



Rep. Gary Hannig

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LRB095 07191 NHT 37401 a

1 AMENDMENT TO SENATE BILL 194

2 AMENDMENT NO. _____. Amend Senate Bill 194, 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 School Code is amended by changing Sections
11 2-3.131 (as added by Public Act 93-21), 7-14A, 11E-135, and
12 18-8.05 as follows:

13 (105 ILCS 5/2-3.131)

14 Sec. 2-3.131. Transitional assistance payments.

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

12 (b) If the amount that the State Board of Education will
13 pay to a school district from fiscal year 2005 appropriations,
14 as estimated by the State Board of Education on April 1, 2005,
15 is less than the amount that the State Board of Education paid
16 to the school district from fiscal year 2004 appropriations,
17 then the State Board of Education shall make a fiscal year 2005
18 transitional assistance payment to the school district in an
19 amount equal to the difference between the estimated amount to
20 be paid from fiscal year 2005 appropriations and the amount
21 paid from fiscal year 2004 appropriations.

22 (c) If the amount that the State Board of Education will
23 pay to a school district from fiscal year 2006 appropriations,
24 as estimated by the State Board of Education on April 1, 2006,
25 is less than the amount that the State Board of Education paid
26 to the school district from fiscal year 2005 appropriations,

1 then the State Board of Education shall make a fiscal year 2006
2 transitional assistance payment to the school district in an
3 amount equal to the difference between the estimated amount to
4 be paid from fiscal year 2006 appropriations and the amount
5 paid from fiscal year 2005 appropriations.

6 (d) If the amount that the State Board of Education will
7 pay to a school district from fiscal year 2007 appropriations,
8 as estimated by the State Board of Education on April 1, 2007,
9 is less than the amount that the State Board of Education paid
10 to the school district from fiscal year 2006 appropriations,
11 then the State Board of Education, subject to appropriation,
12 shall make a fiscal year 2007 transitional assistance payment
13 to the school district in an amount equal to the difference
14 between the estimated amount to be paid from fiscal year 2007
15 appropriations and the amount paid from fiscal year 2006
16 appropriations.

17 (e) Subject to appropriation, beginning on July 1, 2007,
18 the State Board of Education shall adjust prior year
19 information for the transitional assistance calculations under
20 this Section in the event of the creation or reorganization of
21 any school district pursuant to Article 11E of this Code, the
22 dissolution of an entire district and the annexation of all of
23 its territory to one or more other districts pursuant to
24 Article 7 of this Code, or a boundary change whereby the
25 enrollment of the annexing district increases by 90% or more as
26 a result of annexing territory detached from another district

1 pursuant to Article 7 of this Code.

2 (f) If the amount that the State Board of Education will
3 pay to a school district from fiscal year 2008 appropriations,
4 as estimated by the State Board of Education on April 1, 2008,
5 is less than the amount that the State Board of Education paid
6 to the school district from fiscal year 2007 appropriations,
7 then the State Board of Education, subject to appropriation,
8 shall make a fiscal year 2008 transitional assistance payment
9 to the school district in an amount equal to the difference
10 between the estimated amount to be paid from fiscal year 2008
11 appropriations and the amount paid from fiscal year 2007
12 appropriations.

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

15 (105 ILCS 5/7-14A) (from Ch. 122, par. 7-14A)

16 Sec. 7-14A. Annexation Compensation. There shall be no
17 accounting made after a mere change in boundaries when no new
18 district is created, except that those districts whose
19 enrollment increases by 90% or more as a result of annexing
20 territory detached from another district pursuant to this
21 Article are eligible for supplementary State aid payments in
22 accordance with Section 11E-135 of this Code. Eligible annexing
23 districts shall apply to the State Board of Education for
24 supplementary State aid payments by submitting enrollment
25 figures for the year immediately preceding and the year

1 immediately following the effective date of the boundary change
2 for both the district gaining territory and the district losing
3 territory. Copies of any intergovernmental agreements between
4 the district gaining territory and the district losing
5 territory detailing any transfer of fund balances and staff
6 must also be submitted. In all instances of changes in
7 boundaries, ~~However,~~ the district losing territory shall not
8 count the average daily attendance of pupils living in the
9 territory during the year preceding the effective date of the
10 boundary change in its claim for reimbursement under Section
11 18-8 for the school year following the effective date of the
12 change in boundaries and the district receiving the territory
13 shall count the average daily attendance of pupils living in
14 the territory during the year preceding the effective date of
15 the boundary change in its claim for reimbursement under
16 Section 18-8 for the school year following the effective date
17 of the change in boundaries. The changes to this Section made
18 by this amendatory Act of the 95th General Assembly are
19 intended to be retroactive and applicable to any annexation
20 taking effect on or after July 1, 2004.

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

22 (105 ILCS 5/11E-135)

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

1 accordance with Article 7 of this Code, the following payments
2 shall be made from appropriations made for these purposes:

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

14 (2) For a school district that annexes all of the territory
15 of one or more entire other school districts as defined in
16 Article 7 of this Code, for the first year during which the
17 change of boundaries attributable to the annexation becomes
18 effective for all purposes, as determined under Section 7-9 of
19 this Code, the general State aid and supplemental general State
20 aid calculated under Section 18-8.05 of this Code shall be
21 computed for the annexing district as constituted after the
22 annexation and for the annexing and each annexed district as
23 constituted prior to the annexation; and if the computation on
24 the basis of the annexing and annexed districts as constituted
25 prior to the annexation is greater, then a supplementary
26 payment equal to the difference shall be made for the first 4

1 years of existence of the annexing school district as
2 constituted upon the annexation.

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

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

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

1 first year of existence bears to the actual aggregate pupil
2 enrollment in all of the districts during their first year of
3 existence. For purposes of each allocation:

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

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

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

26 (D) the deemed elementary pupil enrollment of each

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

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

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

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

9 (6) For an elementary opt-in, as described in subsection
10 (d) of Section 11E-30 of this Code, the general State aid
11 difference shall be computed in accordance with paragraph (5)
12 of this subsection (a) as if the elementary opt-in was included
13 in an optional elementary unit district at the optional
14 elementary unit district's original effective date. If the
15 calculation in this paragraph (6) is less than that calculated
16 in paragraph (5) of this subsection (a) at the optional
17 elementary unit district's original effective date, then no
18 adjustments may be made. If the calculation in this paragraph
19 (6) is more than that calculated in paragraph (5) of this
20 subsection (a) at the optional elementary unit district's
21 original effective date, then the excess must be paid as
22 follows:

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

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

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

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

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

21 (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 (6.5) For a school district that annexes territory detached

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

1 Education in accordance with Section 7-14A of this Code. The
2 changes to this Section made by this amendatory Act of the 95th
3 General Assembly are intended to be retroactive and applicable
4 to any annexation taking effect on or after July 1, 2004. For
5 annexations that are eligible for payments under this paragraph
6 (6.5) and that are effective on or after July 1, 2004, but
7 before the effective date of this amendatory Act of the 95th
8 General Assembly, the first required yearly payment under this
9 paragraph (6.5) shall be paid in the fiscal year of the
10 effective date of this amendatory Act of the 95th General
11 Assembly. Subsequent required yearly payments shall be paid in
12 subsequent fiscal years until the payment obligation under this
13 paragraph (6.5) is complete.

