



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2937

Introduced 1/27/2026, by Sen. Robert F. Martwick

SYNOPSIS AS INTRODUCED:

40 ILCS 5/17-127	from Ch. 108 1/2, par. 17-127
40 ILCS 5/17-129	from Ch. 108 1/2, par. 17-129
105 ILCS 5/18-8.15	

Amends the Chicago Teacher Article of the Illinois Pension Code. Provides that beginning in State fiscal year 2027, the State (instead of the Chicago Board of Education) shall contribute for each of fiscal years 2027 through 2059, a minimum contribution to the Fund in an amount determined by the Fund to be sufficient to bring the total assets of the Fund up to 90% of the total actuarial liabilities of the Fund by the end of fiscal year 2059. Provides that, in making these determinations, the required contribution shall be calculated each year as a level percentage of the applicable employee payrolls over the years remaining to and including fiscal year 2059 and shall be determined under the projected unit credit actuarial cost method. Amends the School Code to make a conforming change in provisions concerning evidence-based funding. Effective immediately.

LRB104 19547 RPS 32995 b

1 AN ACT concerning public employee benefits.

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

4 Section 5. The Illinois Pension Code is amended by
5 changing Sections 17-127 and 17-129 as follows:

6 (40 ILCS 5/17-127) (from Ch. 108 1/2, par. 17-127)

7 Sec. 17-127. Financing; revenues for the Fund.

8 (a) The revenues for the Fund shall consist of: (1)
9 amounts paid into the Fund by contributors thereto and from
10 employer contributions and State appropriations in accordance
11 with this Article; (2) amounts contributed to the Fund by an
12 Employer; (3) amounts contributed to the Fund pursuant to any
13 law now in force or hereafter to be enacted; (4) contributions
14 from any other source; and (5) the earnings on investments.

15 (b) The General Assembly finds that for many years the
16 State has contributed to the Fund an annual amount that is
17 between 20% and 30% of the amount of the annual State
18 contribution to the Article 16 retirement system, and the
19 General Assembly declares that it is its goal and intention to
20 continue this level of contribution to the Fund in the future.

21 (c) Beginning in State fiscal year 1999, the State shall
22 include in its annual contribution to the Fund an additional
23 amount equal to 0.544% of the Fund's total teacher payroll;

1 except that this additional contribution need not be made in a
2 fiscal year if the Board has certified in the previous fiscal
3 year that the Fund is at least 90% funded, based on actuarial
4 determinations. These additional State contributions are
5 intended to offset a portion of the cost to the Fund of the
6 increases in retirement benefits resulting from this
7 amendatory Act of 1998.

8 (d) In addition to any other contribution required under
9 this Article, including the contribution required under
10 subsection (c), the State shall contribute to the Fund the
11 following amounts:

12 (1) For State fiscal year 2018, the State shall
13 contribute \$221,300,000 for the employer normal cost for
14 fiscal year 2018 and the amount allowed under paragraph
15 (3) of Section 17-142.1 of this Code to defray health
16 insurance costs. Funds for this paragraph (1) shall come
17 from funds appropriated for Evidence-Based Funding
18 pursuant to Section 18-8.15 of the School Code.

19 (2) Beginning in State fiscal year 2019, the State
20 shall contribute for each fiscal year an amount to be
21 determined by the Fund, equal to the employer normal cost
22 for that fiscal year, plus the amount allowed pursuant to
23 paragraph (3) of Section 17-142.1 to defray health
24 insurance costs.

25 (3) Beginning in State fiscal year 2027, the State
26 shall contribute for each of fiscal years 2027 through

1 2059, a minimum contribution to the Fund in an amount
2 determined by the Fund to be sufficient to bring the total
3 assets of the Fund up to 90% of the total actuarial
4 liabilities of the Fund by the end of fiscal year 2059. In
5 making these determinations, the required contribution
6 shall be calculated each year as a level percentage of the
7 applicable employee payrolls over the years remaining to
8 and including fiscal year 2059 and shall be determined
9 under the projected unit credit actuarial cost method.

10 (e) The Board shall determine the amount of State
11 contributions required for each fiscal year on the basis of
12 the actuarial tables and other assumptions adopted by the
13 Board and the recommendations of the actuary. On or before
14 November 1 of each year, beginning November 1, 2017, the Board
15 shall submit to the State Actuary, the Governor, and the
16 General Assembly a proposed certification of the amount of the
17 required State contribution to the Fund for the next fiscal
18 year, along with all of the actuarial assumptions,
19 calculations, and data upon which that proposed certification
20 is based.

21 On or before January 1 of each year, beginning January 1,
22 2018, the State Actuary shall issue a preliminary report
23 concerning the proposed certification and identifying, if
24 necessary, recommended changes in actuarial assumptions that
25 the Board must consider before finalizing its certification of
26 the required State contributions.

1 (f) On or before January 15, 2018 and each January 15
2 thereafter, the Board shall certify to the Governor and the
3 General Assembly the amount of the required State contribution
4 for the next fiscal year. The certification shall include a
5 copy of the actuarial recommendations upon which it is based
6 and shall specifically identify the Fund's projected employer
7 normal cost for that fiscal year. The Board's certification
8 must note any deviations from the State Actuary's recommended
9 changes, the reason or reasons for not following the State
10 Actuary's recommended changes, and the fiscal impact of not
11 following the State Actuary's recommended changes on the
12 required State contribution.

13 For the purposes of this Article, including issuing
14 vouchers, and for the purposes of subsection (h) of Section
15 1.1 of the State Pension Funds Continuing Appropriation Act,
16 the State contribution specified for State fiscal year 2018
17 shall be deemed to have been certified, by operation of law and
18 without official action by the Board or the State Actuary, in
19 the amount provided in subsection (c) and subsection (d) of
20 this Section.

21 (g) For State fiscal year 2018, the State Board of
22 Education shall submit vouchers, as directed by the Board, for
23 payment of State contributions to the Fund for the required
24 annual State contribution under subsection (d) of this
25 Section. These vouchers shall be paid by the State Comptroller
26 and Treasurer by warrants drawn on the amount appropriated to

1 the State Board of Education from the Common School Fund in
2 Section 5 of Article 97 of Public Act 100-21. If State
3 appropriations for State fiscal year 2018 are less than the
4 amount lawfully vouchered under this subsection, the
5 difference shall be paid from the Common School Fund under the
6 continuing appropriation authority provided in Section 1.1 of
7 the State Pension Funds Continuing Appropriation Act.

8 (h) For State fiscal year 2018, the Board shall submit
9 vouchers for the payment of State contributions to the Fund
10 for the required annual State contribution under subsection
11 (c) of this Section. Beginning in State fiscal year 2019, the
12 Board shall submit vouchers for payment of State contributions
13 to the Fund for the required annual State contribution under
14 subsections (c) and (d) of this Section. These vouchers shall
15 be paid by the State Comptroller and Treasurer by warrants
16 drawn on the funds appropriated to the Fund for that fiscal
17 year. If State appropriations to the Fund for the applicable
18 fiscal year are less than the amount lawfully vouchered under
19 this subsection, the difference shall be paid from the Common
20 School Fund under the continuing appropriation authority
21 provided in Section 1.1 of the State Pension Funds Continuing
22 Appropriation Act.

23 (Source: P.A. 100-465, eff. 8-31-17.)

