



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

HB4299

Introduced 1/14/2026, by Rep. Jed Davis

#### SYNOPSIS AS INTRODUCED:

New Act

Creates the School Spending Efficiency and Relief Act. Requires each school district to undertake budgetary and expenditure control actions to ensure that administrative expenditures do not exceed 15% of the school district's total operating expenditures. Requires any school district with administrative expenditures exceeding 15% of its total operating expenditures to implement a mandatory annual reduction plan that reduces administrative expenditures by 1% for such time as is required to bring the school district into compliance. Prohibits any school district that is out of compliance from hiring additional administrative personnel. Requires each school district to post an annual budget report online. Allows a school district to increase its tax levy only if the average student enrollment increases by an amount proportional to the tax levy. Requires a school district to decrease its tax levy by a proportional amount whenever the school district's average student enrollment declines. Requires any new contract for a superintendent or assistant superintendent position to be made publicly available at least 30 days prior to approval. Requires any proposal by a school district to increase expenditures on outside consultants and any consultant contract in excess of \$25,000 to be made publicly available at least 30 days prior to approval. Requires each school district to enact a budget that either maintains or increases instructional spending as a percentage of total school district expenditures. Provides for a State mandate relief block grant program and a voluntary statewide purchasing consortium. Makes other changes. Repeals the Act on January 1, 2032. Effective immediately.

LRB104 17055 LNS 30470 b

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

A BILL FOR

1 AN ACT concerning education.

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

4 Section 1. Short title. This Act may be cited as the School  
5 Spending Efficiency and Relief Act.

6 Section 5. Findings and purpose.

7 (a) The General Assembly finds that (i) State property  
8 taxes are driven primarily by school district spending and  
9 (ii) administrative and nonclassroom expenditures have grown  
10 faster than enrollment statewide.

11 (b) It is the purpose of this Act to establish enforceable  
12 caps, efficiency requirements, transparency measures, and levy  
13 alignment based on enrollment to reduce the burden on  
14 taxpayers without harming classroom instruction.

15 Section 10. Administrative spending cap.

16 (a) For the purposes of this Section, "administrative  
17 expenditures" has the same meaning given to that term in  
18 Section 17-1.5 of the School Code. However, "administrative  
19 expenditures" does not include expenses stemming from  
20 federally mandated positions, including, but not limited to,  
21 case managers, compliance officers, or special education  
22 administrators required by the federal Individuals with

1 Disabilities Education Act, in which employees primarily  
2 perform the job duties required under federal law, as  
3 certified in writing by a school district. "Administrative  
4 expenditures" includes consultants hired to promote cultural  
5 competency or diversity, equity, or inclusion initiatives.

6 (b) For the 2027-2028 school year and each school year  
7 thereafter, each school district shall undertake budgetary and  
8 expenditure control actions to ensure that administrative  
9 expenditures do not exceed 15% of the school district's total  
10 operating expenditures.

11 (c) For the 2027-2028 school year and each school year  
12 thereafter, any school district with administrative  
13 expenditures exceeding 15% of its total operating expenditures  
14 shall implement a mandatory annual reduction plan that reduces  
15 administrative expenditures by 1% for such time as is required  
16 to bring the school district into compliance with this  
17 Section. Any school district that is out of compliance with  
18 this Section may not hire additional administrative personnel  
19 until compliant. Vacant administrative positions may only be  
20 filled after documenting necessity and obtaining school board  
21 approval at a public meeting.

22 (d) Subject to State and federal law, each school district  
23 shall post an annual budget report online on the school  
24 district's Internet website. The report shall display the  
25 percentage of the budget allocated for administrative  
26 expenditures and instructional expenditures for the current

1 fiscal year, as well as the 4 previous fiscal years.

2 (e) A school district may not evade administrative  
3 spending caps under this Section by:

4 (1) reclassifying administrative roles as  
5 instructional;

6 (2) moving administrative costs to cooperatives,  
7 regional offices of education, or service agreements;

8 (3) renaming titles or reorganizing chart structures;

9 (4) outsourcing administrative functions to  
10 consultants; or

11 (5) splitting contracts to evade reporting thresholds.

