original effective date,  
10 starting in the second year after the effective date of the  
11 elementary opt-in.

12 (D) If the effective date for the elementary opt-in is  
13 4 years after the effective date for the optional  
14 elementary unit district, 25% of the amount calculated in  
15 this paragraph (2) shall be paid to the optional elementary  
16 unit district for the number of years calculated in  
17 paragraph (1) of this subsection (d) at the optional  
18 elementary unit district's original effective date,  
19 starting in the second year after the effective date of the  
20 elementary opt-in.

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

26 (2.5) ~~(a-5)~~ Following the formation of a cooperative high

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

12 (2.10) Following the annexation of territory detached from  
13 another school district whereby the enrollment of the annexing  
14 district increases 90% or more as a result of the annexation, a  
15 supplementary State aid reimbursement shall be paid to the  
16 annexing district equal to the sum of \$4,000 for each certified  
17 employee who is employed by the annexing district on a  
18 full-time basis and shall be calculated in accordance with  
19 subsection (a) of this Section. To be eligible for  
20 supplementary State aid reimbursement under this Section, the  
21 intergovernmental agreement to be submitted pursuant to  
22 Section 7-14A of this Code must show that certified staff  
23 members were transferred from the control of the district  
24 losing territory to the control of the district gaining  
25 territory in the annexation. The changes to this Section made  
26 by this amendatory Act of the 95th General Assembly are

1 intended to be retroactive and applicable to any annexation  
2 taking effect on or after July 1, 2004. For annexations that  
3 are eligible for payments under this paragraph (2.10) and that  
4 are effective on or after July 1, 2004, but before the  
5 effective date of this amendatory Act of the 95th General  
6 Assembly, the first required yearly payment under this  
7 paragraph (2.10) shall be paid in the second fiscal year after  
8 the effective date of this amendatory Act of the 95th General  
9 Assembly. Any subsequent required yearly payments shall be paid  
10 in subsequent fiscal years until the payment obligation under  
11 this paragraph (2.10) is complete.

12 (2.15) Following the deactivation of a school facility in  
13 accordance with Section 10-22.22b of this Code, a supplementary  
14 State aid reimbursement shall be paid for the lesser of 3  
15 school years or the length of the deactivation agreement,  
16 including any renewals of the original deactivation agreement,  
17 to each receiving school district equal to the sum of \$4,000  
18 for each certified employee who is employed by that receiving  
19 district on a full-time basis for the regular term of any such  
20 school year who was originally transferred to the control of  
21 that receiving district as a result of the deactivation.  
22 Receiving districts are eligible for payments under this  
23 paragraph (2.15) based on the certified employees transferred  
24 to that receiving district as a result of the deactivation and  
25 are not required to receive at least 30% of the deactivating  
26 district's average daily attendance as required under

1 paragraph (1) of this subsection (d) to be eligible for  
2 payments.

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

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

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

1 (Source: P.A. 94-1019, eff. 7-10-06; incorporates P.A. 94-902,  
2 eff. 7-1-06; revised 9-13-06.)

3 (105 ILCS 5/14-13.01) (from Ch. 122, par. 14-13.01)

4 Sec. 14-13.01. Reimbursement payable by State; Amounts.  
5 Reimbursement for furnishing special educational facilities in  
6 a recognized school to the type of children defined in Section  
7 14-1.02 shall be paid to the school districts in accordance  
8 with Section 14-12.01 for each school year ending June 30 by  
9 the State Comptroller out of any money in the treasury  
10 appropriated for such purposes on the presentation of vouchers  
11 by the State Board of Education.

12 The reimbursement shall be limited to funds expended for  
13 construction and maintenance of special education facilities  
14 designed and utilized to house instructional programs,  
15 diagnostic services, other special education services for  
16 children with disabilities and reimbursement as provided in  
17 Section 14-13.01. There shall be no reimbursement for  
18 construction and maintenance of any administrative facility  
19 separated from special education facilities designed and  
20 utilized to house instructional programs, diagnostic services  
21 and other special education services for children with  
22 disabilities.

23 (a) For children who have not been identified as eligible  
24 for special education and for eligible children with physical  
25 disabilities, including all eligible children whose placement



1 has been determined under Section 14-8.02 in hospital or home  
2 instruction, 1/2 of the teacher's salary but not more than  
3 \$1,000 annually per child or \$8,000 per teacher for the  
4 1985-1986 school year through the 2006-2007 school year and  
5 \$1,000 per child or \$9,000 per teacher for the 2007-2008 school  
6 year and for each school year ~~and~~ thereafter, whichever is  
7 less. Children to be included in any reimbursement under this  
8 paragraph must regularly receive a minimum of one hour of  
9 instruction each school day, or in lieu thereof of a minimum of  
10 5 hours of instruction in each school week in order to qualify  
11 for full reimbursement under this Section. If the attending  
12 physician for such a child has certified that the child should  
13 not receive as many as 5 hours of instruction in a school week,  
14 however, reimbursement under this paragraph on account of that  
15 child shall be computed proportionate to the actual hours of  
16 instruction per week for that child divided by 5.

17 (b) For children described in Section 14-1.02, 4/5 of the  
18 cost of transportation for each such child, whom the State  
19 Superintendent of Education determined in advance requires  
20 special transportation service in order to take advantage of  
21 special educational facilities. Transportation costs shall be  
22 determined in the same fashion as provided in Section 29-5. For  
23 purposes of this subsection (b), the dates for processing  
24 claims specified in Section 29-5 shall apply.

25 (c) For each professional worker excluding those included  
26 in subparagraphs (a), (d), (e), and (f) of this Section, the

1 annual sum of \$8,000 for the 1985-1986 school year through the  
2 2006-2007 school year and \$9,000 for the 2007-2008 school year  
3 and for each school year ~~and~~ thereafter.