24 (40 ILCS 5/17-129) (from Ch. 108 1/2, par. 17-129)

25 Sec. 17-129. Employer contributions; deficiency in Fund.

1 (a) If in any fiscal year of the Board of Education ending
2 prior to 1997 the total amounts paid to the Fund from the Board
3 of Education (other than under this subsection, and other than
4 amounts used for making or "picking up" contributions on
5 behalf of teachers) and from the State do not equal the total
6 contributions made by or on behalf of the teachers for such
7 year, or if the total income of the Fund in any such fiscal
8 year of the Board of Education from all sources is less than
9 the total such expenditures by the Fund for such year, the
10 Board of Education shall, in the next succeeding year, in
11 addition to any other payment to the Fund set apart and
12 appropriate from moneys from its tax levy for educational
13 purposes, a sum sufficient to remove such deficiency or
14 deficiencies, and promptly pay such sum into the Fund in order
15 to restore any of the reserves of the Fund that may have been
16 so temporarily applied. Any amounts received by the Fund after
17 December 4, 1997 from State appropriations, including under
18 Section 17-127, shall be a credit against and shall fully
19 satisfy any obligation that may have arisen, or be claimed to
20 have arisen, under this subsection (a) as a result of any
21 deficiency or deficiencies in the fiscal year of the Board of
22 Education ending in calendar year 1997.

23 (b) (i) Notwithstanding any other provision of this
24 Section, and notwithstanding any prior certification by the
25 Board under subsection (c) for fiscal year 2011, the Board of
26 Education's total required contribution to the Fund for fiscal

1 year 2011 under this Section is \$187,000,000.

2 (ii) Notwithstanding any other provision of this Section,
3 the Board of Education's total required contribution to the
4 Fund for fiscal year 2012 under this Section is \$192,000,000.

5 (iii) Notwithstanding any other provision of this Section,
6 the Board of Education's total required contribution to the
7 Fund for fiscal year 2013 under this Section is \$196,000,000.

8 (iv) For fiscal years 2014 through 2026 ~~2059~~, the minimum
9 contribution to the Fund to be made by the Board of Education
10 in each fiscal year shall be an amount determined by the Fund
11 to be sufficient to bring the total assets of the Fund up to
12 90% of the total actuarial liabilities of the Fund by the end
13 of fiscal year 2059. In making these determinations, the
14 required Board of Education contribution shall be calculated
15 each year as a level percentage of the applicable employee
16 payrolls over the years remaining to and including fiscal year
17 2059 and shall be determined under the projected unit credit
18 actuarial cost method.

19 (v) Beginning in fiscal year 2060, the minimum Board of
20 Education contribution for each fiscal year shall be the
21 amount needed to maintain the total assets of the Fund at 90%
22 of the total actuarial liabilities of the Fund.

23 (vi) Notwithstanding any other provision of this
24 subsection (b), for any fiscal year, the contribution to the
25 Fund from the Board of Education shall not be required to be in
26 excess of the amount calculated as needed to maintain the

1 assets (or cause the assets to be) at the 90% level by the end
2 of the fiscal year.

3 (vii) Any contribution by the State to or for the benefit
4 of the Fund, including, without limitation, as referred to
5 under Section 17-127, shall be a credit against any
6 contribution required to be made by the Board of Education
7 under this subsection (b).

8 (c) The Board shall determine the amount of Board of
9 Education contributions required for each fiscal year on the
10 basis of the actuarial tables and other assumptions adopted by
11 the Board and the recommendations of the actuary, in order to
12 meet the minimum contribution requirements of subsections (a)
13 and (b). Annually, on or before February 28, the Board shall
14 certify to the Board of Education the amount of the required
15 Board of Education contribution for the coming fiscal year.
16 The certification shall include a copy of the actuarial
17 recommendations upon which it is based.

18 (Source: P.A. 96-889, eff. 4-14-10.)

19 Section 10. The School Code is amended by changing Section
20 18-8.15 as follows:

21 (105 ILCS 5/18-8.15)

22 Sec. 18-8.15. Evidence-Based Funding for student success
23 for the 2017-2018 and subsequent school years.

24 (a) General provisions.

1 (1) The purpose of this Section is to ensure that, by
2 June 30, 2027 and beyond, this State has a kindergarten
3 through grade 12 public education system with the capacity
4 to ensure the educational development of all persons to
5 the limits of their capacities in accordance with Section
6 1 of Article X of the Constitution of the State of
7 Illinois. To accomplish that objective, this Section
8 creates a method of funding public education that is
9 evidence-based; is sufficient to ensure every student
10 receives a meaningful opportunity to learn irrespective of
11 race, ethnicity, sexual orientation, gender, or
12 community-income level; and is sustainable and
13 predictable. When fully funded under this Section, every
14 school shall have the resources, based on what the
15 evidence indicates is needed, to:

16 (A) provide all students with a high quality
17 education that offers the academic, enrichment, social
18 and emotional support, technical, and career-focused
19 programs that will allow them to become competitive
20 workers, responsible parents, productive citizens of
21 this State, and active members of our national
22 democracy;

23 (B) ensure all students receive the education they
24 need to graduate from high school with the skills
25 required to pursue post-secondary education and
26 training for a rewarding career;

1 (C) reduce, with a goal of eliminating, the
2 achievement gap between at-risk and non-at-risk
3 students by raising the performance of at-risk
4 students and not by reducing standards; and

5 (D) ensure this State satisfies its obligation to
6 assume the primary responsibility to fund public
7 education and simultaneously relieve the
8 disproportionate burden placed on local property taxes
9 to fund schools.

10 (2) The Evidence-Based Funding formula under this
11 Section shall be applied to all Organizational Units in
12 this State. The Evidence-Based Funding formula outlined in
13 this Act is based on the formula outlined in Senate Bill 1
14 of the 100th General Assembly, as passed by both
15 legislative chambers. As further defined and described in
16 this Section, there are 4 major components of the
17 Evidence-Based Funding model:

18 (A) First, the model calculates a unique Adequacy
19 Target for each Organizational Unit in this State that
20 considers the costs to implement research-based
21 activities, the unit's student demographics, and
22 regional wage differences.

23 (B) Second, the model calculates each
24 Organizational Unit's Local Capacity, or the amount
25 each Organizational Unit is assumed to contribute
26 toward its Adequacy Target from local resources.

1 (C) Third, the model calculates how much funding
2 the State currently contributes to the Organizational
3 Unit and adds that to the unit's Local Capacity to
4 determine the unit's overall current adequacy of
5 funding.

6 (D) Finally, the model's distribution method
7 allocates new State funding to those Organizational
8 Units that are least well-funded, considering both
9 Local Capacity and State funding, in relation to their
10 Adequacy Target.

11 (3) An Organizational Unit receiving any funding under
12 this Section may apply those funds to any fund so received
13 for which that Organizational Unit is authorized to make
14 expenditures by law.

15 (4) As used in this Section, the following terms shall
16 have the meanings ascribed in this paragraph (4):

17 "Adequacy Target" is defined in paragraph (1) of
18 subsection (b) of this Section.

19 "Adjusted EAV" is defined in paragraph (4) of
20 subsection (d) of this Section.

21 "Adjusted Local Capacity Target" is defined in
22 paragraph (3) of subsection (c) of this Section.

23 "Adjusted Operating Tax Rate" means a tax rate for all
24 Organizational Units, for which the State Superintendent
25 shall calculate and subtract for the Operating Tax Rate a
26 transportation rate based on total expenses for

1 transportation services under this Code, as reported on
2 the most recent Annual Financial Report in Pupil
3 Transportation Services, function 2550 in both the
4 Education and Transportation funds and functions 4110 and
5 4120 in the Transportation fund, less any corresponding
6 fiscal year State of Illinois scheduled payments excluding
7 net adjustments for prior years for regular, vocational,
8 or special education transportation reimbursement pursuant
9 to Section 29-5 or subsection (b) of Section 14-13.01 of
10 this Code divided by the Adjusted EAV. If an
11 Organizational Unit's corresponding fiscal year State of
12 Illinois scheduled payments excluding net adjustments for
13 prior years for regular, vocational, or special education
14 transportation reimbursement pursuant to Section 29-5 or
15 subsection (b) of Section 14-13.01 of this Code exceed the
16 total transportation expenses, as defined in this
17 paragraph, no transportation rate shall be subtracted from
18 the Operating Tax Rate.