12 (f) A school district that is in violation of this Section  
13 and fails to abide by the terms of the annual reduction plan  
14 under subsection (c) is subject to referral to the Auditor  
15 General, who may create a corrective action plan for the  
16 school district. A corrective action plan may include a  
17 requirement that the school district reduce the next tax levy  
18 by an amount equivalent to the prohibited expenditures in the  
19 preceding fiscal year. A school district may also be required  
20 to receive the approval of its regional superintendent of  
21 schools or intermediate service center for any proposed budget  
22 prior to the school board's approval of that budget. The  
23 county clerk may not approve any tax levy that has not been  
24 approved by the regional superintendent of schools or  
25 intermediate service center for any school district subject to  
26 this restriction.

1 Section 15. Enrollment-adjusted levy requirement.

2 (a) For the 2027-2028 school year and every school year  
3 thereafter, a school district may increase its tax levy only  
4 if the average student enrollment, as defined in Section  
5 18-8.15 of the School Code, used to calculate the school  
6 district's latest evidence-based funding under Section 18-8.15  
7 of the School Code increases by an amount proportional to the  
8 tax levy, subject to the Property Tax Extension Limitation  
9 Law.

10 (b) For the 2027-2028 school year and every school year  
11 thereafter, a school district shall decrease its tax levy by a  
12 proportional amount whenever the school district's average  
13 student enrollment, as defined in Section 18-8.15 of the  
14 School Code, declines.

15 Section 20. Superintendent contract reform.

16 (a) For the 2027-2028 school year and every school year  
17 thereafter, any new contract for a school district  
18 superintendent or assistant superintendent position shall be  
19 made publicly available on the school district's Internet  
20 website for a period of at least 30 days prior to approval by  
21 the school board. If any changes are made to the contract  
22 during the negotiation process, the version of the contract to  
23 be voted on by the school board must be made available in the  
24 same manner for at least 30 days prior to approval.

1           (b) For the 2027-2028 school year and every school year  
2 thereafter, no new superintendent or assistant superintendent  
3 contract may contain a provision that grants a silent or  
4 midterm automatic extension, inflation escalator, automatic  
5 raise, or automatic benefit increase.

6           Section 25. Consultant contract limitations. For the  
7 2027-2028 school year and every school year thereafter, any  
8 proposal by a school district to increase expenditures on  
9 outside consultants, as well as any consultant contract in  
10 excess of \$25,000, shall be made publicly available on the  
11 school district's Internet website for a period of at least 30  
12 days prior to approval by the school board.

13           Section 30. Instructional protection measures. For the  
14 2027-2028 school year and every school year thereafter, each  
15 school district shall enact a budget that either maintains or  
16 increases instructional spending as a percentage of total  
17 school district expenditures, and the number of funded  
18 positions that are directly responsible for pupil instruction  
19 must not be decreased except in cases of a decline in the  
20 school district's average student enrollment, as defined in  
21 Section 18-8.15 of the School Code.

22           Section 35. State mandate relief block grant program.  
23 Subject to appropriation, the State Board of Education shall

1 establish a block grant program for the purpose of offsetting  
2 the cost of State mandates to school districts. A school  
3 district that applies for funding through the program must  
4 maintain compliance with the provisions of this Act to be  
5 eligible.

6 Section 40. Voluntary statewide purchasing consortium.  
7 Subject to appropriation, the State Board of Education shall  
8 establish a voluntary statewide purchasing consortium for the  
9 provision of insurance, supplies, transportation, technology,  
10 curriculum materials, and energy contracts.

11 Section 45. Liability. A municipality, county, regional  
12 office of education, intermediate service center, regional  
13 superintendent of schools, or county clerk acting in good  
14 faith in compliance with this Act is immune from any civil  
15 liability related to the enforcement of this Act.

16 Section 90. Repeal. This Act is repealed on January 1,  
17 2032.

18 Section 99. Effective date. This Act takes effect upon  
19 becoming law.