4 (d) For one full time qualified director of the special  
5 education program of each school district which maintains a  
6 fully approved program of special education the annual sum of  
7 \$8,000 for the 1985-1986 school year through the 2006-2007  
8 school year and \$9,000 for the 2007-2008 school year and for  
9 each school year ~~and~~ thereafter. Districts participating in a  
10 joint agreement special education program shall not receive  
11 such reimbursement if reimbursement is made for a director of  
12 the joint agreement program.

13 (e) For each school psychologist as defined in Section  
14 14-1.09 the annual sum of \$8,000 for the 1985-1986 school year  
15 through the 2006-2007 school year and \$9,000 for the 2007-2008  
16 school year and for each school year ~~and~~ thereafter.

17 (f) For each qualified teacher working in a fully approved  
18 program for children of preschool age who are deaf or  
19 hard-of-hearing the annual sum of \$8,000 for the 1985-1986  
20 school year through the 2006-2007 school year and \$9,000 for  
21 the 2007-2008 school year and for each school year ~~and~~  
22 thereafter.

23 (g) For readers, working with blind or partially seeing  
24 children 1/2 of their salary but not more than \$400 annually  
25 per child. Readers may be employed to assist such children and  
26 shall not be required to be certified but prior to employment

1 shall meet standards set up by the State Board of Education.

2 (h) For necessary non-certified employees working in any  
3 class or program for children defined in this Article, 1/2 of  
4 the salary paid or \$2,800 annually per employee through the  
5 2006-2007 school year and \$3,500 per employee for the 2007-2008  
6 school year and for each school year thereafter, whichever is  
7 less.

8 The State Board of Education shall set standards and  
9 prescribe rules for determining the allocation of  
10 reimbursement under this section on less than a full time basis  
11 and for less than a school year.

12 When any school district eligible for reimbursement under  
13 this Section operates a school or program approved by the State  
14 Superintendent of Education for a number of days in excess of  
15 the adopted school calendar but not to exceed 235 school days,  
16 such reimbursement shall be increased by 1/185 of the amount or  
17 rate paid hereunder for each day such school is operated in  
18 excess of 185 days per calendar year.

19 Notwithstanding any other provision of law, any school  
20 district receiving a payment under this Section or under  
21 Section 14-7.02, 14-7.02b, or 29-5 of this Code may classify  
22 all or a portion of the funds that it receives in a particular  
23 fiscal year or from general State aid pursuant to Section  
24 18-8.05 of this Code as funds received in connection with any  
25 funding program for which it is entitled to receive funds from  
26 the State in that fiscal year (including, without limitation,

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

25 (Source: P.A. 92-568, eff. 6-26-02; 93-1022, eff. 8-24-04.)

1 (105 ILCS 5/18-8.05)

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

5 (A) General Provisions.

6 (1) The provisions of this Section apply to the 1998-1999  
7 and subsequent school years. The system of general State  
8 financial aid provided for in this Section is designed to  
9 assure that, through a combination of State financial aid and  
10 required local resources, the financial support provided each  
11 pupil in Average Daily Attendance equals or exceeds a  
12 prescribed per pupil Foundation Level. This formula approach  
13 imputes a level of per pupil Available Local Resources and  
14 provides for the basis to calculate a per pupil level of  
15 general State financial aid that, when added to Available Local  
16 Resources, equals or exceeds the Foundation Level. The amount  
17 of per pupil general State financial aid for school districts,  
18 in general, varies in inverse relation to Available Local  
19 Resources. Per pupil amounts are based upon each school  
20 district's Average Daily Attendance as that term is defined in  
21 this Section.

22 (2) In addition to general State financial aid, school  
23 districts with specified levels or concentrations of pupils  
24 from low income households are eligible to receive supplemental  
25 general State financial aid grants as provided pursuant to

1 subsection (H). The supplemental State aid grants provided for  
2 school districts under subsection (H) shall be appropriated for  
3 distribution to school districts as part of the same line item  
4 in which the general State financial aid of school districts is  
5 appropriated under this Section.

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

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

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

1 provided in this Section.

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

7 (d) (Blank).

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

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

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

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

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

25 (c) "Corporate Personal Property Replacement Taxes":  
26 Funds paid to local school districts pursuant to "An Act in

1 relation to the abolition of ad valorem personal property  
2 tax and the replacement of revenues lost thereby, and  
3 amending and repealing certain Acts and parts of Acts in  
4 connection therewith", certified August 14, 1979, as  
5 amended (Public Act 81-1st S.S.-1).

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

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

12 (B) Foundation Level.

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

23 (2) For the 1998-1999 school year, the Foundation Level of  
24 support is \$4,225. For the 1999-2000 school year, the  
25 Foundation Level of support is \$4,325. For the 2000-2001 school



1 year, the Foundation Level of support is \$4,425. For the  
2 2001-2002 school year and 2002-2003 school year, the Foundation  
3 Level of support is \$4,560. For the 2003-2004 school year, the  
4 Foundation Level of support is \$4,810. For the 2004-2005 school  
5 year, the Foundation Level of support is \$4,964. For the  
6 2005-2006 school year, the Foundation Level of support is  
7 \$5,164. For the 2006-2007 school year, the Foundation Level of  
8 support is \$5,334.

9 (3) For the 2007-2008 ~~2006-2007~~ school year and each school  
10 year thereafter, the Foundation Level of support is \$5,734  
11 ~~\$5,334~~ or such greater amount as may be established by law by  
12 the General Assembly.

13 (C) Average Daily Attendance.

14 (1) For purposes of calculating general State aid pursuant  
15 to subsection (E), an Average Daily Attendance figure shall be  
16 utilized. The Average Daily Attendance figure for formula  
17 calculation purposes shall be the monthly average of the actual  
18 number of pupils in attendance of each school district, as  
19 further averaged for the best 3 months of pupil attendance for  
20 each school district. In compiling the figures for the number  
21 of pupils in attendance, school districts and the State Board  
22 of Education shall, for purposes of general State aid funding,  
23 conform attendance figures to the requirements of subsection  
24 (F).

25 (2) The Average Daily Attendance figures utilized in

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

9 (D) Available Local Resources.

