## 96TH GENERAL ASSEMBLY

## State of Illinois

## 2009 and 2010

#### SB3484

Introduced 2/10/2010, by Sen. Dan Cronin

### SYNOPSIS AS INTRODUCED:

105 ILCS 5/18-8.05

Amends the School Code. Makes a technical change in the State aid formula provisions concerning the computation of general State aid.

LRB096 20530 MJR 36216 b

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AN ACT concerning education.

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

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

6 (105 ILCS 5/18-8.05)

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

10 (A) General Provisions.

(1) The provisions of this Section apply to the 1998-1999 11 and subsequent school years. The system of general State 12 13 financial aid provided for in this Section is designed to assure that, through a combination of State financial aid and 14 15 required local resources, the financial support provided each 16 pupil in Average Daily Attendance equals or exceeds а 17 prescribed per pupil Foundation Level. This formula approach 18 imputes a level of per pupil Available Local Resources and provides for the basis to calculate a per pupil level of 19 20 general State financial aid that, when added to Available Local 21 Resources, equals or exceeds the Foundation Level. The amount of per pupil general State financial aid for school districts, 22

in general, varies in inverse relation to Available Local Resources. Per pupil amounts are based upon each school district's Average Daily Attendance as that term is defined in this Section.

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

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

17 (a) Any school district which fails for any given school year to maintain school as required by law, or to 18 19 maintain a recognized school is not eligible to file for 20 such school year any claim upon the Common School Fund. In case of nonrecognition of one or more attendance centers in 21 22 a school district otherwise operating recognized schools, 23 claim of the district shall be reduced the in the 24 proportion which the Average Daily Attendance in the 25 attendance center or centers bear to the Average Daily 26 Attendance in the school district. A "recognized school"

1 means any public school which meets the standards as 2 established for recognition by the State Board of 3 Education. A school district or attendance center not 4 having recognition status at the end of a school term is 5 entitled to receive State aid payments due upon a legal 6 claim which was filed while it was recognized.

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

10 (c) If a school district operates a full year school 11 under Section 10-19.1, the general State aid to the school 12 district shall be determined by the State Board of 13 Education in accordance with this Section as near as may be 14 applicable.

(d) (Blank).

16 (4) Except as provided in subsections (H) and (L), the 17 board of any district receiving any of the grants provided for 18 in this Section may apply those funds to any fund so received 19 for which that board is authorized to make expenditures by law.

20 School districts are not required to exert a minimum 21 Operating Tax Rate in order to qualify for assistance under 22 this Section.

(5) As used in this Section the following terms, whencapitalized, shall have the meaning ascribed herein:

(a) "Average Daily Attendance": A count of pupil
attendance in school, averaged as provided for in

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subsection (C) and utilized in deriving per pupil financial support levels.

3 (b) "Available Local Resources": A computation of 4 local financial support, calculated on the basis of Average 5 Daily Attendance and derived as provided pursuant to 6 subsection (D).

7 (c) "Corporate Personal Property Replacement Taxes": 8 Funds paid to local school districts pursuant to "An Act in 9 relation to the abolition of ad valorem personal property 10 tax and the replacement of revenues lost thereby, and 11 amending and repealing certain Acts and parts of Acts in 12 connection therewith", certified August 14, 1979, as 13 amended (Public Act 81-1st S.S.-1).

14 (d) "Foundation Level": A prescribed level of per pupil15 financial support as provided for in subsection (B).

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

20 (B) Foundation Level.

(1) The Foundation Level is a figure established by the State representing the minimum level of per pupil financial support that should be available to provide for the basic education of each pupil in Average Daily Attendance. As set forth in this Section, each school district is assumed to exert 1 a sufficient local taxing effort such that, in combination with 2 the aggregate of general State financial aid provided the 3 district, an aggregate of State and local resources are 4 available to meet the basic education needs of pupils in the 5 district.