19 "Allocation Rate" is defined in paragraph (3) of
20 subsection (g) of this Section.

21 "Alternative School" means a public school that is
22 created and operated by a regional superintendent of
23 schools and approved by the State Board.

24 "Applicable Tax Rate" is defined in paragraph (1) of
25 subsection (d) of this Section.

26 "Assessment" means any of those benchmark, progress

1 monitoring, formative, diagnostic, and other assessments,
2 in addition to the State accountability assessment, that
3 assist teachers' needs in understanding the skills and
4 meeting the needs of the students they serve.

5 "Assistant principal" means a school administrator
6 duly endorsed to be employed as an assistant principal in
7 this State.

8 "At-risk student" means a student who is at risk of
9 not meeting the Illinois Learning Standards or not
10 graduating from elementary or high school and who
11 demonstrates a need for vocational support or social
12 services beyond that provided by the regular school
13 program. All students included in an Organizational Unit's
14 Low-Income Count, as well as all English learner and
15 disabled students attending the Organizational Unit, shall
16 be considered at-risk students under this Section.

17 "Average Student Enrollment" or "ASE" for fiscal year
18 2018 means, for an Organizational Unit, the greater of the
19 average number of students (grades K through 12) reported
20 to the State Board as enrolled in the Organizational Unit
21 on October 1 in the immediately preceding school year,
22 plus the pre-kindergarten students who receive special
23 education services of 2 or more hours a day as reported to
24 the State Board on December 1 in the immediately preceding
25 school year, or the average number of students (grades K
26 through 12) reported to the State Board as enrolled in the

1 Organizational Unit on October 1, plus the
2 pre-kindergarten students who receive special education
3 services of 2 or more hours a day as reported to the State
4 Board on December 1, for each of the immediately preceding
5 3 school years. For fiscal year 2019 and each subsequent
6 fiscal year, "Average Student Enrollment" or "ASE" means,
7 for an Organizational Unit, the greater of the average
8 number of students (grades K through 12) reported to the
9 State Board as enrolled in the Organizational Unit on
10 October 1 and March 1 in the immediately preceding school
11 year, plus the pre-kindergarten students who receive
12 special education services as reported to the State Board
13 on October 1 and March 1 in the immediately preceding
14 school year, or the average number of students (grades K
15 through 12) reported to the State Board as enrolled in the
16 Organizational Unit on October 1 and March 1, plus the
17 pre-kindergarten students who receive special education
18 services as reported to the State Board on October 1 and
19 March 1, for each of the immediately preceding 3 school
20 years. For the purposes of this definition, "enrolled in
21 the Organizational Unit" means the number of students
22 reported to the State Board who are enrolled in schools
23 within the Organizational Unit that the student attends or
24 would attend if not placed or transferred to another
25 school or program to receive needed services. For the
26 purposes of calculating "ASE", all students, grades K

1 through 12, excluding those attending kindergarten for a
2 half day and students attending an alternative education
3 program operated by a regional office of education or
4 intermediate service center, shall be counted as 1.0. All
5 students attending kindergarten for a half day shall be
6 counted as 0.5, unless in 2017 by June 15 or by March 1 in
7 subsequent years, the school district reports to the State
8 Board of Education the intent to implement full-day
9 kindergarten district-wide for all students, then all
10 students attending kindergarten shall be counted as 1.0.
11 Special education pre-kindergarten students shall be
12 counted as 0.5 each. If the State Board does not collect or
13 has not collected both an October 1 and March 1 enrollment
14 count by grade or a December 1 collection of special
15 education pre-kindergarten students as of August 31, 2017
16 (the effective date of Public Act 100-465), it shall
17 establish such collection for all future years. For any
18 year in which a count by grade level was collected only
19 once, that count shall be used as the single count
20 available for computing a 3-year average ASE. Funding for
21 programs operated by a regional office of education or an
22 intermediate service center must be calculated using the
23 Evidence-Based Funding formula under this Section for the
24 2019-2020 school year and each subsequent school year
25 until separate adequacy formulas are developed and adopted
26 for each type of program. ASE for a program operated by a

1 regional office of education or an intermediate service
2 center must be determined by the March 1 enrollment for
3 the program. For the 2019-2020 school year, the ASE used
4 in the calculation must be the first-year ASE and, in that
5 year only, the assignment of students served by a regional
6 office of education or intermediate service center shall
7 not result in a reduction of the March enrollment for any
8 school district. For the 2020-2021 school year, the ASE
9 must be the greater of the current-year ASE or the 2-year
10 average ASE. Beginning with the 2021-2022 school year, the
11 ASE must be the greater of the current-year ASE or the
12 3-year average ASE. School districts shall submit the data
13 for the ASE calculation to the State Board within 45 days
14 of the dates required in this Section for submission of
15 enrollment data in order for it to be included in the ASE
16 calculation. For fiscal year 2018 only, the ASE
17 calculation shall include only enrollment taken on October
18 1. In recognition of the impact of COVID-19, the
19 definition of "Average Student Enrollment" or "ASE" shall
20 be adjusted for calculations under this Section for fiscal
21 years 2022 through 2024. For fiscal years 2022 through
22 2024, the enrollment used in the calculation of ASE
23 representing the 2020-2021 school year shall be the
24 greater of the enrollment for the 2020-2021 school year or
25 the 2019-2020 school year.

26 "Base Funding Guarantee" is defined in paragraph (10)

1 of subsection (g) of this Section.

2 "Base Funding Minimum" is defined in subsection (e) of
3 this Section.

4 "Base Tax Year" means the property tax levy year used
5 to calculate the Budget Year allocation of primary State
6 aid.

7 "Base Tax Year's Extension" means the product of the
8 equalized assessed valuation utilized by the county clerk
9 in the Base Tax Year multiplied by the limiting rate as
10 calculated by the county clerk and defined in PTELL.

11 "Bilingual Education Allocation" means the amount of
12 an Organizational Unit's final Adequacy Target
13 attributable to bilingual education divided by the
14 Organizational Unit's final Adequacy Target, the product
15 of which shall be multiplied by the amount of new funding
16 received pursuant to this Section. An Organizational
17 Unit's final Adequacy Target attributable to bilingual
18 education shall include all additional investments in
19 English learner students' adequacy elements.

20 "Budget Year" means the school year for which primary
21 State aid is calculated and awarded under this Section.

22 "Central office" means individual administrators and
23 support service personnel charged with managing the
24 instructional programs, business and operations, and
25 security of the Organizational Unit.

26 "Comparable Wage Index" or "CWI" means a regional cost

1 differentiation metric that measures systemic, regional
2 variations in the salaries of college graduates who are
3 not educators. The CWI utilized for this Section shall,
4 for the first 3 years of Evidence-Based Funding
5 implementation, be the CWI initially developed by the
6 National Center for Education Statistics, as most recently
7 updated by Texas A & M University. In the fourth and
8 subsequent years of Evidence-Based Funding implementation,
9 the State Superintendent shall re-determine the CWI using
10 the methodology identified in a comparable wage index
11 study developed by the University of Illinois, with
12 adjustments made no less frequently than once every 5
13 years.

14 "Computer technology and equipment" means computers
15 servers, notebooks, network equipment, copiers, printers,
16 instructional software, security software, curriculum
17 management courseware, and other similar materials and
18 equipment.

19 "Computer technology and equipment investment
20 allocation" means the final Adequacy Target amount of an
21 Organizational Unit assigned to Tier 1 or Tier 2 in the
22 prior school year attributable to the additional \$285.50
23 per student computer technology and equipment investment
24 grant divided by the Organizational Unit's final Adequacy
25 Target, the result of which shall be multiplied by the
26 amount of new funding received pursuant to this Section.