10 (1) For purposes of calculating general State aid pursuant  
11 to subsection (E), a representation of Available Local  
12 Resources per pupil, as that term is defined and determined in  
13 this subsection, shall be utilized. Available Local Resources  
14 per pupil shall include a calculated dollar amount representing  
15 local school district revenues from local property taxes and  
16 from Corporate Personal Property Replacement Taxes, expressed  
17 on the basis of pupils in Average Daily Attendance. Calculation  
18 of Available Local Resources shall exclude any tax amnesty  
19 funds received as a result of Public Act 93-26.

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

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

15           For partial elementary unit districts created pursuant to  
16 Article 11E of this Code, local property tax revenues per pupil  
17 shall be calculated as the product of the equalized assessed  
18 valuation for property within ~~the elementary and high school~~  
19 ~~classification of~~ the partial elementary unit district for  
20 elementary purposes, as defined in Article 11E of this Code,  
21 multiplied by 2.06% and divided by the district's Average Daily  
22 Attendance figure ~~for grades kindergarten through 8,~~ plus the  
23 product of the equalized assessed valuation for property within  
24 ~~the high school only classification of~~ the partial elementary  
25 unit district for high school purposes, as defined in Article  
26 11E of this Code, multiplied by 0.94% and divided by the

1 district's Average Daily Attendance figure ~~for grades 9 through~~  
2 ~~12~~.

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

13 (E) Computation of General State Aid.

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

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

23 (3) For any school district for which Available Local  
24 Resources per pupil is equal to or greater than the product of  
25 0.93 times the Foundation Level and less than the product of

1 1.75 times the Foundation Level, the general State aid per  
2 pupil shall be a decimal proportion of the Foundation Level  
3 derived using a linear algorithm. Under this linear algorithm,  
4 the calculated general State aid per pupil shall decline in  
5 direct linear fashion from 0.07 times the Foundation Level for  
6 a school district with Available Local Resources equal to the  
7 product of 0.93 times the Foundation Level, to 0.05 times the  
8 Foundation Level for a school district with Available Local  
9 Resources equal to the product of 1.75 times the Foundation  
10 Level. The allocation of general State aid for school districts  
11 subject to this paragraph 3 shall be the calculated general  
12 State aid per pupil figure multiplied by the Average Daily  
13 Attendance of the school district.

14 (4) For any school district for which Available Local  
15 Resources per pupil equals or exceeds the product of 1.75 times  
16 the Foundation Level, the general State aid for the school  
17 district shall be calculated as the product of \$218 multiplied  
18 by the Average Daily Attendance of the school district.

19 (5) The amount of general State aid allocated to a school  
20 district for the 1999-2000 school year meeting the requirements  
21 set forth in paragraph (4) of subsection (G) shall be increased  
22 by an amount equal to the general State aid that would have  
23 been received by the district for the 1998-1999 school year by  
24 utilizing the Extension Limitation Equalized Assessed  
25 Valuation as calculated in paragraph (4) of subsection (G) less  
26 the general State aid allotted for the 1998-1999 school year.

1 This amount shall be deemed a one time increase, and shall not  
2 affect any future general State aid allocations.

3 (F) Compilation of Average Daily Attendance.

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

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

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

22 (c) In districts in which some buildings, but not all,  
23 hold year-round classes, for the non-year-round buildings,  
24 days of attendance in August shall be added to the month of  
25 September and any days of attendance in June shall be added

1 to the month of May. The average daily attendance for the  
2 year-round buildings shall be computed as provided in  
3 subdivision (b) of this paragraph (1). To calculate the  
4 Average Daily Attendance for the district, the average  
5 daily attendance for the year-round buildings shall be  
6 multiplied by the days in session for the non-year-round  
7 buildings for each month and added to the monthly  
8 attendance of the non-year-round buildings.

9 Except as otherwise provided in this Section, days of  
10 attendance by pupils shall be counted only for sessions of not  
11 less than 5 clock hours of school work per day under direct  
12 supervision of: (i) teachers, or (ii) non-teaching personnel or  
13 volunteer personnel when engaging in non-teaching duties and  
14 supervising in those instances specified in subsection (a) of  
15 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils  
16 of legal school age and in kindergarten and grades 1 through  
17 12.

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

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

24 (a) Pupils regularly enrolled in a public school for  
25 only a part of the school day may be counted on the basis  
26 of 1/6 day for every class hour of instruction of 40

1 minutes or more attended pursuant to such enrollment,  
2 unless a pupil is enrolled in a block-schedule format of 80  
3 minutes or more of instruction, in which case the pupil may  
4 be counted on the basis of the proportion of minutes of  
5 school work completed each day to the minimum number of  
6 minutes that school work is required to be held that day.

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

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

16 (d) A session of 3 or more clock hours may be counted  
17 as a day of attendance (1) when the remainder of the school  
18 day or at least 2 hours in the evening of that day is  
19 utilized for an in-service training program for teachers,  
20 up to a maximum of 5 days per school year of which a  
21 maximum of 4 days of such 5 days may be used for  
22 parent-teacher conferences, provided a district conducts  
23 an in-service training program for teachers which has been  
24 approved by the State Superintendent of Education; or, in  
25 lieu of 4 such days, 2 full days may be used, in which  
26 event each such day may be counted as a day of attendance;



1 and (2) when days in addition to those provided in item (1)  
2 are scheduled by a school pursuant to its school  
3 improvement plan adopted under Article 34 or its revised or  
4 amended school improvement plan adopted under Article 2,  
5 provided that (i) such sessions of 3 or more clock hours  
6 are scheduled to occur at regular intervals, (ii) the  
7 remainder of the school days in which such sessions occur  
8 are utilized for in-service training programs or other  
9 staff development activities for teachers, and (iii) a  
10 sufficient number of minutes of school work under the  
11 direct supervision of teachers are added to the school days  
12 between such regularly scheduled sessions to accumulate  
13 not less than the number of minutes by which such sessions  
14 of 3 or more clock hours fall short of 5 clock hours. Any  
15 full days used for the purposes of this paragraph shall not  
16 be considered for computing average daily attendance. Days  
17 scheduled for in-service training programs, staff  
18 development activities, or parent-teacher conferences may  
19 be scheduled separately for different grade levels and  
20 different attendance centers of the district.