6 (2) For the 1998-1999 school year, the Foundation Level of support is \$4,225. For the 1999-2000 school year, the 7 8 Foundation Level of support is \$4,325. For the 2000-2001 school 9 year, the Foundation Level of support is \$4,425. For the 10 2001-2002 school year and 2002-2003 school year, the Foundation 11 Level of support is \$4,560. For the 2003-2004 school year, the 12 Foundation Level of support is \$4,810. For the 2004-2005 school 13 year, the Foundation Level of support is \$4,964. For the 14 2005-2006 school year, the Foundation Level of support is 15 \$5,164. For the 2006-2007 school year, the Foundation Level of 16 support is \$5,334. For the 2007-2008 school year, the 17 Foundation Level of support is \$5,734. For the 2008-2009 school year, the Foundation Level of support is \$5,959. 18

19 (3) For the 2009-2010 school year and each school year 20 thereafter, the Foundation Level of support is \$6,119 or such 21 greater amount as may be established by law by the General 22 Assembly.

23 (C) Average Daily Attendance.

(1) For purposes of calculating general State aid pursuant
 to subsection (E), an Average Daily Attendance figure shall be

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

10 (2)The Average Daily Attendance figures utilized in subsection (E) shall be the requisite attendance data for the 11 12 school year immediately preceding the school year for which 13 general State aid is being calculated or the average of the attendance data for the 3 preceding school years, whichever is 14 15 greater. The Average Daily Attendance figures utilized in 16 subsection (H) shall be the requisite attendance data for the 17 school year immediately preceding the school year for which general State aid is being calculated. 18

19 (D) Available Local Resources.

(1) For purposes of calculating general State aid pursuant to subsection (E), a representation of Available Local Resources per pupil, as that term is defined and determined in this subsection, shall be utilized. Available Local Resources per pupil shall include a calculated dollar amount representing local school district revenues from local property taxes and

1 from Corporate Personal Property Replacement Taxes, expressed 2 on the basis of pupils in Average Daily Attendance. Calculation 3 of Available Local Resources shall exclude any tax amnesty 4 funds received as a result of Public Act 93-26.

5 (2) In determining a school district's revenue from local 6 property taxes, the State Board of Education shall utilize the 7 equalized assessed valuation of all taxable property of each 8 school district as of September 30 of the previous year. The 9 equalized assessed valuation utilized shall be obtained and 10 determined as provided in subsection (G).

11 (3) For school districts maintaining grades kindergarten 12 through 12, local property tax revenues per pupil shall be 13 calculated as the product of the applicable equalized assessed valuation for the district multiplied by 3.00%, and divided by 14 15 the district's Average Daily Attendance figure. For school districts maintaining grades kindergarten through 8, local 16 17 property tax revenues per pupil shall be calculated as the product of the applicable equalized assessed valuation for the 18 district multiplied by 2.30%, and divided by the district's 19 20 Average Daily Attendance figure. For school districts maintaining grades 9 through 12, local property tax revenues 21 22 per pupil shall be the applicable equalized assessed valuation 23 of the district multiplied by 1.05%, and divided by the 24 district's Average Daily Attendance figure.

For partial elementary unit districts created pursuant to Article 11E of this Code, local property tax revenues per pupil

shall be calculated as the product of the equalized assessed 1 2 valuation for property within the partial elementary unit 3 district for elementary purposes, as defined in Article 11E of this Code, multiplied by 2.06% and divided by the district's 4 5 Average Daily Attendance figure, plus the product of the 6 equalized assessed valuation for property within the partial elementary unit district for high school purposes, as defined 7 in Article 11E of this Code, multiplied by 0.94% and divided by 8 9 the district's Average Daily Attendance figure.

10 (4) The Corporate Personal Property Replacement Taxes paid 11 to each school district during the calendar year one year 12 before the calendar year in which a school year begins, divided by the Average Daily Attendance figure for that district, shall 13 14 be added to the local property tax revenues per pupil as 15 derived by the application of the immediately preceding 16 paragraph (3). The sum of these per pupil figures for each 17 school district shall constitute Available Local Resources as that term is utilized in subsection (E) in the calculation of 18 19 general State aid.