1 An Organizational Unit assigned to a Tier 1 or Tier 2 final
2 Adequacy Target attributable to the received computer
3 technology and equipment investment grant shall include
4 all additional investments in computer technology and
5 equipment adequacy elements.

6 "Core subject" means mathematics; science; reading,
7 English, writing, and language arts; history and social
8 studies; world languages; and subjects taught as Advanced
9 Placement in high schools.

10 "Core teacher" means a regular classroom teacher in
11 elementary schools and teachers of a core subject in
12 middle and high schools.

13 "Core Intervention teacher (tutor)" means a licensed
14 teacher providing one-on-one or small group tutoring to
15 students struggling to meet proficiency in core subjects.

16 "CPPRT" means corporate personal property replacement
17 tax funds paid to an Organizational Unit during the
18 calendar year one year before the calendar year in which a
19 school year begins, pursuant to "An Act in relation to the
20 abolition of ad valorem personal property tax and the
21 replacement of revenues lost thereby, and amending and
22 repealing certain Acts and parts of Acts in connection
23 therewith", certified August 14, 1979, as amended (Public
24 Act 81-1st S.S.-1).

25 "EAV" means equalized assessed valuation as defined in
26 paragraph (2) of subsection (d) of this Section and

1 calculated in accordance with paragraph (3) of subsection
2 (d) of this Section.

3 "ECI" means the Bureau of Labor Statistics' national
4 employment cost index for civilian workers in educational
5 services in elementary and secondary schools on a
6 cumulative basis for the 12-month calendar year preceding
7 the fiscal year of the Evidence-Based Funding calculation.

8 "EIS Data" means the employment information system
9 data maintained by the State Board on educators within
10 Organizational Units.

11 "Employee benefits" means health, dental, and vision
12 insurance offered to employees of an Organizational Unit,
13 the costs associated with the statutorily required payment
14 of the normal cost of the Organizational Unit's teacher
15 pensions, Social Security employer contributions, and
16 Illinois Municipal Retirement Fund employer contributions.

17 "English learner" or "EL" means a child included in
18 the definition of "English learners" under Section 14C-2
19 of this Code participating in a program of transitional
20 bilingual education or a transitional program of
21 instruction meeting the requirements and program
22 application procedures of Article 14C of this Code. For
23 the purposes of collecting the number of EL students
24 enrolled, the same collection and calculation methodology
25 as defined above for "ASE" shall apply to English
26 learners, with the exception that EL student enrollment

1 shall include students in grades pre-kindergarten through
2 12.

3 "Essential Elements" means those elements, resources,
4 and educational programs that have been identified through
5 academic research as necessary to improve student success,
6 improve academic performance, close achievement gaps, and
7 provide for other per student costs related to the
8 delivery and leadership of the Organizational Unit, as
9 well as the maintenance and operations of the unit, and
10 which are specified in paragraph (2) of subsection (b) of
11 this Section.

12 "Evidence-Based Funding" means State funding provided
13 to an Organizational Unit pursuant to this Section.

14 "Extended day" means academic and enrichment programs
15 provided to students outside the regular school day before
16 and after school or during non-instructional times during
17 the school day.

18 "Extension Limitation Ratio" means a numerical ratio
19 in which the numerator is the Base Tax Year's Extension
20 and the denominator is the Preceding Tax Year's Extension.

21 "Final Percent of Adequacy" is defined in paragraph
22 (4) of subsection (f) of this Section.

23 "Final Resources" is defined in paragraph (3) of
24 subsection (f) of this Section.

25 "Full-time equivalent" or "FTE" means the full-time
26 equivalency compensation for staffing the relevant

1 position at an Organizational Unit.

2 "Funding Gap" is defined in paragraph (1) of
3 subsection (g).

4 "Hybrid District" means a partial elementary unit
5 district created pursuant to Article 11E of this Code.

6 "Instructional assistant" means a core or special
7 education, non-licensed employee who assists a teacher in
8 the classroom and provides academic support to students.

9 "Instructional facilitator" means a qualified teacher
10 or licensed teacher leader who facilitates and coaches
11 continuous improvement in classroom instruction; provides
12 instructional support to teachers in the elements of
13 research-based instruction or demonstrates the alignment
14 of instruction with curriculum standards and assessment
15 tools; develops or coordinates instructional programs or
16 strategies; develops and implements training; chooses
17 standards-based instructional materials; provides
18 teachers with an understanding of current research; serves
19 as a mentor, site coach, curriculum specialist, or lead
20 teacher; or otherwise works with fellow teachers, in
21 collaboration, to use data to improve instructional
22 practice or develop model lessons.

23 "Instructional materials" means relevant
24 instructional materials for student instruction,
25 including, but not limited to, textbooks, consumable
26 workbooks, laboratory equipment, library books, and other

1 similar materials.

2 "Laboratory School" means a public school that is
3 created and operated by a public university and approved
4 by the State Board.

5 "Librarian" means a teacher with an endorsement as a
6 library information specialist or another individual whose
7 primary responsibility is overseeing library resources
8 within an Organizational Unit.

9 "Limiting rate for Hybrid Districts" means the
10 combined elementary school and high school limiting rates.

11 "Local Capacity" is defined in paragraph (1) of
12 subsection (c) of this Section.

13 "Local Capacity Percentage" is defined in subparagraph
14 (A) of paragraph (2) of subsection (c) of this Section.

15 "Local Capacity Ratio" is defined in subparagraph (B)
16 of paragraph (2) of subsection (c) of this Section.

17 "Local Capacity Target" is defined in paragraph (2) of
18 subsection (c) of this Section.

19 "Low-Income Count" means, for an Organizational Unit
20 in a fiscal year, the higher of the average number of
21 students for the prior school year or the immediately
22 preceding 3 school years who, as of July 1 of the
23 immediately preceding fiscal year (as determined by the
24 Department of Human Services), are eligible for at least
25 one of the following low-income programs: Medicaid, the
26 Children's Health Insurance Program, Temporary Assistance

1 for Needy Families (TANF), or the Supplemental Nutrition
2 Assistance Program, excluding pupils who are eligible for
3 services provided by the Department of Children and Family
4 Services. Until such time that grade level low-income
5 populations become available, grade level low-income
6 populations shall be determined by applying the low-income
7 percentage to total student enrollments by grade level.
8 The low-income percentage is determined by dividing the
9 Low-Income Count by the Average Student Enrollment. The
10 low-income percentage for a regional office of education
11 or an intermediate service center operating one or more
12 alternative education programs must be set to the weighted
13 average of the low-income percentages of all of the school
14 districts in the service region. The weighted low-income
15 percentage is the result of multiplying the low-income
16 percentage of each school district served by the regional
17 office of education or intermediate service center by each
18 school district's Average Student Enrollment, summarizing
19 those products and dividing the total by the total Average
20 Student Enrollment for the service region.

21 "Maintenance and operations" means custodial services,
22 facility and ground maintenance, facility operations,
23 facility security, routine facility repairs, and other
24 similar services and functions.

25 "Minimum Funding Level" is defined in paragraph (9) of
26 subsection (g) of this Section.

1 "New Property Tax Relief Pool Funds" means, for any
2 given fiscal year, all State funds appropriated under
3 Section 2-3.170 of this Code.

4 "New State Funds" means, for a given school year, all
5 State funds appropriated for Evidence-Based Funding in
6 excess of the amount needed to fund the Base Funding
7 Minimum for all Organizational Units in that school year.

8 "Nurse" means an individual licensed as a certified
9 school nurse, in accordance with the rules established for
10 nursing services by the State Board, who is an employee of
11 and is available to provide health care-related services
12 for students of an Organizational Unit.