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

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

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

13           (h) A recognized kindergarten which provides for only  
14 1/2 day of attendance by each pupil shall not have more  
15 than 1/2 day of attendance counted in any one day. However,  
16 kindergartens may count 2 1/2 days of attendance in any 5  
17 consecutive school days. When a pupil attends such a  
18 kindergarten for 2 half days on any one school day, the  
19 pupil shall have the following day as a day absent from  
20 school, unless the school district obtains permission in  
21 writing from the State Superintendent of Education.  
22 Attendance at kindergartens which provide for a full day of  
23 attendance by each pupil shall be counted the same as  
24 attendance by first grade pupils. Only the first year of  
25 attendance in one kindergarten shall be counted, except in  
26 case of children who entered the kindergarten in their

1 fifth year whose educational development requires a second  
2 year of kindergarten as determined under the rules and  
3 regulations of the State Board of Education.

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

15 (G) Equalized Assessed Valuation Data.

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

1           The Department of Revenue shall add to the equalized  
2 assessed value of all taxable property of each school district  
3 situated entirely or partially within a county that is or was  
4 subject to the alternative general homestead exemption  
5 provisions of Section 15-176 of the Property Tax Code (a) an  
6 amount equal to the total amount by which the homestead  
7 exemption allowed under Section 15-176 of the Property Tax Code  
8 for real property situated in that school district exceeds the  
9 total amount that would have been allowed in that school  
10 district if the maximum reduction under Section 15-176 was (i)  
11 \$4,500 in Cook County or \$3,500 in all other counties in tax  
12 year 2003 or (ii) \$5,000 in all counties in tax year 2004 and  
13 thereafter and (b) an amount equal to the aggregate amount for  
14 the taxable year of all additional exemptions under Section  
15 15-175 of the Property Tax Code for owners with a household  
16 income of \$30,000 or less. The county clerk of any county that  
17 is or was subject to the alternative general homestead  
18 exemption provisions of Section 15-176 of the Property Tax Code  
19 shall annually calculate and certify to the Department of  
20 Revenue for each school district all homestead exemption  
21 amounts under Section 15-176 of the Property Tax Code and all  
22 amounts of additional exemptions under Section 15-175 of the  
23 Property Tax Code for owners with a household income of \$30,000  
24 or less. It is the intent of this paragraph that if the general  
25 homestead exemption for a parcel of property is determined  
26 under Section 15-176 of the Property Tax Code rather than

1 Section 15-175, then the calculation of Available Local  
2 Resources shall not be affected by the difference, if any,  
3 between the amount of the general homestead exemption allowed  
4 for that parcel of property under Section 15-176 of the  
5 Property Tax Code and the amount that would have been allowed  
6 had the general homestead exemption for that parcel of property  
7 been determined under Section 15-175 of the Property Tax Code.  
8 It is further the intent of this paragraph that if additional  
9 exemptions are allowed under Section 15-175 of the Property Tax  
10 Code for owners with a household income of less than \$30,000,  
11 then the calculation of Available Local Resources shall not be  
12 affected by the difference, if any, because of those additional  
13 exemptions.

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) shall  
18 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 district  
21 within a redevelopment project area in respect to which a  
22 municipality has adopted tax increment allocation  
23 financing pursuant to the Tax Increment Allocation  
24 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11  
25 of the Illinois Municipal Code or the Industrial Jobs  
26 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the

1 Illinois Municipal Code, no part of the current equalized  
2 assessed valuation of real property located in any such  
3 project area which is attributable to an increase above the  
4 total initial equalized assessed valuation of such  
5 property shall be used as part of the equalized assessed  
6 valuation of the district, until such time as all  
7 redevelopment project costs have been paid, as provided in  
8 Section 11-74.4-8 of the Tax Increment Allocation  
9 Redevelopment Act or in Section 11-74.6-35 of the  
10 Industrial Jobs Recovery Law. For the purpose of the  
11 equalized assessed valuation of the district, the total  
12 initial equalized assessed valuation or the current  
13 equalized assessed valuation, whichever is lower, shall be  
14 used until such time as all redevelopment project costs  
15 have been paid.

16 (b) The real property equalized assessed valuation for  
17 a school district shall be adjusted by subtracting from the  
18 real property value as equalized or assessed by the  
19 Department of Revenue for the district an amount computed  
20 by dividing the amount of any abatement of taxes under  
21 Section 18-170 of the Property Tax Code by 3.00% for a  
22 district maintaining grades kindergarten through 12, by  
23 2.30% for a district maintaining grades kindergarten  
24 through 8, or by 1.05% for a district maintaining grades 9  
25 through 12 and adjusted by an amount computed by dividing  
26 the amount of any abatement of taxes under subsection (a)

1 of Section 18-165 of the Property Tax Code by the same  
2 percentage rates for district type as specified in this  
3 subparagraph (b).

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

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

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

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

16 "Preceding Tax Year": The property tax levy year  
17 immediately preceding the Base Tax Year.

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

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

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

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

7           If a school district is subject to property tax extension  
8 limitations as imposed under the Property Tax Extension  
9 Limitation Law, the State Board of Education shall calculate  
10 the Extension Limitation Equalized Assessed Valuation of that  
11 district. For the 1999-2000 school year, the Extension  
12 Limitation Equalized Assessed Valuation of a school district as  
13 calculated by the State Board of Education shall be equal to  
14 the product of the district's 1996 Equalized Assessed Valuation  
15 and the district's Extension Limitation Ratio. For the  
16 2000-2001 school year and each school year thereafter, the  
17 Extension Limitation Equalized Assessed Valuation of a school  
18 district as calculated by the State Board of Education shall be  
19 equal to the product of the Equalized Assessed Valuation last  
20 used in the calculation of general State aid and the district's  
21 Extension Limitation Ratio. If the Extension Limitation  
22 Equalized Assessed Valuation of a school district as calculated  
23 under this subsection (G)(3) is less than the district's  
24 equalized assessed valuation as calculated pursuant to  
25 subsections (G)(1) and (G)(2), then for purposes of calculating  
26 the district's general State aid for the Budget Year pursuant



1 to subsection (E), that Extension Limitation Equalized  
2 Assessed Valuation shall be utilized to calculate the  
3 district's Available Local Resources under subsection (D).