20 (E) Computation of General State Aid.

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

(2) For any school district for which Available Local
 Resources per pupil is less than the product of 0.93 times the

Foundation Level, general State aid for that district shall be
 calculated as an amount equal to the Foundation Level minus
 Available Local Resources, multiplied by the Average Daily
 Attendance of the school district.

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

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

(5) The amount of general State aid allocated to a school

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district for the 1999-2000 school year meeting the requirements 1 2 set forth in paragraph (4) of subsection (G) shall be increased 3 by an amount equal to the general State aid that would have been received by the district for the 1998-1999 school year by 4 5 utilizing the Extension Limitation Equalized Assessed 6 Valuation as calculated in paragraph (4) of subsection (G) less 7 the general State aid allotted for the 1998-1999 school year. This amount shall be deemed a one time increase, and shall not 8 9 affect any future general State aid allocations.

10 (F) Compilation of Average Daily Attendance.

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11 (1) Each school district shall, by July 1 of each year, 12 submit to the State Board of Education, on forms prescribed by 13 the State Board of Education, attendance figures for the school 14 year that began in the preceding calendar year. The attendance 15 information so transmitted shall identify the average daily 16 attendance figures for each month of the school year. Beginning with the general State aid claim form for the 2002-2003 school 17 18 year, districts shall calculate Average Daily Attendance as provided in subdivisions (a), (b), and (c) of this paragraph 19 20 (1).

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

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(b) In districts in which all buildings hold year-round

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classes, days of attendance in July and August shall be added to the month of September and any days of attendance in June shall be added to the month of May.

(c) In districts in which some buildings, but not all, 4 5 hold year-round classes, for the non-year-round buildings, days of attendance in August shall be added to the month of 6 7 September and any days of attendance in June shall be added 8 to the month of May. The average daily attendance for the 9 year-round buildings shall be computed as provided in 10 subdivision (b) of this paragraph (1). To calculate the 11 Average Daily Attendance for the district, the average 12 daily attendance for the year-round buildings shall be multiplied by the days in session for the non-year-round 13 buildings for each month and added to the monthly 14 15 attendance of the non-year-round buildings.

16 Except as otherwise provided in this Section, days of 17 attendance by pupils shall be counted only for sessions of not less than 5 clock hours of school work per day under direct 18 19 supervision of: (i) teachers, or (ii) non-teaching personnel or 20 volunteer personnel when engaging in non-teaching duties and supervising in those instances specified in subsection (a) of 21 22 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils 23 of legal school age and in kindergarten and grades 1 through 12. 24

Days of attendance by tuition pupils shall be accredited only to the districts that pay the tuition to a recognized 1 school.

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

5 (a) Pupils regularly enrolled in a public school for only a part of the school day may be counted on the basis 6 7 of 1/6 day for every class hour of instruction of 40 8 minutes or more attended pursuant to such enrollment, 9 unless a pupil is enrolled in a block-schedule format of 80 10 minutes or more of instruction, in which case the pupil may 11 be counted on the basis of the proportion of minutes of 12 school work completed each day to the minimum number of minutes that school work is required to be held that day. 13

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

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

(d) A session of 3 or more clock hours may be counted
as a day of attendance (1) when the remainder of the school
day or at least 2 hours in the evening of that day is
utilized for an in-service training program for teachers,

up to a maximum of 5 days per school year, provided a 1 2 district conducts an in-service training program for teachers in accordance with Section 10-22.39 of this Code; 3 or, in lieu of 4 such days, 2 full days may be used, in 4 which event each such day may be counted as a day required 5 for a legal school calendar pursuant to Section 10-19 of 6 this Code; (1.5) when, of the 5 days allowed under item 7 8 (1), a maximum of 4 days are used for parent-teacher 9 conferences, or, in lieu of 4 such days, 2 full days are 10 used, in which case each such day may be counted as a 11 calendar day required under Section 10-19 of this Code, 12 provided that the full-day, parent-teacher conference 13 of (i) minimum of 5 clock hours consists а of 14 parent-teacher conferences, (ii) both a minimum of 2 clock 15 hours of parent-teacher conferences held in the evening 16 following a full day of student attendance, as specified in 17 subsection (F)(1)(c), and a minimum of 3 clock hours of parent-teacher conferences held on the day immediately 18 19 following evening parent-teacher conferences, or (iii) 20 multiple parent-teacher conferences held in the evenings 21 following full days of student attendance, as specified in 22 subsection (F)(1)(c), in which the time used for the 23 parent-teacher conferences is equivalent to a minimum of 5 24 clock hours; and (2) when days in addition to those 25 provided in items (1) and (1.5) are scheduled by a school 26 pursuant to its school improvement plan adopted under