13 "Operating Tax Rate" means the rate utilized in the
14 previous year to extend property taxes for all purposes,
15 except Bond and Interest, Summer School, Rent, Capital
16 Improvement, and Vocational Education Building purposes.
17 For Hybrid Districts, the Operating Tax Rate shall be the
18 combined elementary and high school rates utilized in the
19 previous year to extend property taxes for all purposes,
20 except Bond and Interest, Summer School, Rent, Capital
21 Improvement, and Vocational Education Building purposes.

22 "Organizational Unit" means a Laboratory School or any
23 public school district that is recognized as such by the
24 State Board and that contains elementary schools typically
25 serving kindergarten through 5th grades, middle schools
26 typically serving 6th through 8th grades, high schools

1 typically serving 9th through 12th grades, a program
2 established under Section 2-3.66 or 2-3.41, or a program
3 operated by a regional office of education or an
4 intermediate service center under Article 13A or 13B. The
5 General Assembly acknowledges that the actual grade levels
6 served by a particular Organizational Unit may vary
7 slightly from what is typical.

8 "Organizational Unit CWI" is determined by calculating
9 the CWI in the region and original county in which an
10 Organizational Unit's primary administrative office is
11 located as set forth in this paragraph, provided that if
12 the Organizational Unit CWI as calculated in accordance
13 with this paragraph is less than 0.9, the Organizational
14 Unit CWI shall be increased to 0.9. Each county's current
15 CWI value shall be adjusted based on the CWI value of that
16 county's neighboring Illinois counties, to create a
17 "weighted adjusted index value". This shall be calculated
18 by summing the CWI values of all of a county's adjacent
19 Illinois counties and dividing by the number of adjacent
20 Illinois counties, then taking the weighted value of the
21 original county's CWI value and the adjacent Illinois
22 county average. To calculate this weighted value, if the
23 number of adjacent Illinois counties is greater than 2,
24 the original county's CWI value will be weighted at 0.25
25 and the adjacent Illinois county average will be weighted
26 at 0.75. If the number of adjacent Illinois counties is 2,

1 the original county's CWI value will be weighted at 0.33
2 and the adjacent Illinois county average will be weighted
3 at 0.66. The greater of the county's current CWI value and
4 its weighted adjusted index value shall be used as the
5 Organizational Unit CWI.

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

8 "Preceding Tax Year's Extension" means the product of
9 the equalized assessed valuation utilized by the county
10 clerk in the Preceding Tax Year multiplied by the
11 Operating Tax Rate.

12 "Preliminary Percent of Adequacy" is defined in
13 paragraph (2) of subsection (f) of this Section.

14 "Preliminary Resources" is defined in paragraph (2) of
15 subsection (f) of this Section.

16 "Principal" means a school administrator duly endorsed
17 to be employed as a principal in this State.

18 "Professional development" means training programs for
19 licensed staff in schools, including, but not limited to,
20 programs that assist in implementing new curriculum
21 programs, provide data focused or academic assessment data
22 training to help staff identify a student's weaknesses and
23 strengths, target interventions, improve instruction,
24 encompass instructional strategies for English learner,
25 gifted, or at-risk students, address inclusivity, cultural
26 sensitivity, or implicit bias, or otherwise provide

1 professional support for licensed staff.

2 "Prototypical" means 450 special education
3 pre-kindergarten and kindergarten through grade 5 students
4 for an elementary school, 450 grade 6 through 8 students
5 for a middle school, and 600 grade 9 through 12 students
6 for a high school.

7 "PTELL" means the Property Tax Extension Limitation
8 Law.

9 "PTELL EAV" is defined in paragraph (4) of subsection
10 (d) of this Section.

11 "Pupil support staff" means a nurse, psychologist,
12 social worker, family liaison personnel, or other staff
13 member who provides support to at-risk or struggling
14 students.

15 "Real Receipts" is defined in paragraph (1) of
16 subsection (d) of this Section.

17 "Regionalization Factor" means, for a particular
18 Organizational Unit, the figure derived by dividing the
19 Organizational Unit CWI by the Statewide Weighted CWI.

20 "School counselor" means a licensed school counselor
21 who provides guidance and counseling support for students
22 within an Organizational Unit.

23 "School site staff" means the primary school secretary
24 and any additional clerical personnel assigned to a
25 school.

26 "Special education" means special educational

1 facilities and services, as defined in Section 14-1.08 of
2 this Code.

3 "Special Education Allocation" means the amount of an
4 Organizational Unit's final Adequacy Target attributable
5 to special education divided by the Organizational Unit's
6 final Adequacy Target, the product of which shall be
7 multiplied by the amount of new funding received pursuant
8 to this Section. An Organizational Unit's final Adequacy
9 Target attributable to special education shall include all
10 special education investment adequacy elements.

11 "Specialist teacher" means a teacher who provides
12 instruction in subject areas not included in core
13 subjects, including, but not limited to, art, music,
14 physical education, health, driver education,
15 career-technical education, and such other subject areas
16 as may be mandated by State law or provided by an
17 Organizational Unit.

18 "Specially Funded Unit" means an Alternative School,
19 safe school, Department of Juvenile Justice school,
20 special education cooperative or entity recognized by the
21 State Board as a special education cooperative,
22 State-approved charter school, or alternative learning
23 opportunities program that received direct funding from
24 the State Board during the 2016-2017 school year through
25 any of the funding sources included within the calculation
26 of the Base Funding Minimum or Glenwood Academy.

1 "Supplemental Grant Funding" means supplemental
2 general State aid funding received by an Organizational
3 Unit during the 2016-2017 school year pursuant to
4 subsection (H) of Section 18-8.05 of this Code (now
5 repealed).

6 "State Adequacy Level" is the sum of the Adequacy
7 Targets of all Organizational Units.

8 "State Board" means the State Board of Education.

9 "State Superintendent" means the State Superintendent
10 of Education.

11 "Statewide Weighted CWI" means a figure determined by
12 multiplying each Organizational Unit CWI times the ASE for
13 that Organizational Unit creating a weighted value,
14 summing all Organizational Units' weighted values, and
15 dividing by the total ASE of all Organizational Units,
16 thereby creating an average weighted index.

17 "Student activities" means non-credit producing
18 after-school programs, including, but not limited to,
19 clubs, bands, sports, and other activities authorized by
20 the school board of the Organizational Unit.

21 "Substitute teacher" means an individual teacher or
22 teaching assistant who is employed by an Organizational
23 Unit and is temporarily serving the Organizational Unit on
24 a per diem or per period-assignment basis to replace
25 another staff member.

26 "Summer school" means academic and enrichment programs

1 provided to students during the summer months outside of
2 the regular school year.

3 "Supervisory aide" means a non-licensed staff member
4 who helps in supervising students of an Organizational
5 Unit, but does so outside of the classroom, in situations
6 such as, but not limited to, monitoring hallways and
7 playgrounds, supervising lunchrooms, or supervising
8 students when being transported in buses serving the
9 Organizational Unit.

10 "Target Ratio" is defined in paragraph (4) of
11 subsection (g).

12 "Tier 1", "Tier 2", "Tier 3", and "Tier 4" are defined
13 in paragraph (3) of subsection (g).

14 "Tier 1 Aggregate Funding", "Tier 2 Aggregate
15 Funding", "Tier 3 Aggregate Funding", and "Tier 4
16 Aggregate Funding" are defined in paragraph (1) of
17 subsection (g).

18 (b) Adequacy Target calculation.

19 (1) Each Organizational Unit's Adequacy Target is the
20 sum of the Organizational Unit's cost of providing
21 Essential Elements, as calculated in accordance with this
22 subsection (b), with the salary amounts in the Essential
23 Elements multiplied by a Regionalization Factor calculated
24 pursuant to paragraph (3) of this subsection (b).