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

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

1 Resources.

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

14 (H) Supplemental General State Aid.

15 (1) In addition to the general State aid a school district  
16 is allotted pursuant to subsection (E), qualifying school  
17 districts shall receive a grant, paid in conjunction with a  
18 district's payments of general State aid, for supplemental  
19 general State aid based upon the concentration level of  
20 children from low-income households within the school  
21 district. Supplemental State aid grants provided for school  
22 districts under this subsection shall be appropriated for  
23 distribution to school districts as part of the same line item  
24 in which the general State financial aid of school districts is  
25 appropriated under this Section. If the appropriation in any

1 fiscal year for general State aid and supplemental general  
2 State aid is insufficient to pay the amounts required under the  
3 general State aid and supplemental general State aid  
4 calculations, then the State Board of Education shall ensure  
5 that each school district receives the full amount due for  
6 general State aid and the remainder of the appropriation shall  
7 be used for supplemental general State aid, which the State  
8 Board of Education shall calculate and pay to eligible  
9 districts on a prorated basis.

10 (1.5) This paragraph (1.5) applies only to those school  
11 years preceding the 2003-2004 school year. For purposes of this  
12 subsection (H), the term "Low-Income Concentration Level"  
13 shall be the low-income eligible pupil count from the most  
14 recently available federal census divided by the Average Daily  
15 Attendance of the school district. If, however, (i) the  
16 percentage decrease from the 2 most recent federal censuses in  
17 the low-income eligible pupil count of a high school district  
18 with fewer than 400 students exceeds by 75% or more the  
19 percentage change in the total low-income eligible pupil count  
20 of contiguous elementary school districts, whose boundaries  
21 are coterminous with the high school district, or (ii) a high  
22 school district within 2 counties and serving 5 elementary  
23 school districts, whose boundaries are coterminous with the  
24 high school district, has a percentage decrease from the 2 most  
25 recent federal censuses in the low-income eligible pupil count  
26 and there is a percentage increase in the total low-income

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

18 (1.10) This paragraph (1.10) applies to the 2003-2004  
19 school year and each school year thereafter. For purposes of  
20 this subsection (H), the term "Low-Income Concentration Level"  
21 shall, for each fiscal year, be the low-income eligible pupil  
22 count as of July 1 of the immediately preceding fiscal year (as  
23 determined by the Department of Human Services based on the  
24 number of pupils who are eligible for at least one of the  
25 following low income programs: Medicaid, KidCare, TANF, or Food  
26 Stamps, excluding pupils who are eligible for services provided

1 by the Department of Children and Family Services, averaged  
2 over the 2 immediately preceding fiscal years for fiscal year  
3 2004 and over the 3 immediately preceding fiscal years for each  
4 fiscal year thereafter) divided by the Average Daily Attendance  
5 of the school district.

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

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

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

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

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

25 (e) For the 1999-2000 school year, the per pupil amount  
26 specified in subparagraphs (b), (c), and (d) immediately

1 above shall be increased to \$1,243, \$1,600, and \$2,000,  
2 respectively.

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

7 (2.5) Supplemental general State aid pursuant to this  
8 subsection (H) shall be provided as follows for the 2002-2003  
9 school year:

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

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

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

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

26 (e) For any school district with a Low Income

1 Concentration Level of at least 50% and less than 60%, the  
2 grant for each school year shall be \$1,680 multiplied by  
3 the low income eligible pupil count.

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

8 (2.10) Except as otherwise provided, supplemental general  
9 State aid pursuant to this subsection (H) shall be provided as  
10 follows for the 2003-2004 school year and each school year  
11 thereafter:

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

16 (b) For any school district with a Low Income  
17 Concentration Level greater than 15%, the grant for each  
18 school year shall be \$294.25 added to the product of \$2,700  
19 and the square of the Low Income Concentration Level, all  
20 multiplied by the low income eligible pupil count.

21 For the 2003-2004 school year and each school year through  
22 the 2007-2008 school year, ~~2004-2005 school year, 2005-2006~~  
23 ~~school year, and 2006-2007 school year~~ only, the grant shall be  
24 no less than the grant for the 2002-2003 school year. For the  
25 2008-2009 ~~2007-2008~~ school year only, the grant shall be no  
26 less than the grant for the 2002-2003 school year multiplied by

1 0.66. For the 2009-2010 ~~2008-2009~~ school year only, the grant  
2 shall be no less than the grant for the 2002-2003 school year  
3 multiplied by 0.33. Notwithstanding the provisions of this  
4 paragraph to the contrary, if for any school year supplemental  
5 general State aid grants are prorated as provided in paragraph  
6 (1) of this subsection (H), then the grants under this  
7 paragraph shall be prorated.

8 For the 2003-2004 school year only, the grant shall be no  
9 greater than the grant received during the 2002-2003 school  
10 year added to the product of 0.25 multiplied by the difference  
11 between the grant amount calculated under subsection (a) or (b)  
12 of this paragraph (2.10), whichever is applicable, and the  
13 grant received during the 2002-2003 school year. For the  
14 2004-2005 school year only, the grant shall be no greater than  
15 the grant received during the 2002-2003 school year added to  
16 the product of 0.50 multiplied by the difference between the  
17 grant amount calculated under subsection (a) or (b) of this  
18 paragraph (2.10), whichever is applicable, and the grant  
19 received during the 2002-2003 school year. For the 2005-2006  
20 school year only, the grant shall be no greater than the grant  
21 received during the 2002-2003 school year added to the product  
22 of 0.75 multiplied by the difference between the grant amount  
23 calculated under subsection (a) or (b) of this paragraph  
24 (2.10), whichever is applicable, and the grant received during  
25 the 2002-2003 school year.