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

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

(f) A session of at least 4 clock hours may be counted
as a day of attendance for first grade pupils, and pupils

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in full day kindergartens, and a session of 2 or more hours may be counted as 1/2 day of attendance by pupils in kindergartens which provide only 1/2 day of attendance.

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

11 (h) A recognized kindergarten which provides for only 12 1/2 day of attendance by each pupil shall not have more than 1/2 day of attendance counted in any one day. However, 13 14 kindergartens may count 2 1/2 days of attendance in any 5 15 consecutive school days. When a pupil attends such a 16 kindergarten for 2 half days on any one school day, the 17 pupil shall have the following day as a day absent from school, unless the school district obtains permission in 18 19 writing from the State Superintendent of Education. 20 Attendance at kindergartens which provide for a full day of 21 attendance by each pupil shall be counted the same as 22 attendance by first grade pupils. Only the first year of 23 attendance in one kindergarten shall be counted, except in 24 case of children who entered the kindergarten in their 25 fifth year whose educational development requires a second 26 year of kindergarten as determined under the rules and - 16 - LRB096 20530 MJR 36216 b

1 regulations of the State Board of Education.

2 (i) On the days when the Prairie State Achievement Examination is administered under subsection 3 (C) of Section 2-3.64 of this Code, the day of attendance for a 4 5 pupil whose school day must be shortened to accommodate required testing procedures may be less than 5 clock hours 6 and shall be counted towards the 176 days of actual pupil 7 attendance required under Section 10-19 of this Code, 8 9 provided that a sufficient number of minutes of school work 10 in excess of 5 clock hours are first completed on other 11 school days to compensate for the loss of school work on 12 the examination days.

13 (G) Equalized Assessed Valuation Data.

14 (1) For purposes of the calculation of Available Local 15 Resources required pursuant to subsection (D), the State Board 16 of Education shall secure from the Department of Revenue the value as equalized or assessed by the Department of Revenue of 17 18 all taxable property of every school district, together with 19 (i) the applicable tax rate used in extending taxes for the 20 funds of the district as of September 30 of the previous year 21 and (ii) the limiting rate for all school districts subject to 22 property tax extension limitations as imposed under the 23 Property Tax Extension Limitation Law.

The Department of Revenue shall add to the equalized assessed value of all taxable property of each school district

situated entirely or partially within a county that is or was 1 2 subject to the provisions of Section 15-176 or 15-177 of the Property Tax Code (a) an amount equal to the total amount by 3 which the homestead exemption allowed under Section 15-176 or 4 5 15-177 of the Property Tax Code for real property situated in that school district exceeds the total amount that would have 6 7 been allowed in that school district if the maximum reduction under Section 15-176 was (i) \$4,500 in Cook County or \$3,500 in 8 9 all other counties in tax year 2003 or (ii) \$5,000 in all 10 counties in tax year 2004 and thereafter and (b) an amount equal to the aggregate amount for the taxable year of all 11 12 additional exemptions under Section 15-175 of the Property Tax 13 Code for owners with a household income of \$30,000 or less. The 14 county clerk of any county that is or was subject to the 15 provisions of Section 15-176 or 15-177 of the Property Tax Code shall annually calculate and certify to the Department of 16 17 Revenue for each school district all homestead exemption amounts under Section 15-176 or 15-177 of the Property Tax Code 18 and all amounts of additional exemptions under Section 15-175 19 20 of the Property Tax Code for owners with a household income of \$30,000 or less. It is the intent of this paragraph that if the 21 22 general homestead exemption for a parcel of property is 23 determined under Section 15-176 or 15-177 of the Property Tax Code rather than Section 15-175, then the calculation of 24 25 Available Local Resources shall not be affected by the 26 difference, if any, between the amount of the general homestead