25 (2) The Essential Elements are attributable on a pro
26 rata basis related to defined subgroups of the ASE of each

1 Organizational Unit as specified in this paragraph (2),
2 with investments and FTE positions pro rata funded based
3 on ASE counts in excess of or less than the thresholds set
4 forth in this paragraph (2). The method for calculating
5 attributable pro rata costs and the defined subgroups
6 thereto are as follows:

7 (A) Core class size investments. Each
8 Organizational Unit shall receive the funding required
9 to support that number of FTE core teacher positions
10 as is needed to keep the respective class sizes of the
11 Organizational Unit to the following maximum numbers:

12 (i) For grades kindergarten through 3, the
13 Organizational Unit shall receive funding required
14 to support one FTE core teacher position for every
15 15 Low-Income Count students in those grades and
16 one FTE core teacher position for every 20
17 non-Low-Income Count students in those grades.

18 (ii) For grades 4 through 12, the
19 Organizational Unit shall receive funding required
20 to support one FTE core teacher position for every
21 20 Low-Income Count students in those grades and
22 one FTE core teacher position for every 25
23 non-Low-Income Count students in those grades.

24 The number of non-Low-Income Count students in a
25 grade shall be determined by subtracting the
26 Low-Income students in that grade from the ASE of the

1 Organizational Unit for that grade.

2 (B) Specialist teacher investments. Each
3 Organizational Unit shall receive the funding needed
4 to cover that number of FTE specialist teacher
5 positions that correspond to the following
6 percentages:

7 (i) if the Organizational Unit operates an
8 elementary or middle school, then 20.00% of the
9 number of the Organizational Unit's core teachers,
10 as determined under subparagraph (A) of this
11 paragraph (2); and

12 (ii) if such Organizational Unit operates a
13 high school, then 33.33% of the number of the
14 Organizational Unit's core teachers.

15 (C) Instructional facilitator investments. Each
16 Organizational Unit shall receive the funding needed
17 to cover one FTE instructional facilitator position
18 for every 200 combined ASE of pre-kindergarten
19 children with disabilities and all kindergarten
20 through grade 12 students of the Organizational Unit.

21 (D) Core intervention teacher (tutor) investments.
22 Each Organizational Unit shall receive the funding
23 needed to cover one FTE teacher position for each
24 prototypical elementary, middle, and high school.

25 (E) Substitute teacher investments. Each
26 Organizational Unit shall receive the funding needed

1 to cover substitute teacher costs that is equal to
2 5.70% of the minimum pupil attendance days required
3 under Section 10-19 of this Code for all full-time
4 equivalent core, specialist, and intervention
5 teachers, school nurses, special education teachers
6 and instructional assistants, instructional
7 facilitators, and summer school and extended day
8 teacher positions, as determined under this paragraph
9 (2), at a salary rate of 33.33% of the average salary
10 for grade K through 12 teachers and 33.33% of the
11 average salary of each instructional assistant
12 position.

13 (F) Core school counselor investments. Each
14 Organizational Unit shall receive the funding needed
15 to cover one FTE school counselor for each 450
16 combined ASE of pre-kindergarten children with
17 disabilities and all kindergarten through grade 5
18 students, plus one FTE school counselor for each 250
19 grades 6 through 8 ASE middle school students, plus
20 one FTE school counselor for each 250 grades 9 through
21 12 ASE high school students.

22 (G) Nurse investments. Each Organizational Unit
23 shall receive the funding needed to cover one FTE
24 nurse for each 750 combined ASE of pre-kindergarten
25 children with disabilities and all kindergarten
26 through grade 12 students across all grade levels it

1 serves.

2 (H) Supervisory aide investments. Each
3 Organizational Unit shall receive the funding needed
4 to cover one FTE for each 225 combined ASE of
5 pre-kindergarten children with disabilities and all
6 kindergarten through grade 5 students, plus one FTE
7 for each 225 ASE middle school students, plus one FTE
8 for each 200 ASE high school students.

9 (I) Librarian investments. Each Organizational
10 Unit shall receive the funding needed to cover one FTE
11 librarian for each prototypical elementary school,
12 middle school, and high school and one FTE aide or
13 media technician for every 300 combined ASE of
14 pre-kindergarten children with disabilities and all
15 kindergarten through grade 12 students.

16 (J) Principal investments. Each Organizational
17 Unit shall receive the funding needed to cover one FTE
18 principal position for each prototypical elementary
19 school, plus one FTE principal position for each
20 prototypical middle school, plus one FTE principal
21 position for each prototypical high school.

22 (K) Assistant principal investments. Each
23 Organizational Unit shall receive the funding needed
24 to cover one FTE assistant principal position for each
25 prototypical elementary school, plus one FTE assistant
26 principal position for each prototypical middle

1 school, plus one FTE assistant principal position for
2 each prototypical high school.

3 (L) School site staff investments. Each
4 Organizational Unit shall receive the funding needed
5 for one FTE position for each 225 ASE of
6 pre-kindergarten children with disabilities and all
7 kindergarten through grade 5 students, plus one FTE
8 position for each 225 ASE middle school students, plus
9 one FTE position for each 200 ASE high school
10 students.

11 (M) Gifted investments. Each Organizational Unit
12 shall receive \$40 per kindergarten through grade 12
13 ASE.

14 (N) Professional development investments. Each
15 Organizational Unit shall receive \$125 per student of
16 the combined ASE of pre-kindergarten children with
17 disabilities and all kindergarten through grade 12
18 students for trainers and other professional
19 development-related expenses for supplies and
20 materials.

21 (O) Instructional material investments. Each
22 Organizational Unit shall receive \$190 per student of
23 the combined ASE of pre-kindergarten children with
24 disabilities and all kindergarten through grade 12
25 students to cover instructional material costs.

26 (P) Assessment investments. Each Organizational

1 Unit shall receive \$25 per student of the combined ASE
2 of pre-kindergarten children with disabilities and all
3 kindergarten through grade 12 students to cover
4 assessment costs.

5 (Q) Computer technology and equipment investments.
6 Each Organizational Unit shall receive \$285.50 per
7 student of the combined ASE of pre-kindergarten
8 children with disabilities and all kindergarten
9 through grade 12 students to cover computer technology
10 and equipment costs. For the 2018-2019 school year and
11 subsequent school years, Organizational Units assigned
12 to Tier 1 and Tier 2 in the prior school year shall
13 receive an additional \$285.50 per student of the
14 combined ASE of pre-kindergarten children with
15 disabilities and all kindergarten through grade 12
16 students to cover computer technology and equipment
17 costs in the Organizational Unit's Adequacy Target.
18 The State Board may establish additional requirements
19 for Organizational Unit expenditures of funds received
20 pursuant to this subparagraph (Q), including a
21 requirement that funds received pursuant to this
22 subparagraph (Q) may be used only for serving the
23 technology needs of the district. It is the intent of
24 Public Act 100-465 that all Tier 1 and Tier 2 districts
25 receive the addition to their Adequacy Target in the
26 following year, subject to compliance with the

1 requirements of the State Board.

2 (R) Student activities investments. Each
3 Organizational Unit shall receive the following
4 funding amounts to cover student activities: \$100 per
5 kindergarten through grade 5 ASE student in elementary
6 school, plus \$200 per ASE student in middle school,
7 plus \$675 per ASE student in high school.

8 (S) Maintenance and operations investments. Each
9 Organizational Unit shall receive \$1,038 per student
10 of the combined ASE of pre-kindergarten children with
11 disabilities and all kindergarten through grade 12
12 students for day-to-day maintenance and operations
13 expenditures, including salary, supplies, and
14 materials, as well as purchased services, but
15 excluding employee benefits. The proportion of salary
16 for the application of a Regionalization Factor and
17 the calculation of benefits is equal to \$352.92.