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

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

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

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

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

1 members would have been paid during the immediately preceding
2 year if placed on the salary schedule of whichever of the
3 annexing or annexed districts had the highest salary schedule
4 during the immediately preceding year.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 unit district, as defined in Section 11E-25 of this Code, a
2 computation shall be made totaling each previously existing
3 district's audited fund balances in the educational fund,
4 working cash fund, operations and maintenance fund, and
5 transportation fund for the year ending June 30 prior to the
6 referendum for the creation of the new district. The new
7 district shall be paid supplementary State aid equal to the sum
8 of the differences between the deficit of the previously
9 existing district with the smallest deficit and the deficits of
10 each of the other previously existing districts.

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

1 and the deficits of each of the other districts as constituted
2 prior to the annexation.

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

24 (A) the regional superintendent of schools for each
25 educational service region in which an annexed district is
26 located prior to the annexation shall certify to the State

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

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

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

1 annexation.

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

25 (5) For each newly created partial elementary unit
26 district, as defined in subsection (a) or (c) of Section 11E-30

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

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

1 original effective date, then the excess must be paid as
2 follows:

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

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

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

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

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

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

1 superintendent of schools for the educational service region in
2 which a district losing territory is located prior to the
3 annexation shall certify to the State Board of Education the
4 value of all taxable property in the district losing territory
5 and the value of all taxable property in the territory being
6 detached, as last equalized or assessed by the Department of
7 Revenue prior to the annexation. To be eligible for
8 supplementary State aid reimbursement under this Section, the
9 intergovernmental agreement to be submitted pursuant to
10 Section 7-14A of this Code must show that fund balances were
11 transferred from the district losing territory to the district
12 gaining territory in the annexation. The changes to this
13 Section made by this amendatory Act of the 95th General
14 Assembly are intended to be retroactive and applicable to any
15 annexation taking effect on or after July 1, 2004. For
16 annexations that are eligible for payments under this paragraph
17 (6.5) and that are effective on or after July 1, 2004, but
18 before the effective date of this amendatory Act of the 95th
19 General Assembly, the required payment under this paragraph
20 (6.5) shall be paid in the fiscal year of the effective date of
21 this amendatory Act of the 95th General Assembly.

22 (7) For purposes of any calculation required under
23 paragraph (1), (2), (3), (4), (5), ~~or~~ (6), or (6.5) of this
24 subsection (c), a district with a combined fund balance that is
25 positive shall be considered to have a deficit of zero. For
26 purposes of determining each district's audited fund balances

1 in its educational fund, working cash fund, operations and
2 maintenance fund, and transportation fund for the specified
3 year ending June 30, as provided in paragraphs (1), (2), (3),
4 (4), (5), ~~and (6)~~, and (6.5) of this subsection (c), the
5 balance of each fund shall be deemed decreased by an amount
6 equal to the amount of the annual property tax theretofore
7 levied in the fund by the district for collection and payment
8 to the district during the calendar year in which the June 30
9 fell, but only to the extent that the tax so levied in the fund
10 actually was received by the district on or before or comprised
11 a part of the fund on such June 30. For purposes of determining
12 each district's audited fund balances, a calculation shall be
13 made for each fund to determine the average for the 3 years
14 prior to the specified year ending June 30, as provided in
15 paragraphs (1), (2), (3), (4), (5), ~~and (6)~~, and (6.5) of this
16 subsection (c), of the district's expenditures in the
17 categories "purchased services", "supplies and materials", and
18 "capital outlay", as those categories are defined in rules of
19 the State Board of Education. If this 3-year average is less
20 than the district's expenditures in these categories for the
21 specified year ending June 30, as provided in paragraphs (1),
22 (2), (3), (4), (5), ~~and (6)~~, and (6.5) of this subsection (c),
23 then the 3-year average shall be used in calculating the
24 amounts payable under this Section in place of the amounts
25 shown in these categories for the specified year ending June
26 30, as provided in paragraphs (1), (2), (3), (4), (5), ~~and (6)~~.

1 and (6.5) of this subsection (c). Any deficit because of State
2 aid not yet received may not be considered in determining the
3 June 30 deficits. The same basis of accounting shall be used by
4 all previously existing districts and by all annexing or
5 annexed districts, as constituted prior to the annexation, in
6 making any computation required under paragraphs (1), (2), (3),
7 (4), (5), ~~and (6)~~, and (6.5) of this subsection (c).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

6 (2.5) ~~(a-5)~~ Following the formation of a cooperative high
7 school by 2 or more school districts under Section 10-22.22c of
8 this Code, a supplementary State aid reimbursement shall be
9 paid for 3 school years to the cooperative high school equal to
10 the sum of \$4,000 for each certified employee who is employed
11 by the cooperative high school on a full-time basis for the
12 regular term of any such school year. If a cooperative high
13 school results from multiple agreements that would otherwise
14 qualify the cooperative high school for multiple payments under
15 this Section in any year, the cooperative high school shall
16 receive a single payment for that year based solely on the most
17 recent agreement.

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

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

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

22 (4) During May of each school year for which a
23 supplementary State aid reimbursement is to be paid to a new or
24 annexing school district or cooperative high school pursuant to
25 this subsection (d), the school board or governing board shall
26 certify to the State Board of Education, on forms furnished to

1 the school board or governing board by the State Board of
2 Education for purposes of this subsection (d), the number of
3 certified employees for which the district or cooperative high
4 school is entitled to reimbursement under this Section,
5 together with the names, certificate numbers, and positions
6 held by the certified employees.

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

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

18 (105 ILCS 5/18-8.05)

19 (Text of Section before amendment by P.A. 94-1105)

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

23 (A) General Provisions.

24 (1) The provisions of this Section apply to the 1998-1999

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

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

25 (3) To receive financial assistance under this Section,
26 school districts are required to file claims with the State

1 Board of Education, subject to the following requirements:

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

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

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

26 (d) (Blank).

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

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

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

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

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

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

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

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

5 (B) Foundation Level.

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

16 (2) For the 1998-1999 school year, the Foundation Level of
17 support is \$4,225. For the 1999-2000 school year, the
18 Foundation Level of support is \$4,325. For the 2000-2001 school
19 year, the Foundation Level of support is \$4,425. For the
20 2001-2002 school year and 2002-2003 school year, the Foundation
21 Level of support is \$4,560. For the 2003-2004 school year, the
22 Foundation Level of support is \$4,810. For the 2004-2005 school
23 year, the Foundation Level of support is \$4,964. For the
24 2005-2006 school year, the Foundation Level of support is
25 \$5,164. For the 2006-2007 school year, the Foundation Level of

1 support is \$5,334.

2 (3) For the 2007-2008 ~~2006-2007~~ school year and each school
3 year thereafter, the Foundation Level of support is \$5,721
4 ~~\$5,334~~ or such greater amount as may be established by law by
5 the General Assembly.

6 (C) Average Daily Attendance.

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

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

1 general State aid is being calculated.

2 (D) Available Local Resources.

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

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

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

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

8 For partial elementary unit districts created pursuant to
9 Article 11E of this Code, local property tax revenues per pupil
10 shall be calculated as the product of the equalized assessed
11 valuation for property within the elementary and high school
12 classification of the partial elementary unit district
13 multiplied by 2.06% and divided by the Average Daily Attendance
14 figure for grades kindergarten through 8, plus the product of
15 the equalized assessed valuation for property within the high
16 school only classification of the partial elementary unit
17 district multiplied by 0.94% and divided by the Average Daily
18 Attendance figure for grades 9 through 12.