exemption allowed for that parcel of property under Section 1 2 15-176 or 15-177 of the Property Tax Code and the amount that 3 would have been allowed had the general homestead exemption for that parcel of property been determined under Section 15-175 of 4 5 the Property Tax Code. It is further the intent of this 6 paragraph that if additional exemptions are allowed under 7 Section 15-175 of the Property Tax Code for owners with a 8 household income of less than \$30,000, then the calculation of 9 Available Local Resources shall not be affected by the 10 difference, if any, because of those additional exemptions.

11 This equalized assessed valuation, as adjusted further by 12 the requirements of this subsection, shall be utilized in the 13 calculation of Available Local Resources.

14 (2) The equalized assessed valuation in paragraph (1) shall15 be adjusted, as applicable, in the following manner:

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

1 total initial equalized assessed valuation of such property shall be used as part of the equalized assessed 2 3 valuation of the district, until such time as all redevelopment project costs have been paid, as provided in 4 5 Section 11-74.4-8 of the Tax Increment Allocation 11-74.6-35 6 Redevelopment Act or in Section of the 7 Industrial Jobs Recovery Law. For the purpose of the 8 equalized assessed valuation of the district, the total 9 initial equalized assessed valuation or the current 10 equalized assessed valuation, whichever is lower, shall be 11 used until such time as all redevelopment project costs 12 have been paid.

13 (b) The real property equalized assessed valuation for 14 a school district shall be adjusted by subtracting from the 15 real property value as equalized or assessed by the 16 Department of Revenue for the district an amount computed 17 by dividing the amount of any abatement of taxes under Section 18-170 of the Property Tax Code by 3.00% for a 18 19 district maintaining grades kindergarten through 12, by 20 2.30% for a district maintaining grades kindergarten 21 through 8, or by 1.05% for a district maintaining grades 9 22 through 12 and adjusted by an amount computed by dividing 23 the amount of any abatement of taxes under subsection (a) 24 of Section 18-165 of the Property Tax Code by the same 25 percentage rates for district type as specified in this 26 subparagraph (b).

(3) For the 1999-2000 school year and each school year 1 2 thereafter, if a school district meets all of the criteria of 3 this subsection (G)(3), the school district's Available Local Resources shall be calculated under subsection (D) using the 4 5 district's Extension Limitation Equalized Assessed Valuation as calculated under this subsection (G)(3). 6 7 For purposes of this subsection (G)(3) the following terms 8 shall have the following meanings: 9 "Budget Year": The school year for which general State 10 aid is calculated and awarded under subsection (E). 11 "Base Tax Year": The property tax levy year used to 12 calculate the Budget Year allocation of general State aid. 13 "Preceding Tax Year": The property tax levy year 14 immediately preceding the Base Tax Year. 15 "Base Tax Year's Tax Extension": The product of the 16 equalized assessed valuation utilized by the County Clerk 17 in the Base Tax Year multiplied by the limiting rate as calculated by the County Clerk and defined in the Property 18 Tax Extension Limitation Law. 19

20 "Preceding Tax Year's Tax Extension": The product of 21 the equalized assessed valuation utilized by the County 22 Clerk in the Preceding Tax Year multiplied by the Operating 23 Tax Rate as defined in subsection (A).

24 "Extension Limitation Ratio": A numerical ratio, 25 certified by the County Clerk, in which the numerator is 26 the Base Tax Year's Tax Extension and the denominator is

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the Preceding Tax Year's Tax Extension.