18 (T) Central office investments. Each
19 Organizational Unit shall receive \$742 per student of
20 the combined ASE of pre-kindergarten children with
21 disabilities and all kindergarten through grade 12
22 students to cover central office operations, including
23 administrators and classified personnel charged with
24 managing the instructional programs, business and
25 operations of the school district, and security
26 personnel. The proportion of salary for the

1 application of a Regionalization Factor and the
2 calculation of benefits is equal to \$368.48.

3 (U) Employee benefit investments. Each
4 Organizational Unit shall receive 30% of the total of
5 all salary-calculated elements of the Adequacy Target,
6 excluding substitute teachers and student activities
7 investments, to cover benefit costs. For central
8 office and maintenance and operations investments, the
9 benefit calculation shall be based upon the salary
10 proportion of each investment. If at any time the
11 responsibility for funding the employer normal cost of
12 teacher pensions is assigned to school districts, then
13 that amount certified by the Teachers' Retirement
14 System of the State of Illinois to be paid by the
15 Organizational Unit for the preceding school year
16 shall be added to the benefit investment. For any
17 fiscal year in which a school district organized under
18 Article 34 of this Code is responsible for paying the
19 employer normal cost of teacher pensions, then that
20 amount of its employer normal cost plus the amount for
21 retiree health insurance as certified by the Public
22 School Teachers' Pension and Retirement Fund of
23 Chicago to be paid by the school district for the
24 preceding school year that is statutorily required to
25 cover employer normal costs and the amount for retiree
26 health insurance shall be added to the 30% specified

1 in this subparagraph (U). The Teachers' Retirement
2 System of the State of Illinois and the Public School
3 Teachers' Pension and Retirement Fund of Chicago shall
4 submit such information as the State Superintendent
5 may require for the calculations set forth in this
6 subparagraph (U).

7 (V) Additional investments in low-income students.
8 In addition to and not in lieu of all other funding
9 under this paragraph (2), each Organizational Unit
10 shall receive funding based on the average teacher
11 salary for grades K through 12 to cover the costs of:

12 (i) one FTE intervention teacher (tutor)
13 position for every 125 Low-Income Count students;

14 (ii) one FTE pupil support staff position for
15 every 125 Low-Income Count students;

16 (iii) one FTE extended day teacher position
17 for every 120 Low-Income Count students; and

18 (iv) one FTE summer school teacher position
19 for every 120 Low-Income Count students.

20 (W) Additional investments in English learner
21 students. In addition to and not in lieu of all other
22 funding under this paragraph (2), each Organizational
23 Unit shall receive funding based on the average
24 teacher salary for grades K through 12 to cover the
25 costs of:

26 (i) one FTE intervention teacher (tutor)

1 position for every 125 English learner students;

2 (ii) one FTE pupil support staff position for
3 every 125 English learner students;

4 (iii) one FTE extended day teacher position
5 for every 120 English learner students;

6 (iv) one FTE summer school teacher position
7 for every 120 English learner students; and

8 (v) one FTE core teacher position for every
9 100 English learner students.

10 (X) Special education investments. Each
11 Organizational Unit shall receive funding based on the
12 average teacher salary for grades K through 12 to
13 cover special education as follows:

14 (i) one FTE teacher position for every 141
15 combined ASE of pre-kindergarten children with
16 disabilities and all kindergarten through grade 12
17 students;

18 (ii) one FTE instructional assistant for every
19 141 combined ASE of pre-kindergarten children with
20 disabilities and all kindergarten through grade 12
21 students; and

22 (iii) one FTE psychologist position for every
23 1,000 combined ASE of pre-kindergarten children
24 with disabilities and all kindergarten through
25 grade 12 students.

26 (3) For calculating the salaries included within the

1 Essential Elements, the State Superintendent shall
2 annually calculate average salaries to the nearest dollar
3 using the employment information system data maintained by
4 the State Board, limited to public schools only and
5 excluding special education and vocational cooperatives,
6 schools operated by the Department of Juvenile Justice,
7 and charter schools, for the following positions:

8 (A) Teacher for grades K through 8.

9 (B) Teacher for grades 9 through 12.

10 (C) Teacher for grades K through 12.

11 (D) School counselor for grades K through 8.

12 (E) School counselor for grades 9 through 12.

13 (F) School counselor for grades K through 12.

14 (G) Social worker.

15 (H) Psychologist.

16 (I) Librarian.

17 (J) Nurse.

18 (K) Principal.

19 (L) Assistant principal.

20 For the purposes of this paragraph (3), "teacher"
21 includes core teachers, specialist and elective teachers,
22 instructional facilitators, tutors, special education
23 teachers, pupil support staff teachers, English learner
24 teachers, extended day teachers, and summer school
25 teachers. Where specific grade data is not required for
26 the Essential Elements, the average salary for

1 corresponding positions shall apply. For substitute
2 teachers, the average teacher salary for grades K through
3 12 shall apply.

4 For calculating the salaries included within the
5 Essential Elements for positions not included within EIS
6 Data, the following salaries shall be used in the first
7 year of implementation of Evidence-Based Funding:

8 (i) school site staff, \$30,000; and

9 (ii) non-instructional assistant, instructional
10 assistant, library aide, library media tech, or
11 supervisory aide: \$25,000.

12 In the second and subsequent years of implementation
13 of Evidence-Based Funding, the amounts in items (i) and
14 (ii) of this paragraph (3) shall annually increase by the
15 ECI.

16 The salary amounts for the Essential Elements
17 determined pursuant to subparagraphs (A) through (L), (S)
18 and (T), and (V) through (X) of paragraph (2) of
19 subsection (b) of this Section shall be multiplied by a
20 Regionalization Factor.

21 (c) Local Capacity calculation.

22 (1) Each Organizational Unit's Local Capacity
23 represents an amount of funding it is assumed to
24 contribute toward its Adequacy Target for purposes of the
25 Evidence-Based Funding formula calculation. "Local
26 Capacity" means either (i) the Organizational Unit's Local

1 Capacity Target as calculated in accordance with paragraph
2 (2) of this subsection (c) if its Real Receipts are equal
3 to or less than its Local Capacity Target or (ii) the
4 Organizational Unit's Adjusted Local Capacity, as
5 calculated in accordance with paragraph (3) of this
6 subsection (c) if Real Receipts are more than its Local
7 Capacity Target.

8 (2) "Local Capacity Target" means, for an
9 Organizational Unit, that dollar amount that is obtained
10 by multiplying its Adequacy Target by its Local Capacity
11 Ratio.

12 (A) An Organizational Unit's Local Capacity
13 Percentage is the conversion of the Organizational
14 Unit's Local Capacity Ratio, as such ratio is
15 determined in accordance with subparagraph (B) of this
16 paragraph (2), into a cumulative distribution
17 resulting in a percentile ranking to determine each
18 Organizational Unit's relative position to all other
19 Organizational Units in this State. The calculation of
20 Local Capacity Percentage is described in subparagraph
21 (C) of this paragraph (2).

22 (B) An Organizational Unit's Local Capacity Ratio
23 in a given year is the percentage obtained by dividing
24 its Adjusted EAV or PTELL EAV, whichever is less, by
25 its Adequacy Target, with the resulting ratio further
26 adjusted as follows:

1 (i) for Organizational Units serving grades
2 kindergarten through 12 and Hybrid Districts, no
3 further adjustments shall be made;

4 (ii) for Organizational Units serving grades
5 kindergarten through 8, the ratio shall be
6 multiplied by 9/13;

7 (iii) for Organizational Units serving grades
8 9 through 12, the Local Capacity Ratio shall be
9 multiplied by 4/13; and

10 (iv) for an Organizational Unit with a
11 different grade configuration than those specified
12 in items (i) through (iii) of this subparagraph
13 (B), the State Superintendent shall determine a
14 comparable adjustment based on the grades served.