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

1 utilized in subsection (E) in the calculation of general State
2 aid.

3 (E) Computation of General State Aid.

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

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

13 (3) For any school district for which Available Local
14 Resources per pupil is equal to or greater than the product of
15 0.93 times the Foundation Level and less than the product of
16 1.75 times the Foundation Level, the general State aid per
17 pupil shall be a decimal proportion of the Foundation Level
18 derived using a linear algorithm. Under this linear algorithm,
19 the calculated general State aid per pupil shall decline in
20 direct linear fashion from 0.07 times the Foundation Level for
21 a school district with Available Local Resources equal to the
22 product of 0.93 times the Foundation Level, to 0.05 times the
23 Foundation Level for a school district with Available Local
24 Resources equal to the product of 1.75 times the Foundation
25 Level. The allocation of general State aid for school districts

1 subject to this paragraph 3 shall be the calculated general
2 State aid per pupil figure multiplied by the Average Daily
3 Attendance of the school district.

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

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

19 (F) Compilation of Average Daily Attendance.

20 (1) Each school district shall, by July 1 of each year,
21 submit to the State Board of Education, on forms prescribed by
22 the State Board of Education, attendance figures for the school
23 year that began in the preceding calendar year. The attendance
24 information so transmitted shall identify the average daily
25 attendance figures for each month of the school year. Beginning

1 with the general State aid claim form for the 2002-2003 school
2 year, districts shall calculate Average Daily Attendance as
3 provided in subdivisions (a), (b), and (c) of this paragraph
4 (1).

5 (a) In districts that do not hold year-round classes,
6 days of attendance in August shall be added to the month of
7 September and any days of attendance in June shall be added
8 to the month of May.

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

13 (c) In districts in which some buildings, but not all,
14 hold year-round classes, for the non-year-round buildings,
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. The average daily attendance for the
18 year-round buildings shall be computed as provided in
19 subdivision (b) of this paragraph (1). To calculate the
20 Average Daily Attendance for the district, the average
21 daily attendance for the year-round buildings shall be
22 multiplied by the days in session for the non-year-round
23 buildings for each month and added to the monthly
24 attendance of the non-year-round buildings.

25 Except as otherwise provided in this Section, days of
26 attendance by pupils shall be counted only for sessions of not

1 less than 5 clock hours of school work per day under direct
2 supervision of: (i) teachers, or (ii) non-teaching personnel or
3 volunteer personnel when engaging in non-teaching duties and
4 supervising in those instances specified in subsection (a) of
5 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils
6 of legal school age and in kindergarten and grades 1 through
7 12.

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

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

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

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

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

6 (d) A session of 3 or more clock hours may be counted
7 as a day of attendance (1) when the remainder of the school
8 day or at least 2 hours in the evening of that day is
9 utilized for an in-service training program for teachers,
10 up to a maximum of 5 days per school year of which a
11 maximum of 4 days of such 5 days may be used for
12 parent-teacher conferences, provided a district conducts
13 an in-service training program for teachers which has been
14 approved by the State Superintendent of Education; or, in
15 lieu of 4 such days, 2 full days may be used, in which
16 event each such day may be counted as a day of attendance;
17 and (2) when days in addition to those provided in item (1)
18 are scheduled by a school pursuant to its school
19 improvement plan adopted under Article 34 or its revised or
20 amended school improvement plan adopted under Article 2,
21 provided that (i) such sessions of 3 or more clock hours
22 are scheduled to occur at regular intervals, (ii) the
23 remainder of the school days in which such sessions occur
24 are utilized for in-service training programs or other
25 staff development activities for teachers, and (iii) a
26 sufficient number of minutes of school work under the

1 direct supervision of teachers are added to the school days
2 between such regularly scheduled sessions to accumulate
3 not less than the number of minutes by which such sessions
4 of 3 or more clock hours fall short of 5 clock hours. Any
5 full days used for the purposes of this paragraph shall not
6 be considered for computing average daily attendance. Days
7 scheduled for in-service training programs, staff
8 development activities, or parent-teacher conferences may
9 be scheduled separately for different grade levels and
10 different attendance centers of the district.

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

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

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

1 needs so require a session of 4 or more clock hours may be
2 counted as a full day of attendance.

3 (h) A recognized kindergarten which provides for only
4 1/2 day of attendance by each pupil shall not have more
5 than 1/2 day of attendance counted in any one day. However,
6 kindergartens may count 2 1/2 days of attendance in any 5
7 consecutive school days. When a pupil attends such a
8 kindergarten for 2 half days on any one school day, the
9 pupil shall have the following day as a day absent from
10 school, unless the school district obtains permission in
11 writing from the State Superintendent of Education.
12 Attendance at kindergartens which provide for a full day of
13 attendance by each pupil shall be counted the same as
14 attendance by first grade pupils. Only the first year of
15 attendance in one kindergarten shall be counted, except in
16 case of children who entered the kindergarten in their
17 fifth year whose educational development requires a second
18 year of kindergarten as determined under the rules and
19 regulations of the State Board of Education.

20 (i) On the days when the Prairie State Achievement
21 Examination is administered under subsection (c) of
22 Section 2-3.64 of this Code, the day of attendance for a
23 pupil whose school day must be shortened to accommodate
24 required testing procedures may be less than 5 clock hours
25 and shall be counted towards the 176 days of actual pupil
26 attendance required under Section 10-19 of this Code,

1 provided that a sufficient number of minutes of school work
2 in excess of 5 clock hours are first completed on other
3 school days to compensate for the loss of school work on
4 the examination days.

5 (G) Equalized Assessed Valuation Data.

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

16 The Department of Revenue shall add to the equalized
17 assessed value of all taxable property of each school district
18 situated entirely or partially within a county that is or was
19 subject to the alternative general homestead exemption
20 provisions of Section 15-176 of the Property Tax Code (a) an
21 amount equal to the total amount by which the homestead
22 exemption allowed under Section 15-176 of the Property Tax Code
23 for real property situated in that school district exceeds the
24 total amount that would have been allowed in that school
25 district if the maximum reduction under Section 15-176 was (i)

1 \$4,500 in Cook County or \$3,500 in all other counties in tax
2 year 2003 or (ii) \$5,000 in all counties in tax year 2004 and
3 thereafter and (b) an amount equal to the aggregate amount for
4 the taxable year of all additional exemptions under Section
5 15-175 of the Property Tax Code for owners with a household
6 income of \$30,000 or less. The county clerk of any county that
7 is or was subject to the alternative general homestead
8 exemption provisions of Section 15-176 of the Property Tax Code
9 shall annually calculate and certify to the Department of
10 Revenue for each school district all homestead exemption
11 amounts under Section 15-176 of the Property Tax Code and all
12 amounts of additional exemptions under Section 15-175 of the
13 Property Tax Code for owners with a household income of \$30,000
14 or less. It is the intent of this paragraph that if the general
15 homestead exemption for a parcel of property is determined
16 under Section 15-176 of the Property Tax Code rather than
17 Section 15-175, then the calculation of Available Local
18 Resources shall not be affected by the difference, if any,
19 between the amount of the general homestead exemption allowed
20 for that parcel of property under Section 15-176 of the
21 Property Tax Code and the amount that would have been allowed
22 had the general homestead exemption for that parcel of property
23 been determined under Section 15-175 of the Property Tax Code.
24 It is further the intent of this paragraph that if additional
25 exemptions are allowed under Section 15-175 of the Property Tax
26 Code for owners with a household income of less than \$30,000,

1 then the calculation of Available Local Resources shall not be
2 affected by the difference, if any, because of those additional
3 exemptions.