26 (3) School districts with an Average Daily Attendance of



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

10 (4) School districts with an Average Daily Attendance of  
11 50,000 or more that qualify for supplemental general State aid  
12 pursuant to this subsection shall be required to distribute  
13 from funds available pursuant to this Section, no less than  
14 \$261,000,000 in accordance with the following requirements:

15 (a) The required amounts shall be distributed to the  
16 attendance centers within the district in proportion to the  
17 number of pupils enrolled at each attendance center who are  
18 eligible to receive free or reduced-price lunches or  
19 breakfasts under the federal Child Nutrition Act of 1966  
20 and under the National School Lunch Act during the  
21 immediately preceding school year.

22 (b) The distribution of these portions of supplemental  
23 and general State aid among attendance centers according to  
24 these requirements shall not be compensated for or  
25 contravened by adjustments of the total of other funds  
26 appropriated to any attendance centers, and the Board of

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

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

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

17 (e) Funds received by an attendance center pursuant to  
18 this subsection shall be used by the attendance center at  
19 the discretion of the principal and local school council  
20 for programs to improve educational opportunities at  
21 qualifying schools through the following programs and  
22 services: early childhood education, reduced class size or  
23 improved adult to student classroom ratio, enrichment  
24 programs, remedial assistance, attendance improvement, and  
25 other educationally beneficial expenditures which  
26 supplement the regular and basic programs as determined by

1 the State Board of Education. Funds provided shall not be  
2 expended for any political or lobbying purposes as defined  
3 by board rule.

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

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

26 If the district fails to distribute State aid to

1 attendance centers in accordance with an approved plan, the  
2 plan for the following year shall allocate funds, in  
3 addition to the funds otherwise required by this  
4 subsection, to those attendance centers which were  
5 underfunded during the previous year in amounts equal to  
6 such underfunding.

7 For purposes of determining compliance with this  
8 subsection in relation to the requirements of attendance  
9 center funding, each district subject to the provisions of  
10 this subsection shall submit as a separate document by  
11 December 1 of each year a report of expenditure data for  
12 the prior year in addition to any modification of its  
13 current plan. If it is determined that there has been a  
14 failure to comply with the expenditure provisions of this  
15 subsection regarding contravention or supplanting, the  
16 State Superintendent of Education shall, within 60 days of  
17 receipt of the report, notify the district and any affected  
18 local school council. The district shall within 45 days of  
19 receipt of that notification inform the State  
20 Superintendent of Education of the remedial or corrective  
21 action to be taken, whether by amendment of the current  
22 plan, if feasible, or by adjustment in the plan for the  
23 following year. Failure to provide the expenditure report  
24 or the notification of remedial or corrective action in a  
25 timely manner shall result in a withholding of the affected  
26 funds.

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

7 (I) (Blank).

8 (J) Supplementary Grants in Aid.

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

1 amounts received under subsections 5(p) and 5(p-5) of that  
2 Section) for the 1997-1998 school year, pursuant to the  
3 provisions of that Section as it was then in effect.

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

15 (3) (Blank).

16 (K) Grants to Laboratory and Alternative Schools.

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

23 As used in this Section, "laboratory school" means a public  
24 school which is created and operated by a public university and  
25 approved by the State Board of Education. The governing board

1 of a public university which receives funds from the State  
2 Board under this subsection (K) may not increase the number of  
3 students enrolled in its laboratory school from a single  
4 district, if that district is already sending 50 or more  
5 students, except under a mutual agreement between the school  
6 board of a student's district of residence and the university  
7 which operates the laboratory school. A laboratory school may  
8 not have more than 1,000 students, excluding students with  
9 disabilities in a special education program.

10 As used in this Section, "alternative school" means a  
11 public school which is created and operated by a Regional  
12 Superintendent of Schools and approved by the State Board of  
13 Education. Such alternative schools may offer courses of  
14 instruction for which credit is given in regular school  
15 programs, courses to prepare students for the high school  
16 equivalency testing program or vocational and occupational  
17 training. A regional superintendent of schools may contract  
18 with a school district or a public community college district  
19 to operate an alternative school. An alternative school serving  
20 more than one educational service region may be established by  
21 the regional superintendents of schools of the affected  
22 educational service regions. An alternative school serving  
23 more than one educational service region may be operated under  
24 such terms as the regional superintendents of schools of those  
25 educational service regions may agree.

26 Each laboratory and alternative school shall file, on forms

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

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

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

22 (2) (Blank).

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



1 (M) Education Funding Advisory Board.

2 The Education Funding Advisory Board, hereinafter in this  
3 subsection (M) referred to as the "Board", is hereby created.  
4 The Board shall consist of 5 members who are appointed by the  
5 Governor, by and with the advice and consent of the Senate. The  
6 members appointed shall include representatives of education,  
7 business, and the general public. One of the members so  
8 appointed shall be designated by the Governor at the time the  
9 appointment is made as the chairperson of the Board. The  
10 initial members of the Board may be appointed any time after  
11 the effective date of this amendatory Act of 1997. The regular  
12 term of each member of the Board shall be for 4 years from the  
13 third Monday of January of the year in which the term of the  
14 member's appointment is to commence, except that of the 5  
15 initial members appointed to serve on the Board, the member who  
16 is appointed as the chairperson shall serve for a term that  
17 commences on the date of his or her appointment and expires on  
18 the third Monday of January, 2002, and the remaining 4 members,  
19 by lots drawn at the first meeting of the Board that is held  
20 after all 5 members are appointed, shall determine 2 of their  
21 number to serve for terms that commence on the date of their  
22 respective appointments and expire on the third Monday of  
23 January, 2001, and 2 of their number to serve for terms that  
24 commence on the date of their respective appointments and  
25 expire on the third Monday of January, 2000. All members  
26 appointed to serve on the Board shall serve until their

1       respective successors are appointed and confirmed. Vacancies  
2       shall be filled in the same manner as original appointments. If  
3       a vacancy in membership occurs at a time when the Senate is not  
4       in session, the Governor shall make a temporary appointment  
5       until the next meeting of the Senate, when he or she shall  
6       appoint, by and with the advice and consent of the Senate, a  
7       person to fill that membership for the unexpired term. If the  
8       Senate is not in session when the initial appointments are  
9       made, those appointments shall be made as in the case of  
10      vacancies.