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

If a school district is subject to property tax extension 4 5 limitations as imposed under the Property Tax Extension Limitation Law, the State Board of Education shall calculate 6 7 the Extension Limitation Equalized Assessed Valuation of that 8 district. For the 1999-2000 school year, the Extension 9 Limitation Equalized Assessed Valuation of a school district as 10 calculated by the State Board of Education shall be equal to 11 the product of the district's 1996 Equalized Assessed Valuation 12 and the district's Extension Limitation Ratio. Except as otherwise provided in this paragraph for a school district that 13 14 has approved or does approve an increase in its limiting rate, 15 for the 2000-2001 school year and each school year thereafter, 16 the Extension Limitation Equalized Assessed Valuation of a 17 school district as calculated by the State Board of Education shall be equal to the product of the Equalized Assessed 18 Valuation last used in the calculation of general State aid and 19 20 the district's Extension Limitation Ratio. If the Extension Limitation Equalized Assessed Valuation of a school district as 21 calculated under this subsection (G)(3) is less than the 22 23 district's equalized assessed valuation as calculated pursuant 24 subsections (G)(1) and (G)(2), then for purposes of to 25 calculating the district's general State aid for the Budget Year pursuant to subsection (E), that Extension Limitation 26

Equalized Assessed Valuation shall be utilized to calculate the 1 2 district's Available Local Resources under subsection (D). For 3 the 2009-2010 school year and each school year thereafter, if a school district has approved or does approve an increase in its 4 5 limiting rate, pursuant to Section 18-190 of the Property Tax 6 Code, affecting the Base Tax Year, the Extension Limitation Equalized Assessed Valuation of the school district, as 7 8 calculated by the State Board of Education, shall be equal to 9 the product of the Equalized Assessed Valuation last used in 10 the calculation of general State aid times an amount equal to 11 one plus the percentage increase, if any, in the Consumer Price 12 Index for all Urban Consumers for all items published by the 13 United States Department of Labor for the 12-month calendar 14 year preceding the Base Tax Year, plus the Equalized Assessed 15 Valuation of new property, annexed property, and recovered tax 16 increment value and minus the Equalized Assessed Valuation of 17 disconnected property. property and recovered New tax increment value shall have the meanings set forth in the 18 19 Property Tax Extension Limitation Law.

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.

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

valuation used in calculating its general State financial aid 1 2 apportionment for the 1998-1999 school year, the State Board of Education shall calculate the Extension Limitation Equalized 3 Assessed Valuation that would have been used to calculate the 4 5 district's 1998-1999 general State aid. This amount shall equal the product of the equalized assessed valuation used to 6 7 calculate general State aid for the 1997-1998 school year and the district's Extension Limitation Ratio. If the Extension 8 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 the district's 1998-1999 general calculating 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.

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

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

4 (H) Supplemental General State Aid.

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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 State aid is insufficient to pay the amounts required under the 17 18 general State aid and supplemental general State aid calculations, then the State Board of Education shall ensure 19 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.

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

years preceding the 2003-2004 school year. For purposes of this 1 2 subsection (H), the term "Low-Income Concentration Level" shall be the low-income eligible pupil count from the most 3 recently available federal census divided by the Average Daily 4 5 Attendance of the school district. If, however, (i) the percentage decrease from the 2 most recent federal censuses in 6 the low-income eligible pupil count of a high school district 7 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 districts in excess of 50% from the 2 most recent federal 18 19 censuses, then the high school district's low-income eligible 20 pupil count from the earlier federal census shall be the number used as the low-income eligible pupil count for the high school 21 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 fiscal year 1994 through fiscal year 1998 pursuant to subsection 1(n) of Section 18-8 of this Code (which was repealed on July 1, 1998), and any high school district that is affected by Public Act 92-28 is entitled to a recomputation of its supplemental general State aid grant or State aid paid in any of those fiscal years. This recomputation shall not be 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 number of pupils who are eligible for at least one of the 14 15 following low income programs: Medicaid, the Children's Health 16 Insurance Program, TANF, or Food Stamps, excluding pupils who 17 are eligible for services provided by the Department of Children and Family Services, averaged over the 2 immediately 18 preceding fiscal years for fiscal year 2004 and over the 3 19 20 immediately preceding fiscal years for each fiscal year 21 thereafter) divided by the Average Daily Attendance of the 22 school district.