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

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

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

1 equalized assessed valuation of the district, the total
2 initial equalized assessed valuation or the current
3 equalized assessed valuation, whichever is lower, shall be
4 used until such time as all redevelopment project costs
5 have been paid.

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

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

26 For purposes of this subsection (G) (3) the following terms

1 shall have the following meanings:

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

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

6 "Preceding Tax Year": The property tax levy year
7 immediately preceding the Base Tax Year.

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

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

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

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

23 If a school district is subject to property tax extension
24 limitations as imposed under the Property Tax Extension
25 Limitation Law, the State Board of Education shall calculate
26 the Extension Limitation Equalized Assessed Valuation of that

1 district. For the 1999-2000 school year, the Extension
2 Limitation Equalized Assessed Valuation of a school district as
3 calculated by the State Board of Education shall be equal to
4 the product of the district's 1996 Equalized Assessed Valuation
5 and the district's Extension Limitation Ratio. For the
6 2000-2001 school year and each school year thereafter, the
7 Extension Limitation Equalized Assessed Valuation of a school
8 district as calculated by the State Board of Education shall be
9 equal to the product of the Equalized Assessed Valuation last
10 used in the calculation of general State aid and the district's
11 Extension Limitation Ratio. If the Extension Limitation
12 Equalized Assessed Valuation of a school district as calculated
13 under this subsection (G)(3) is less than the district's
14 equalized assessed valuation as calculated pursuant to
15 subsections (G)(1) and (G)(2), then for purposes of calculating
16 the district's general State aid for the Budget Year pursuant
17 to subsection (E), that Extension Limitation Equalized
18 Assessed Valuation shall be utilized to calculate the
19 district's Available Local Resources under subsection (D).

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

24 (4) For the purposes of calculating general State aid for
25 the 1999-2000 school year only, if a school district
26 experienced a triennial reassessment on the equalized assessed

1 valuation used in calculating its general State financial aid
2 apportionment for the 1998-1999 school year, the State Board of
3 Education shall calculate the Extension Limitation Equalized
4 Assessed Valuation that would have been used to calculate the
5 district's 1998-1999 general State aid. This amount shall equal
6 the product of the equalized assessed valuation used to
7 calculate general State aid for the 1997-1998 school year and
8 the district's Extension Limitation Ratio. If the Extension
9 Limitation Equalized Assessed Valuation of the school district
10 as calculated under this paragraph (4) is less than the
11 district's equalized assessed valuation utilized in
12 calculating the district's 1998-1999 general State aid
13 allocation, then for purposes of calculating the district's
14 general State aid pursuant to paragraph (5) of subsection (E),
15 that Extension Limitation Equalized Assessed Valuation shall
16 be utilized to calculate the district's Available Local
17 Resources.

18 (5) For school districts having a majority of their
19 equalized assessed valuation in any county except Cook, DuPage,
20 Kane, Lake, McHenry, or Will, if the amount of general State
21 aid allocated to the school district for the 1999-2000 school
22 year under the provisions of subsection (E), (H), and (J) of
23 this Section is less than the amount of general State aid
24 allocated to the district for the 1998-1999 school year under
25 these subsections, then the general State aid of the district
26 for the 1999-2000 school year only shall be increased by the

1 difference between these amounts. The total payments made under
2 this paragraph (5) shall not exceed \$14,000,000. Claims shall
3 be prorated if they exceed \$14,000,000.

4 (H) Supplemental General State Aid.

5 (1) In addition to the general State aid a school district
6 is allotted pursuant to subsection (E), qualifying school
7 districts shall receive a grant, paid in conjunction with a
8 district's payments of general State aid, for supplemental
9 general State aid based upon the concentration level of
10 children from low-income households within the school
11 district. Supplemental State aid grants provided for school
12 districts under this subsection shall be appropriated for
13 distribution to school districts as part of the same line item
14 in which the general State financial aid of school districts is
15 appropriated under this Section. If the appropriation in any
16 fiscal year for general State aid and supplemental general
17 State aid is insufficient to pay the amounts required under the
18 general State aid and supplemental general State aid
19 calculations, then the State Board of Education shall ensure
20 that each school district receives the full amount due for
21 general State aid and the remainder of the appropriation shall
22 be used for supplemental general State aid, which the State
23 Board of Education shall calculate and pay to eligible
24 districts on a prorated basis.

25 (1.5) This paragraph (1.5) applies only to those school

1 years preceding the 2003-2004 school year. For purposes of this
2 subsection (H), the term "Low-Income Concentration Level"
3 shall be the low-income eligible pupil count from the most
4 recently available federal census divided by the Average Daily
5 Attendance of the school district. If, however, (i) the
6 percentage decrease from the 2 most recent federal censuses in
7 the low-income eligible pupil count of a high school district
8 with fewer than 400 students exceeds by 75% or more the
9 percentage change in the total low-income eligible pupil count
10 of contiguous elementary school districts, whose boundaries
11 are coterminous with the high school district, or (ii) a high
12 school district within 2 counties and serving 5 elementary
13 school districts, whose boundaries are coterminous with the
14 high school district, has a percentage decrease from the 2 most
15 recent federal censuses in the low-income eligible pupil count
16 and there is a percentage increase in the total low-income
17 eligible pupil count of a majority of the elementary school
18 districts in excess of 50% from the 2 most recent federal
19 censuses, then the high school district's low-income eligible
20 pupil count from the earlier federal census shall be the number
21 used as the low-income eligible pupil count for the high school
22 district, for purposes of this subsection (H). The changes made
23 to this paragraph (1) by Public Act 92-28 shall apply to
24 supplemental general State aid grants for school years
25 preceding the 2003-2004 school year that are paid in fiscal
26 year 1999 or thereafter and to any State aid payments made in

1 fiscal year 1994 through fiscal year 1998 pursuant to
2 subsection 1(n) of Section 18-8 of this Code (which was
3 repealed on July 1, 1998), and any high school district that is
4 affected by Public Act 92-28 is entitled to a recomputation of
5 its supplemental general State aid grant or State aid paid in
6 any of those fiscal years. This recomputation shall not be
7 affected by any other funding.

8 (1.10) This paragraph (1.10) applies to the 2003-2004
9 school year and each school year thereafter. For purposes of
10 this subsection (H), the term "Low-Income Concentration Level"
11 shall, for each fiscal year, be the low-income eligible pupil
12 count as of July 1 of the immediately preceding fiscal year (as
13 determined by the Department of Human Services based on the
14 number of pupils who are eligible for at least one of the
15 following low income programs: Medicaid, KidCare, TANF, or Food
16 Stamps, excluding pupils who are eligible for services provided
17 by the Department of Children and Family Services, averaged
18 over the 2 immediately preceding fiscal years for fiscal year
19 2004 and over the 3 immediately preceding fiscal years for each
20 fiscal year thereafter) divided by the Average Daily Attendance
21 of the school district.

22 (2) Supplemental general State aid pursuant to this
23 subsection (H) shall be provided as follows for the 1998-1999,
24 1999-2000, and 2000-2001 school years only:

25 (a) For any school district with a Low Income
26 Concentration Level of at least 20% and less than 35%, the

1 grant for any school year shall be \$800 multiplied by the
2 low income eligible pupil count.