11       The Education Funding Advisory Board shall be deemed  
12      established, and the initial members appointed by the Governor  
13      to serve as members of the Board shall take office, on the date  
14      that the Governor makes his or her appointment of the fifth  
15      initial member of the Board, whether those initial members are  
16      then serving pursuant to appointment and confirmation or  
17      pursuant to temporary appointments that are made by the  
18      Governor as in the case of vacancies.

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

23       For school years after the 2000-2001 school year, the  
24      Education Funding Advisory Board, in consultation with the  
25      State Board of Education, shall make recommendations as  
26      provided in this subsection (M) to the General Assembly for the

1 foundation level under subdivision (B) (3) of this Section and  
2 for the supplemental general State aid grant level under  
3 subsection (H) of this Section for districts with high  
4 concentrations of children from poverty. The recommended  
5 foundation level shall be determined based on a methodology  
6 which incorporates the basic education expenditures of  
7 low-spending schools exhibiting high academic performance. The  
8 Education Funding Advisory Board shall make such  
9 recommendations to the General Assembly on January 1 of odd  
10 numbered years, beginning January 1, 2001.

11 (N) (Blank).

12 (O) References.

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

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

21 (P) Public Act 93-838 and Public Act 93-808 make inconsistent  
22 changes to this Section. Under Section 6 of the Statute on  
23 Statutes there is an irreconcilable conflict between Public Act

1 93-808 and Public Act 93-838. Public Act 93-838, being the last  
2 acted upon, is controlling. The text of Public Act 93-838 is  
3 the law regardless of the text of Public Act 93-808.

4 (Source: P.A. 93-21, eff. 7-1-03; 93-715, eff. 7-12-04; 93-808,  
5 eff. 7-26-04; 93-838, eff. 7-30-04; 93-875, eff. 8-6-04; 94-69,  
6 eff. 7-1-05; 94-438, eff. 8-4-05; 94-835, eff. 6-6-06; 94-1019,  
7 eff. 7-10-06; 94-1105, eff. 6-1-07; revised 2-18-07.)

8 (105 ILCS 5/21-29 new)

9 Sec. 21-29. Salary Incentive Program for Hard-to-Staff  
10 Schools.

11 (a) The Salary Incentive Program for Hard-to-Staff Schools  
12 is established to provide categorical funding for monetary  
13 incentives and bonuses for teachers and school administrators  
14 who are employed by school districts designated as  
15 hard-to-staff by the State Board of Education. The State Board  
16 of Education shall allocate and distribute to qualifying school  
17 districts an amount as annually appropriated by the General  
18 Assembly for the Salary Incentive Program for Hard-to-Staff  
19 Schools. The State Board of Education's annual budget must set  
20 out by separate line item the appropriation for the program.

21 (b) Unless otherwise provided by appropriation, each  
22 school district's annual allocation under the Salary Incentive  
23 Program for Hard-to-Staff Schools shall be the sum of the  
24 following incentives and bonuses:

25 (1) An annual payment of \$3,000 to be paid to each

1       certificated teacher employed as a school teacher by a  
2       school district. The school district shall distribute this  
3       payment to each eligible teacher as a single payment or in  
4       not more than 3 payments.

5           (2) An annual payment of \$5,000 to each certificated  
6       principal that is employed as a school principal by a  
7       school district. The school district shall distribute this  
8       payment to each eligible principal as a single payment or  
9       in not more than 3 payments.

10       (c) Each regional superintendent of schools shall provide  
11       information about the Salary Incentive Program for  
12       Hard-to-Staff Schools to each individual seeking to register or  
13       renew a certificate.

14           (105 ILCS 5/29-3) (from Ch. 122, par. 29-3)

15       Sec. 29-3. Transportation in school districts. School  
16       boards of community consolidated districts, community unit  
17       districts, consolidated districts, ~~and~~ consolidated high  
18       school districts, optional elementary unit districts, combined  
19       high school - unit districts, and combined school districts if  
20       the combined district includes any district which was  
21       previously required to provide transportation, and any newly  
22       created elementary or high school districts resulting from a  
23       high school - unit conversion, a unit to dual conversion, or a  
24       multi-unit conversion if the newly created district includes  
25       any area that was previously required to provide transportation

1 shall provide free transportation for pupils residing at a  
2 distance of one and one-half miles or more from any school to  
3 which they are assigned for attendance maintained within the  
4 district, except for those pupils for whom the school board  
5 shall certify to the State Board of Education that adequate  
6 transportation for the public is available.

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

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

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

22 In addition to the other requirements of this Section, each  
23 school board may provide free transportation for any pupil  
24 residing within 1 1/2 miles from the school attended where  
25 conditions are such that walking, either to or from the school  
26 to which a pupil is assigned for attendance or to or from a

1 pick-up point or bus stop, constitutes a serious hazard to the  
2 safety of the pupil due to vehicular traffic or rail crossings.  
3 Such transportation shall not be provided if adequate  
4 transportation for the public is available.