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

26

(a) For any school district with a Low Income

1 Concentration Level of at least 20% and less than 35%, the 2 grant for any school year shall be \$800 multiplied by the 3 low income eligible pupil count.

4 (b) For any school district with a Low Income 5 Concentration Level of at least 35% and less than 50%, the 6 grant for the 1998-1999 school year shall be \$1,100 7 multiplied by the low income eligible pupil count.

8 (c) For any school district with a Low Income 9 Concentration Level of at least 50% and less than 60%, the 10 grant for the 1998-99 school year shall be \$1,500 11 multiplied by the low income eligible pupil count.

12 (d) For any school district with a Low Income 13 Concentration Level of 60% or more, the grant for the 14 1998-99 school year shall be \$1,900 multiplied by the low 15 income eligible pupil count.

16 (e) For the 1999-2000 school year, the per pupil amount 17 specified in subparagraphs (b), (c), and (d) immediately 18 above shall be increased to \$1,243, \$1,600, and \$2,000, 19 respectively.

20 (f) For the 2000-2001 school year, the per pupil 21 amounts specified in subparagraphs (b), (c), and (d) 22 immediately above shall be \$1,273, \$1,640, and \$2,050, 23 respectively.

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

1 (a) For any school district with a Low Income 2 Concentration Level of less than 10%, the grant for each 3 school year shall be \$355 multiplied by the low income 4 eligible pupil count.

5 (b) For any school district with a Low Income 6 Concentration Level of at least 10% and less than 20%, the 7 grant for each school year shall be \$675 multiplied by the 8 low income eligible pupil count.

9 (c) For any school district with a Low Income 10 Concentration Level of at least 20% and less than 35%, the 11 grant for each school year shall be \$1,330 multiplied by 12 the low income eligible pupil count.

13 (d) For any school district with a Low Income 14 Concentration Level of at least 35% and less than 50%, the 15 grant for each school year shall be \$1,362 multiplied by 16 the low income eligible pupil count.

17 (e) For any school district with a Low Income 18 Concentration Level of at least 50% and less than 60%, the 19 grant for each school year shall be \$1,680 multiplied by 20 the low income eligible pupil count.

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

25 (2.10) Except as otherwise provided, supplemental general
26 State aid pursuant to this subsection (H) shall be provided as

1 follows for the 2003-2004 school year and each school year 2 thereafter:

3 (a) For any school district with a Low Income 4 Concentration Level of 15% or less, the grant for each 5 school year shall be \$355 multiplied by the low income 6 eligible pupil count.

7 (b) For any school district with a Low Income 8 Concentration Level greater than 15%, the grant for each 9 school year shall be \$294.25 added to the product of \$2,700 10 and the square of the Low Income Concentration Level, all 11 multiplied by the low income eligible pupil count.

12 For the 2003-2004 school year and each school year 13 thereafter through the 2008-2009 school year only, the grant shall be no less than the grant for the 2002-2003 school year. 14 15 For the 2009-2010 school year only, the grant shall be no less 16 than the grant for the 2002-2003 school year multiplied by 17 0.66. For the 2010-2011 school year only, the grant shall be no less than the grant for the 2002-2003 school year multiplied by 18 0.33. Notwithstanding the provisions of this paragraph to the 19 20 contrary, if for any school year supplemental general State aid 21 grants are prorated as provided in paragraph (1) of this 22 subsection (H), then the grants under this paragraph shall be 23 prorated.

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

between the grant amount calculated under subsection (a) or (b) 1 of this paragraph (2.10), whichever is applicable, and the 2 grant received during the 2002-2003 school year. For the 3 2004-2005 school year only, the grant shall be no greater than 4 5 the grant received during the 2002-2003 school year added to the product of 0.50 multiplied by the difference between the 6 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 (2.10), whichever is applicable, and the grant received during 14 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 supplemental general State aid pursuant to this subsection 18 shall submit a plan to the State Board of Education prior to 19 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 submitted in accordance with rules 24 shall be and plan 25 regulations promulgated by the State Board of Education.