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

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

11 (d) For any school district with a Low Income
12 Concentration Level of 60% or more, the grant for the
13 1998-99 school year shall be \$1,900 multiplied by the low
14 income eligible pupil count.

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

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

23 (2.5) Supplemental general State aid pursuant to this
24 subsection (H) shall be provided as follows for the 2002-2003
25 school year:

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

1 Concentration Level of less than 10%, the grant for each
2 school year shall be \$355 multiplied by the low income
3 eligible pupil count.

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

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

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

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

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

24 (2.10) Except as otherwise provided, supplemental general
25 State aid pursuant to this subsection (H) shall be provided as
26 follows for the 2003-2004 school year and each school year

1 thereafter:

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

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

11 For the 2003-2004 school year and each school year through
12 the 2007-2008 school year, ~~2004-2005 school year, 2005-2006~~
13 ~~school year, and 2006-2007 school year~~ only, the grant shall be
14 no less than the grant for the 2002-2003 school year. For the
15 2008-2009 ~~2007-2008~~ school year only, the grant shall be no
16 less than the grant for the 2002-2003 school year multiplied by
17 0.66. For the 2009-2010 ~~2008-2009~~ school year only, the grant
18 shall be no less than the grant for the 2002-2003 school year
19 multiplied by 0.33. Notwithstanding the provisions of this
20 paragraph to the contrary, if for any school year supplemental
21 general State aid grants are prorated as provided in paragraph
22 (1) of this subsection (H), then the grants under this
23 paragraph shall be prorated.

24 For the 2003-2004 school year only, the grant shall be no
25 greater than the grant received during the 2002-2003 school
26 year added to the product of 0.25 multiplied by the difference

1 between the grant amount calculated under subsection (a) or (b)
2 of this paragraph (2.10), whichever is applicable, and the
3 grant received during the 2002-2003 school year. For the
4 2004-2005 school year only, the grant shall be no greater than
5 the grant received during the 2002-2003 school year added to
6 the product of 0.50 multiplied by the difference between the
7 grant amount calculated under subsection (a) or (b) of this
8 paragraph (2.10), whichever is applicable, and the grant
9 received during the 2002-2003 school year. For the 2005-2006
10 school year only, the grant shall be no greater than the grant
11 received during the 2002-2003 school year added to the product
12 of 0.75 multiplied by the difference between the grant amount
13 calculated under subsection (a) or (b) of this paragraph
14 (2.10), whichever is applicable, and the grant received during
15 the 2002-2003 school year.

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

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

1 50,000 or more that qualify for supplemental general State aid
2 pursuant to this subsection shall be required to distribute
3 from funds available pursuant to this Section, no less than
4 \$261,000,000 in accordance with the following requirements:

5 (a) The required amounts shall be distributed to the
6 attendance centers within the district in proportion to the
7 number of pupils enrolled at each attendance center who are
8 eligible to receive free or reduced-price lunches or
9 breakfasts under the federal Child Nutrition Act of 1966
10 and under the National School Lunch Act during the
11 immediately preceding school year.

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

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

1 by the school district to the attendance centers.

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

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

20 (f) Each district subject to the provisions of this
21 subdivision (H)(4) shall submit an acceptable plan to meet
22 the educational needs of disadvantaged children, in
23 compliance with the requirements of this paragraph, to the
24 State Board of Education prior to July 15 of each year.
25 This plan shall be consistent with the decisions of local
26 school councils concerning the school expenditure plans

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

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

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

23 For purposes of determining compliance with this
24 subsection in relation to the requirements of attendance
25 center funding, each district subject to the provisions of
26 this subsection shall submit as a separate document by

1 December 1 of each year a report of expenditure data for
2 the prior year in addition to any modification of its
3 current plan. If it is determined that there has been a
4 failure to comply with the expenditure provisions of this
5 subsection regarding contravention or supplanting, the
6 State Superintendent of Education shall, within 60 days of
7 receipt of the report, notify the district and any affected
8 local school council. The district shall within 45 days of
9 receipt of that notification inform the State
10 Superintendent of Education of the remedial or corrective
11 action to be taken, whether by amendment of the current
12 plan, if feasible, or by adjustment in the plan for the
13 following year. Failure to provide the expenditure report
14 or the notification of remedial or corrective action in a
15 timely manner shall result in a withholding of the affected
16 funds.

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

23 (I) (Blank).

24 (J) Supplementary Grants in Aid.

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

20 (2) If, as provided in paragraph (1) of this subsection
21 (J), a school district is to receive aggregate general State
22 aid in combination with supplemental general State aid under
23 this Section for the 1998-99 school year and any subsequent
24 school year that in any such school year is less than the
25 amount of the aggregate general State aid entitlement that the
26 district received for the 1997-98 school year, the school

1 district shall also receive, from a separate appropriation made
2 for purposes of this subsection (J), a supplementary payment
3 that is equal to the amount of the difference in the aggregate
4 State aid figures as described in paragraph (1).

5 (3) (Blank).

6 (K) Grants to Laboratory and Alternative Schools.

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

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

25 As used in this Section, "alternative school" means a

1 public school which is created and operated by a Regional
2 Superintendent of Schools and approved by the State Board of
3 Education. Such alternative schools may offer courses of
4 instruction for which credit is given in regular school
5 programs, courses to prepare students for the high school
6 equivalency testing program or vocational and occupational
7 training. A regional superintendent of schools may contract
8 with a school district or a public community college district
9 to operate an alternative school. An alternative school serving
10 more than one educational service region may be established by
11 the regional superintendents of schools of the affected
12 educational service regions. An alternative school serving
13 more than one educational service region may be operated under
14 such terms as the regional superintendents of schools of those
15 educational service regions may agree.

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

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

25 (1) For a school district operating under the financial

1 supervision of an Authority created under Article 34A, the
2 general State aid otherwise payable to that district under this
3 Section, but not the supplemental general State aid, shall be
4 reduced by an amount equal to the budget for the operations of
5 the Authority as certified by the Authority to the State Board
6 of Education, and an amount equal to such reduction shall be
7 paid to the Authority created for such district for its
8 operating expenses in the manner provided in Section 18-11. The
9 remainder of general State school aid for any such district
10 shall be paid in accordance with Article 34A when that Article
11 provides for a disposition other than that provided by this
12 Article.

13 (2) (Blank).

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

16 (M) Education Funding Advisory Board.

17 The Education Funding Advisory Board, hereinafter in this
18 subsection (M) referred to as the "Board", is hereby created.
19 The Board shall consist of 5 members who are appointed by the
20 Governor, by and with the advice and consent of the Senate. The
21 members appointed shall include representatives of education,
22 business, and the general public. One of the members so
23 appointed shall be designated by the Governor at the time the
24 appointment is made as the chairperson of the Board. The
25 initial members of the Board may be appointed any time after

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

1 The Education Funding Advisory Board shall be deemed
2 established, and the initial members appointed by the Governor
3 to serve as members of the Board shall take office, on the date
4 that the Governor makes his or her appointment of the fifth
5 initial member of the Board, whether those initial members are
6 then serving pursuant to appointment and confirmation or
7 pursuant to temporary appointments that are made by the
8 Governor as in the case of vacancies.

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

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

1 (N) (Blank).

2 (O) References.

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

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

11 (P) Public Act 93-838 and Public Act 93-808 make inconsistent
12 changes to this Section. Under Section 6 of the Statute on
13 Statutes there is an irreconcilable conflict between Public Act
14 93-808 and Public Act 93-838. Public Act 93-838, being the last
15 acted upon, is controlling. The text of Public Act 93-838 is
16 the law regardless of the text of Public Act 93-808.