5 The determination as to what constitutes a serious safety  
6 hazard shall be made by the school board, in accordance with  
7 guidelines promulgated by the Illinois Department of  
8 Transportation, in consultation with the State Superintendent  
9 of Education. A school board, on written petition of the parent  
10 or guardian of a pupil for whom adequate transportation for the  
11 public is alleged not to exist because the pupil is required to  
12 walk along normally traveled roads or streets where walking is  
13 alleged to constitute a serious safety hazard due to vehicular  
14 traffic or rail crossings, or who is required to walk between  
15 the pupil's home and assigned school or between the pupil's  
16 home or assigned school and a pick-up point or bus stop along  
17 roads or streets where walking is alleged to constitute a  
18 serious safety hazard due to vehicular traffic or rail  
19 crossings, shall conduct a study and make findings, which the  
20 Department of Transportation shall review and approve or  
21 disapprove as provided in this Section, to determine whether a  
22 serious safety hazard exists as alleged in the petition. The  
23 Department of Transportation shall review the findings of the  
24 school board and shall approve or disapprove the school board's  
25 determination that a serious safety hazard exists within 30  
26 days after the school board submits its findings to the

1 Department. The school board shall annually review the  
2 conditions and determine whether or not the hazardous  
3 conditions remain unchanged. The State Superintendent of  
4 Education may request that the Illinois Department of  
5 Transportation verify that the conditions have not changed. No  
6 action shall lie against the school board, the State  
7 Superintendent of Education or the Illinois Department of  
8 Transportation for decisions made in accordance with this  
9 Section. The provisions of the Administrative Review Law and  
10 all amendments and modifications thereof and the rules adopted  
11 pursuant thereto shall apply to and govern all proceedings  
12 instituted for the judicial review of final administrative  
13 decisions of the Department of Transportation under this  
14 Section.

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

16 (105 ILCS 5/29-5) (from Ch. 122, par. 29-5)

17 Sec. 29-5. Reimbursement by State for transportation. Any  
18 school district, maintaining a school, transporting resident  
19 pupils to another school district's vocational program,  
20 offered through a joint agreement approved by the State Board  
21 of Education, as provided in Section 10-22.22 or transporting  
22 its resident pupils to a school which meets the standards for  
23 recognition as established by the State Board of Education  
24 which provides transportation meeting the standards of safety,  
25 comfort, convenience, efficiency and operation prescribed by



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

12 The State will pay the cost of transporting eligible pupils  
13 less the assessed valuation in a dual school district  
14 maintaining secondary grades 9 to 12 inclusive times a  
15 qualifying rate of .05%; in elementary school districts  
16 maintaining grades K to 8 times a qualifying rate of .06%; and  
17 in unit districts maintaining grades K to 12, including  
18 optional elementary unit districts and combined high school -  
19 unit districts, times a qualifying rate of .07%; provided that  
20 for optional elementary unit districts and combined high school  
21 - unit districts, assessed valuation for high school purposes,  
22 as defined in Article 11E of this Code, must be used. To be  
23 eligible to receive reimbursement in excess of 4/5 of the cost  
24 to transport eligible pupils, a school district shall have a  
25 Transportation Fund tax rate of at least .12%. If a school  
26 district does not have a .12% Transportation Fund tax rate, the

1 amount of its claim in excess of 4/5 of the cost of  
2 transporting pupils shall be reduced by the sum arrived at by  
3 subtracting the Transportation Fund tax rate from .12% and  
4 multiplying that amount by the districts equalized or assessed  
5 valuation, provided, that in no case shall said reduction  
6 result in reimbursement of less than 4/5 of the cost to  
7 transport eligible pupils.

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

10 Any such district transporting resident pupils during the  
11 school day to an area vocational school or another school  
12 district's vocational program more than 1 1/2 miles from the  
13 school attended, as provided in Sections 10-22.20a and  
14 10-22.22, shall be reimbursed by the State for 4/5 of the cost  
15 of transporting eligible pupils.

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

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

23 Claims for reimbursement that include children who attend  
24 any school other than a public school shall show the number of  
25 such children transported.

26 Claims for reimbursement under this Section shall not be

1 paid for the transportation of pupils for whom transportation  
2 costs are claimed for payment under other Sections of this Act.

3 The allowable direct cost of transporting pupils for  
4 regular, vocational, and special education pupil  
5 transportation shall be limited to the sum of the cost of  
6 physical examinations required for employment as a school bus  
7 driver; the salaries of full or part-time drivers and school  
8 bus maintenance personnel; employee benefits excluding  
9 Illinois municipal retirement payments, social security  
10 payments, unemployment insurance payments and workers'  
11 compensation insurance premiums; expenditures to independent  
12 carriers who operate school buses; payments to other school  
13 districts for pupil transportation services; pre-approved  
14 contractual expenditures for computerized bus scheduling; the  
15 cost of gasoline, oil, tires, and other supplies necessary for  
16 the operation of school buses; the cost of converting buses'  
17 gasoline engines to more fuel efficient engines or to engines  
18 which use alternative energy sources; the cost of travel to  
19 meetings and workshops conducted by the regional  
20 superintendent or the State Superintendent of Education  
21 pursuant to the standards established by the Secretary of State  
22 under Section 6-106 of the Illinois Vehicle Code to improve the  
23 driving skills of school bus drivers; the cost of maintenance  
24 of school buses including parts and materials used;  
25 expenditures for leasing transportation vehicles, except  
26 interest and service charges; the cost of insurance and

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

22 Special education allowable costs shall also include  
23 expenditures for the salaries of attendants or aides for that  
24 portion of the time they assist special education pupils while  
25 in transit and expenditures for parents and public carriers for  
26 transporting special education pupils when pre-approved by the

1 State Superintendent of Education.

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

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

24 On or before August 15, annually, the chief school  
25 administrator for the district shall certify to the State  
26 Superintendent of Education the district's claim for

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

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

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

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

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

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

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

4 Any school district with a population of not more than  
5 500,000 must deposit all funds received under this Article into  
6 the transportation fund and use those funds for the provision  
7 of transportation services.

8 (Source: P.A. 93-166, eff. 7-10-03; 93-663, eff. 2-17-04;  
9 93-1022, eff. 8-24-04; 94-875, eff. 7-1-06.)

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