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

50,000 or more that qualify for supplemental general State aid pursuant to this subsection shall be required to distribute from funds available pursuant to this Section, no less than \$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 and general State aid among attendance centers according to 13 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 in order to fully implement this provision annually prior 18 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

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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 expended for any political or lobbying purposes as defined 18 19 by board rule.

20 (f) Each district subject to the provisions of this subdivision (H)(4) shall submit an acceptable plan to meet 21 22 educational needs of disadvantaged children, the 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

developed in accordance with part 4 of Section 34-2.3. The 1 2 State Board shall approve or reject the plan within 60 days 3 after its submission. If the plan is rejected, the district shall give written notice of intent to modify the plan 4 5 within 15 days of the notification of rejection and then submit a modified plan within 30 days after the date of the 6 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 plan for the following year shall allocate funds, in 18 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.

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

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

17 The State Board of Education shall promulgate rules and to 18 regulations 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.

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(1) Notwithstanding any other provisions of this Section, 1 2 the amount of the aggregate general State aid in combination with supplemental general State aid under this Section for 3 which each school district is eligible shall be no less than 4 5 the amount of the aggregate general State aid entitlement that was received by the district under Section 18-8 (exclusive of 6 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 receive for each school year shall be no less than the amount 14 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 Section) for the 1997-1998 school year, pursuant to the 18 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

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

5

(3) (Blank).

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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.

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

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

public school which is created and operated by a Regional 1 2 Superintendent of Schools and approved by the State Board of Education. Such alternative schools may offer courses of 3 instruction for which credit is given in regular 4 school programs, courses to prepare students for the high school 5 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 such terms as the regional superintendents of schools of those 14 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 State aid claim which states the Average Daily Attendance of 18 the school's students by month. The best 3 months' Average 19 20 Daily Attendance shall be computed for each school. The general State aid entitlement shall be computed by multiplying the 21 22 applicable Average Daily Attendance by the Foundation Level as 23 determined under this Section.

(L) Payments, Additional Grants in Aid and Other Requirements.(1) For a school district operating under the financial

supervision of an Authority created under Article 34A, the 1 2 general State aid otherwise payable to that district under this 3 Section, but not the supplemental general State aid, shall be reduced by an amount equal to the budget for the operations of 4 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 subsection (M) referred to as the "Board", is hereby created. 18 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 appointment is made as the chairperson of the Board. The 24 25 initial members of the Board may be appointed any time after

the effective date of this amendatory Act of 1997. The regular 1 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 member's appointment is to commence, except that of the 5 4 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 January, 2001, and 2 of their number to serve for terms that 13 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 shall be filled in the same manner as original appointments. If 18 19 a vacancy in membership occurs at a time when the Senate is not 20 in session, the Governor shall make a temporary appointment until the next meeting of the Senate, when he or she shall 21 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.

The Education Funding Advisory Board shall be deemed 1 2 established, and the initial members appointed by the Governor to serve as members of the Board shall take office, on the date 3 that the Governor makes his or her appointment of the fifth 4 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 Governor as in the case of vacancies. 8

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 State Board of Education, shall make recommendations as 15 16 provided in this subsection (M) to the General Assembly for the 17 foundation level under subdivision (B)(3) of this Section and for the supplemental general State aid grant level under 18 subsection (H) of this Section for districts with high 19 concentrations of children from poverty. The recommended 20 foundation level shall be determined based on a methodology 21 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.

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

17 (Source: P.A. 95-331, eff. 8-21-07; 95-644, eff. 10-12-07; 18 95-707, eff. 1-11-08; 95-744, eff. 7-18-08; 95-903, eff. 19 8-25-08; 96-45, eff. 7-15-09; 96-152, eff. 8-7-09; 96-300, eff. 20 8-11-09; 96-328, eff. 8-11-09; 96-640, eff. 8-24-09; revised 21 10-23-09.)