17 (Source: P.A. 93-21, eff. 7-1-03; 93-715, eff. 7-12-04; 93-808,
18 eff. 7-26-04; 93-838, eff. 7-30-04; 93-875, eff. 8-6-04; 94-69,
19 eff. 7-1-05; 94-438, eff. 8-4-05; 94-835, eff. 6-6-06; 94-1019,
20 eff. 7-10-06; revised 8-3-06.)

21 (Text of Section after amendment by P.A. 94-1105)

22 Sec. 18-8.05. Basis for apportionment of general State

1 financial aid and supplemental general State aid to the common
2 schools for the 1998-1999 and subsequent school years.

3 (A) General Provisions.

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

20 (2) In addition to general State financial aid, school
21 districts with specified levels or concentrations of pupils
22 from low income households are eligible to receive supplemental
23 general State financial aid grants as provided pursuant to
24 subsection (H). The supplemental State aid grants provided for
25 school districts under subsection (H) shall be appropriated for

1 distribution to school districts as part of the same line item
2 in which the general State financial aid of school districts is
3 appropriated under this Section.

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

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

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

26 (c) If a school district operates a full year school

1 under Section 10-19.1, the general State aid to the school
2 district shall be determined by the State Board of
3 Education in accordance with this Section as near as may be
4 applicable.

5 (d) (Blank).

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

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

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

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

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

23 (c) "Corporate Personal Property Replacement Taxes":
24 Funds paid to local school districts pursuant to "An Act in
25 relation to the abolition of ad valorem personal property
26 tax and the replacement of revenues lost thereby, and

1 amending and repealing certain Acts and parts of Acts in
2 connection therewith", certified August 14, 1979, as
3 amended (Public Act 81-1st S.S.-1).

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

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

10 (B) Foundation Level.

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

21 (2) For the 1998-1999 school year, the Foundation Level of
22 support is \$4,225. For the 1999-2000 school year, the
23 Foundation Level of support is \$4,325. For the 2000-2001 school
24 year, the Foundation Level of support is \$4,425. For the
25 2001-2002 school year and 2002-2003 school year, the Foundation

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

7 (3) For the 2007-2008 ~~2006-2007~~ school year and each school
8 year thereafter, the Foundation Level of support is \$5,721
9 ~~\$5,334~~ or such greater amount as may be established by law by
10 the General Assembly.

11 (C) Average Daily Attendance.

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

23 (2) The Average Daily Attendance figures utilized in
24 subsection (E) shall be the requisite attendance data for the
25 school year immediately preceding the school year for which

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

7 (D) Available Local Resources.

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

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

24 (3) For school districts maintaining grades kindergarten
25 through 12, local property tax revenues per pupil shall be

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

13 For partial elementary unit districts created pursuant to
14 Article 11E of this Code, local property tax revenues per pupil
15 shall be calculated as the product of the equalized assessed
16 valuation for property within the elementary and high school
17 classification of the partial elementary unit district
18 multiplied by 2.06% and divided by the Average Daily Attendance
19 figure for grades kindergarten through 8, plus the product of
20 the equalized assessed valuation for property within the high
21 school only classification of the partial elementary unit
22 district multiplied by 0.94% and divided by the Average Daily
23 Attendance figure for grades 9 through 12.

24 (4) The Corporate Personal Property Replacement Taxes paid
25 to each school district during the calendar year 2 years before
26 the calendar year in which a school year begins, divided by the

1 Average Daily Attendance figure for that district, shall be
2 added to the local property tax revenues per pupil as derived
3 by the application of the immediately preceding paragraph (3).
4 The sum of these per pupil figures for each school district
5 shall constitute Available Local Resources as that term is
6 utilized in subsection (E) in the calculation of general State
7 aid.

8 (E) Computation of General State Aid.

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

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

18 (3) For any school district for which Available Local
19 Resources per pupil is equal to or greater than the product of
20 0.93 times the Foundation Level and less than the product of
21 1.75 times the Foundation Level, the general State aid per
22 pupil shall be a decimal proportion of the Foundation Level
23 derived using a linear algorithm. Under this linear algorithm,
24 the calculated general State aid per pupil shall decline in
25 direct linear fashion from 0.07 times the Foundation Level for

1 a school district with Available Local Resources equal to the
2 product of 0.93 times the Foundation Level, to 0.05 times the
3 Foundation Level for a school district with Available Local
4 Resources equal to the product of 1.75 times the Foundation
5 Level. The allocation of general State aid for school districts
6 subject to this paragraph 3 shall be the calculated general
7 State aid per pupil figure multiplied by the Average Daily
8 Attendance of the school district.

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

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

24 (F) Compilation of Average Daily Attendance.

25 (1) Each school district shall, by July 1 of each year,

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

10 (a) In districts that do not hold year-round classes,
11 days of attendance in August shall be added to the month of
12 September and any days of attendance in June shall be added
13 to the month of May.

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

18 (c) In districts in which some buildings, but not all,
19 hold year-round classes, for the non-year-round buildings,
20 days of attendance in August shall be added to the month of
21 September and any days of attendance in June shall be added
22 to the month of May. The average daily attendance for the
23 year-round buildings shall be computed as provided in
24 subdivision (b) of this paragraph (1). To calculate the
25 Average Daily Attendance for the district, the average
26 daily attendance for the year-round buildings shall be

1 multiplied by the days in session for the non-year-round
2 buildings for each month and added to the monthly
3 attendance of the non-year-round buildings.

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

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

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

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

1 minutes that school work is required to be held that day.

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

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

11 (d) A session of 3 or more clock hours may be counted
12 as a day of attendance (1) when the remainder of the school
13 day or at least 2 hours in the evening of that day is
14 utilized for an in-service training program for teachers,
15 up to a maximum of 5 days per school year of which a
16 maximum of 4 days of such 5 days may be used for
17 parent-teacher conferences, provided a district conducts
18 an in-service training program for teachers which has been
19 approved by the State Superintendent of Education; or, in
20 lieu of 4 such days, 2 full days may be used, in which
21 event each such day may be counted as a day of attendance;
22 and (2) when days in addition to those provided in item (1)
23 are scheduled by a school pursuant to its school
24 improvement plan adopted under Article 34 or its revised or
25 amended school improvement plan adopted under Article 2,
26 provided that (i) such sessions of 3 or more clock hours

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

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

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

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

8 (h) A recognized kindergarten which provides for only
9 1/2 day of attendance by each pupil shall not have more
10 than 1/2 day of attendance counted in any one day. However,
11 kindergartens may count 2 1/2 days of attendance in any 5
12 consecutive school days. When a pupil attends such a
13 kindergarten for 2 half days on any one school day, the
14 pupil shall have the following day as a day absent from
15 school, unless the school district obtains permission in
16 writing from the State Superintendent of Education.
17 Attendance at kindergartens which provide for a full day of
18 attendance by each pupil shall be counted the same as
19 attendance by first grade pupils. Only the first year of
20 attendance in one kindergarten shall be counted, except in
21 case of children who entered the kindergarten in their
22 fifth year whose educational development requires a second
23 year of kindergarten as determined under the rules and
24 regulations of the State Board of Education.

25 (i) On the days when the Prairie State Achievement
26 Examination is administered under subsection (c) of

1 Section 2-3.64 of this Code, the day of attendance for a
2 pupil whose school day must be shortened to accommodate
3 required testing procedures may be less than 5 clock hours
4 and shall be counted towards the 176 days of actual pupil
5 attendance required under Section 10-19 of this Code,
6 provided that a sufficient number of minutes of school work
7 in excess of 5 clock hours are first completed on other
8 school days to compensate for the loss of school work on
9 the examination days.

10 (G) Equalized Assessed Valuation Data.

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

21 The Department of Revenue shall add to the equalized
22 assessed value of all taxable property of each school district
23 situated entirely or partially within a county that is or was
24 subject to the alternative general homestead exemption
25 provisions of Section 15-176 of the Property Tax Code (a) an

1 amount equal to the total amount by which the homestead
2 exemption allowed under Section 15-176 of the Property Tax Code
3 for real property situated in that school district exceeds the
4 total amount that would have been allowed in that school
5 district if the maximum reduction under Section 15-176 was (i)
6 \$4,500 in Cook County or \$3,500 in all other counties in tax
7 year 2003 or (ii) \$5,000 in all counties in tax year 2004 and
8 thereafter and (b) an amount equal to the aggregate amount for
9 the taxable year of all additional exemptions under Section
10 15-175 of the Property Tax Code for owners with a household
11 income of \$30,000 or less. The county clerk of any county that
12 is or was subject to the alternative general homestead
13 exemption provisions of Section 15-176 of the Property Tax Code
14 shall annually calculate and certify to the Department of
15 Revenue for each school district all homestead exemption
16 amounts under Section 15-176 of the Property Tax Code and all
17 amounts of additional exemptions under Section 15-175 of the
18 Property Tax Code for owners with a household income of \$30,000
19 or less. It is the intent of this paragraph that if the general
20 homestead exemption for a parcel of property is determined
21 under Section 15-176 of the Property Tax Code rather than
22 Section 15-175, then the calculation of Available Local
23 Resources shall not be affected by the difference, if any,
24 between the amount of the general homestead exemption allowed
25 for that parcel of property under Section 15-176 of the
26 Property Tax Code and the amount that would have been allowed

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

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

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

14 (a) For the purposes of calculating State aid under
15 this Section, with respect to any part of a school district
16 within a redevelopment project area in respect to which a
17 municipality has adopted tax increment allocation
18 financing pursuant to the Tax Increment Allocation
19 Redevelopment Act, Sections 11-74.4-1 through 11-74.4-11
20 of the Illinois Municipal Code or the Industrial Jobs
21 Recovery Law, Sections 11-74.6-1 through 11-74.6-50 of the
22 Illinois Municipal Code, no part of the current equalized
23 assessed valuation of real property located in any such
24 project area which is attributable to an increase above the
25 total initial equalized assessed valuation of such
26 property shall be used as part of the equalized assessed

1 valuation of the district, until such time as all
2 redevelopment project costs have been paid, as provided in
3 Section 11-74.4-8 of the Tax Increment Allocation
4 Redevelopment Act or in Section 11-74.6-35 of the
5 Industrial Jobs Recovery Law. For the purpose of the
6 equalized assessed valuation of the district, the total
7 initial equalized assessed valuation or the current
8 equalized assessed valuation, whichever is lower, shall be
9 used until such time as all redevelopment project costs
10 have been paid.

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

25 (3) For the 1999-2000 school year and each school year
26 thereafter, if a school district meets all of the criteria of

1 this subsection (G) (3), the school district's Available Local
2 Resources shall be calculated under subsection (D) using the
3 district's Extension Limitation Equalized Assessed Valuation
4 as calculated under this subsection (G) (3).

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

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

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

11 "Preceding Tax Year": The property tax levy year
12 immediately preceding the Base Tax Year.

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

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

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

26 "Operating Tax Rate": The operating tax rate as defined

1 in subsection (A).

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

25 Partial elementary unit districts created in accordance
26 with Article 11E of this Code shall not be eligible for the

1 adjustment in this subsection (G)(3) until the fifth year
2 following the effective date of the reorganization.

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

23 (5) For school districts having a majority of their
24 equalized assessed valuation in any county except Cook, DuPage,
25 Kane, Lake, McHenry, or Will, if the amount of general State
26 aid allocated to the school district for the 1999-2000 school

1 year under the provisions of subsection (E), (H), and (J) of
2 this Section is less than the amount of general State aid
3 allocated to the district for the 1998-1999 school year under
4 these subsections, then the general State aid of the district
5 for the 1999-2000 school year only shall be increased by the
6 difference between these amounts. The total payments made under
7 this paragraph (5) shall not exceed \$14,000,000. Claims shall
8 be prorated if they exceed \$14,000,000.

9 (H) Supplemental General State Aid.

10 (1) In addition to the general State aid a school district
11 is allotted pursuant to subsection (E), qualifying school
12 districts shall receive a grant, paid in conjunction with a
13 district's payments of general State aid, for supplemental
14 general State aid based upon the concentration level of
15 children from low-income households within the school
16 district. Supplemental State aid grants provided for school
17 districts under this subsection shall be appropriated for
18 distribution to school districts as part of the same line item
19 in which the general State financial aid of school districts is
20 appropriated under this Section. If the appropriation in any
21 fiscal year for general State aid and supplemental general
22 State aid is insufficient to pay the amounts required under the
23 general State aid and supplemental general State aid
24 calculations, then the State Board of Education shall ensure
25 that each school district receives the full amount due for

1 general State aid and the remainder of the appropriation shall
2 be used for supplemental general State aid, which the State
3 Board of Education shall calculate and pay to eligible
4 districts on a prorated basis.

5 (1.5) This paragraph (1.5) applies only to those school
6 years preceding the 2003-2004 school year. For purposes of this
7 subsection (H), the term "Low-Income Concentration Level"
8 shall be the low-income eligible pupil count from the most
9 recently available federal census divided by the Average Daily
10 Attendance of the school district. If, however, (i) the
11 percentage decrease from the 2 most recent federal censuses in
12 the low-income eligible pupil count of a high school district
13 with fewer than 400 students exceeds by 75% or more the
14 percentage change in the total low-income eligible pupil count
15 of contiguous elementary school districts, whose boundaries
16 are coterminous with the high school district, or (ii) a high
17 school district within 2 counties and serving 5 elementary
18 school districts, whose boundaries are coterminous with the
19 high school district, has a percentage decrease from the 2 most
20 recent federal censuses in the low-income eligible pupil count
21 and there is a percentage increase in the total low-income
22 eligible pupil count of a majority of the elementary school
23 districts in excess of 50% from the 2 most recent federal
24 censuses, then the high school district's low-income eligible
25 pupil count from the earlier federal census shall be the number
26 used as the low-income eligible pupil count for the high school

1 district, for purposes of this subsection (H). The changes made
2 to this paragraph (1) by Public Act 92-28 shall apply to
3 supplemental general State aid grants for school years
4 preceding the 2003-2004 school year that are paid in fiscal
5 year 1999 or thereafter and to any State aid payments made in
6 fiscal year 1994 through fiscal year 1998 pursuant to
7 subsection 1(n) of Section 18-8 of this Code (which was
8 repealed on July 1, 1998), and any high school district that is
9 affected by Public Act 92-28 is entitled to a recomputation of
10 its supplemental general State aid grant or State aid paid in
11 any of those fiscal years. This recomputation shall not be
12 affected by any other funding.

13 (1.10) This paragraph (1.10) applies to the 2003-2004
14 school year and each school year thereafter. For purposes of
15 this subsection (H), the term "Low-Income Concentration Level"
16 shall, for each fiscal year, be the low-income eligible pupil
17 count as of July 1 of the immediately preceding fiscal year (as
18 determined by the Department of Human Services based on the
19 number of pupils who are eligible for at least one of the
20 following low income programs: Medicaid, KidCare, TANF, or Food
21 Stamps, excluding pupils who are eligible for services provided
22 by the Department of Children and Family Services, averaged
23 over the 2 immediately preceding fiscal years for fiscal year
24 2004 and over the 3 immediately preceding fiscal years for each
25 fiscal year thereafter) divided by the Average Daily Attendance
26 of the school district.

1 (2) Supplemental general State aid pursuant to this
2 subsection (H) shall be provided as follows for the 1998-1999,
3 1999-2000, and 2000-2001 school years only:

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

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

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

16 (d) For any school district with a Low Income
17 Concentration Level of 60% or more, the grant for the
18 1998-99 school year shall be \$1,900 multiplied by the low
19 income eligible pupil count.

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

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

1 respectively.

2 (2.5) Supplemental general State aid pursuant to this
3 subsection (H) shall be provided as follows for the 2002-2003
4 school year:

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

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

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

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

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

25 (f) For any school district with a Low Income
26 Concentration Level of 60% or more, the grant for each

1 school year shall be \$2,080 multiplied by the low income
2 eligible pupil count.

3 (2.10) Except as otherwise provided, supplemental general
4 State aid pursuant to this subsection (H) shall be provided as
5 follows for the 2003-2004 school year and each school year
6 thereafter:

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

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

16 For the 2003-2004 school year and each school year through
17 the 2007-2008 school year, ~~2004-2005 school year, 2005-2006~~
18 ~~school year, and 2006-2007 school year~~ only, the grant shall be
19 no less than the grant for the 2002-2003 school year. For the
20 2008-2009 ~~2007-2008~~ school year only, the grant shall be no
21 less than the grant for the 2002-2003 school year multiplied by
22 0.66. For the 2009-2010 ~~2008-2009~~ school year only, the grant
23 shall be no less than the grant for the 2002-2003 school year
24 multiplied by 0.33. Notwithstanding the provisions of this
25 paragraph to the contrary, if for any school year supplemental
26 general State aid grants are prorated as provided in paragraph

1 (1) of this subsection (H), then the grants under this
2 paragraph shall be prorated.

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

21 (3) School districts with an Average Daily Attendance of
22 more than 1,000 and less than 50,000 that qualify for
23 supplemental general State aid pursuant to this subsection
24 shall submit a plan to the State Board of Education prior to
25 October 30 of each year for the use of the funds resulting from
26 this grant of supplemental general State aid for the

1 improvement of instruction in which priority is given to
2 meeting the education needs of disadvantaged children. Such
3 plan shall be submitted in accordance with rules and
4 regulations promulgated by the State Board of Education.

5 (4) School districts with an Average Daily Attendance of
6 50,000 or more that qualify for supplemental general State aid
7 pursuant to this subsection shall be required to distribute
8 from funds available pursuant to this Section, no less than
9 \$261,000,000 in accordance with the following requirements:

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

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

25 (c) Each attendance center shall be provided by the
26 school district a distribution of noncategorical funds and

1 other categorical funds to which an attendance center is
2 entitled under law in order that the general State aid and
3 supplemental general State aid provided by application of
4 this subsection supplements rather than supplants the
5 noncategorical funds and other categorical funds provided
6 by the school district to the attendance centers.

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

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

25 (f) Each district subject to the provisions of this
26 subdivision (H) (4) shall submit an acceptable plan to meet

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

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

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

1 such underfunding.

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

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

1 Education.

2 (I) (Blank).

3 (J) Supplementary Grants in Aid.

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

23 (2) If, as provided in paragraph (1) of this subsection
24 (J), a school district is to receive aggregate general State

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

10 (3) (Blank).

11 (K) Grants to Laboratory and Alternative Schools.

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

18 As used in this Section, "laboratory school" means a public
19 school which is created and operated by a public university and
20 approved by the State Board of Education. The governing board
21 of a public university which receives funds from the State
22 Board under this subsection (K) may not increase the number of
23 students enrolled in its laboratory school from a single
24 district, if that district is already sending 50 or more
25 students, except under a mutual agreement between the school

1 board of a student's district of residence and the university
2 which operates the laboratory school. A laboratory school may
3 not have more than 1,000 students, excluding students with
4 disabilities in a special education program.

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

21 Each laboratory and alternative school shall file, on forms
22 provided by the State Superintendent of Education, an annual
23 State aid claim which states the Average Daily Attendance of
24 the school's students by month. The best 3 months' Average
25 Daily Attendance shall be computed for each school. The general
26 State aid entitlement shall be computed by multiplying the

1 applicable Average Daily Attendance by the Foundation Level as
2 determined under this Section.

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

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

17 (2) (Blank).

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

20 (M) Education Funding Advisory Board.

21 The Education Funding Advisory Board, hereinafter in this
22 subsection (M) referred to as the "Board", is hereby created.
23 The Board shall consist of 5 members who are appointed by the
24 Governor, by and with the advice and consent of the Senate. The

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

1 appoint, by and with the advice and consent of the Senate, a
2 person to fill that membership for the unexpired term. If the
3 Senate is not in session when the initial appointments are
4 made, those appointments shall be made as in the case of
5 vacancies.

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

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

18 For school years after the 2000-2001 school year, the
19 Education Funding Advisory Board, in consultation with the
20 State Board of Education, shall make recommendations as
21 provided in this subsection (M) to the General Assembly for the
22 foundation level under subdivision (B)(3) of this Section and
23 for the supplemental general State aid grant level under
24 subsection (H) of this Section for districts with high
25 concentrations of children from poverty. The recommended
26 foundation level shall be determined based on a methodology

1 which incorporates the basic education expenditures of
2 low-spending schools exhibiting high academic performance. The
3 Education Funding Advisory Board shall make such
4 recommendations to the General Assembly on January 1 of odd
5 numbered years, beginning January 1, 2001.

6 (N) (Blank).

7 (O) References.

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

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

16 (P) Public Act 93-838 and Public Act 93-808 make inconsistent
17 changes to this Section. Under Section 6 of the Statute on
18 Statutes there is an irreconcilable conflict between Public Act
19 93-808 and Public Act 93-838. Public Act 93-838, being the last
20 acted upon, is controlling. The text of Public Act 93-838 is
21 the law regardless of the text of Public Act 93-808.

22 (Source: P.A. 93-21, eff. 7-1-03; 93-715, eff. 7-12-04; 93-808,
23 eff. 7-26-04; 93-838, eff. 7-30-04; 93-875, eff. 8-6-04; 94-69,

1 eff. 7-1-05; 94-438, eff. 8-4-05; 94-835, eff. 6-6-06; 94-1019,
2 eff. 7-10-06; 94-1105, eff. 6-1-07; revised 2-18-07.)

3 Section 95. No acceleration or delay. Where this Act makes
4 changes in a statute that is represented in this Act by text
5 that is not yet or no longer in effect (for example, a Section
6 represented by multiple versions), the use of that text does
7 not accelerate or delay the taking effect of (i) the changes
8 made by this Act or (ii) provisions derived from any other
9 Public Act.

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