15 (C) The Local Capacity Percentage is equal to the
16 percentile ranking of the district. Local Capacity
17 Percentage converts each Organizational Unit's Local
18 Capacity Ratio to a cumulative distribution resulting
19 in a percentile ranking to determine each
20 Organizational Unit's relative position to all other
21 Organizational Units in this State. The Local Capacity
22 Percentage cumulative distribution resulting in a
23 percentile ranking for each Organizational Unit shall
24 be calculated using the standard normal distribution
25 of the score in relation to the weighted mean and
26 weighted standard deviation and Local Capacity Ratios

1 of all Organizational Units. If the value assigned to
2 any Organizational Unit is in excess of 90%, the value
3 shall be adjusted to 90%. For Laboratory Schools, the
4 Local Capacity Percentage shall be set at 10% in
5 recognition of the absence of EAV and resources from
6 the public university that are allocated to the
7 Laboratory School. For a regional office of education
8 or an intermediate service center operating one or
9 more alternative education programs, the Local
10 Capacity Percentage must be set at 10% in recognition
11 of the absence of EAV and resources from school
12 districts that are allocated to the regional office of
13 education or intermediate service center. The weighted
14 mean for the Local Capacity Percentage shall be
15 determined by multiplying each Organizational Unit's
16 Local Capacity Ratio times the ASE for the unit
17 creating a weighted value, summing the weighted values
18 of all Organizational Units, and dividing by the total
19 ASE of all Organizational Units. The weighted standard
20 deviation shall be determined by taking the square
21 root of the weighted variance of all Organizational
22 Units' Local Capacity Ratio, where the variance is
23 calculated by squaring the difference between each
24 unit's Local Capacity Ratio and the weighted mean,
25 then multiplying the variance for each unit times the
26 ASE for the unit to create a weighted variance for each

1 unit, then summing all units' weighted variance and
2 dividing by the total ASE of all units.

3 (D) For any Organizational Unit, the
4 Organizational Unit's Adjusted Local Capacity Target
5 shall be reduced by either (i) the school board's
6 remaining contribution pursuant to paragraph (ii) of
7 subsection (b-4) of Section 16-158 of the Illinois
8 Pension Code in a given year or (ii) the board of
9 education's remaining contribution pursuant to
10 paragraph (iv) of subsection (b) of Section 17-129 of
11 the Illinois Pension Code for which the board of
12 education is financially responsible in the applicable
13 fiscal year, absent the employer normal cost portion
14 of the required contribution and amount allowed
15 pursuant to subdivision (3) of Section 17-142.1 of the
16 Illinois Pension Code in a given year. In the
17 preceding sentence, item (i) shall be certified to the
18 State Board of Education by the Teachers' Retirement
19 System of the State of Illinois and item (ii) shall be
20 certified to the State Board of Education by the
21 Public School Teachers' Pension and Retirement Fund of
22 the City of Chicago. No reduction shall be applied
23 under item (ii) for any contribution amount assumed or
24 paid by the State of Illinois.

25 (3) If an Organizational Unit's Real Receipts are more
26 than its Local Capacity Target, then its Local Capacity

1 shall equal an Adjusted Local Capacity Target as
2 calculated in accordance with this paragraph (3). The
3 Adjusted Local Capacity Target is calculated as the sum of
4 the Organizational Unit's Local Capacity Target and its
5 Real Receipts Adjustment. The Real Receipts Adjustment
6 equals the Organizational Unit's Real Receipts less its
7 Local Capacity Target, with the resulting figure
8 multiplied by the Local Capacity Percentage.

9 As used in this paragraph (3), "Real Percent of
10 Adequacy" means the sum of an Organizational Unit's Real
11 Receipts, CPPRT, and Base Funding Minimum, with the
12 resulting figure divided by the Organizational Unit's
13 Adequacy Target.

14 (d) Calculation of Real Receipts, EAV, and Adjusted EAV
15 for purposes of the Local Capacity calculation.

16 (1) An Organizational Unit's Real Receipts are the
17 product of its Applicable Tax Rate and its Adjusted EAV.
18 An Organizational Unit's Applicable Tax Rate is its
19 Adjusted Operating Tax Rate for property within the
20 Organizational Unit.

21 (2) The State Superintendent shall calculate the
22 equalized assessed valuation, or EAV, of all taxable
23 property of each Organizational Unit as of September 30 of
24 the previous year in accordance with paragraph (3) of this
25 subsection (d). The State Superintendent shall then
26 determine the Adjusted EAV of each Organizational Unit in

1 accordance with paragraph (4) of this subsection (d),
2 which Adjusted EAV figure shall be used for the purposes
3 of calculating Local Capacity.

4 (3) To calculate Real Receipts and EAV, the Department
5 of Revenue shall supply to the State Superintendent the
6 value as equalized or assessed by the Department of
7 Revenue of all taxable property of every Organizational
8 Unit, together with (i) the applicable tax rate used in
9 extending taxes for the funds of the Organizational Unit
10 as of September 30 of the previous year and (ii) the
11 limiting rate for all Organizational Units subject to
12 property tax extension limitations as imposed under PTELL.

13 (A) The Department of Revenue shall add to the
14 equalized assessed value of all taxable property of
15 each Organizational Unit situated entirely or
16 partially within a county that is or was subject to the
17 provisions of Section 15-176 or 15-177 of the Property
18 Tax Code (i) an amount equal to the total amount by
19 which the homestead exemption allowed under Section
20 15-176 or 15-177 of the Property Tax Code for real
21 property situated in that Organizational Unit exceeds
22 the total amount that would have been allowed in that
23 Organizational Unit if the maximum reduction under
24 Section 15-176 was (I) \$4,500 in Cook County or \$3,500
25 in all other counties in tax year 2003 or (II) \$5,000
26 in all counties in tax year 2004 and thereafter and

1 (ii) an amount equal to the aggregate amount for the
2 taxable year of all additional exemptions under
3 Section 15-175 of the Property Tax Code for owners
4 with a household income of \$30,000 or less. The county
5 clerk of any county that is or was subject to the
6 provisions of Section 15-176 or 15-177 of the Property
7 Tax Code shall annually calculate and certify to the
8 Department of Revenue for each Organizational Unit all
9 homestead exemption amounts under Section 15-176 or
10 15-177 of the Property Tax Code and all amounts of
11 additional exemptions under Section 15-175 of the
12 Property Tax Code for owners with a household income
13 of \$30,000 or less. It is the intent of this
14 subparagraph (A) that if the general homestead
15 exemption for a parcel of property is determined under
16 Section 15-176 or 15-177 of the Property Tax Code
17 rather than Section 15-175, then the calculation of
18 EAV shall not be affected by the difference, if any,
19 between the amount of the general homestead exemption
20 allowed for that parcel of property under Section
21 15-176 or 15-177 of the Property Tax Code and the
22 amount that would have been allowed had the general
23 homestead exemption for that parcel of property been
24 determined under Section 15-175 of the Property Tax
25 Code. It is further the intent of this subparagraph
26 (A) that if additional exemptions are allowed under

1 Section 15-175 of the Property Tax Code for owners
2 with a household income of less than \$30,000, then the
3 calculation of EAV shall not be affected by the
4 difference, if any, because of those additional
5 exemptions.

6 (B) With respect to any part of an Organizational
7 Unit within a redevelopment project area in respect to
8 which a municipality has adopted tax increment
9 allocation financing pursuant to the Tax Increment
10 Allocation Redevelopment Act, Division 74.4 of Article
11 11 of the Illinois Municipal Code, or the Industrial
12 Jobs Recovery Law, Division 74.6 of Article 11 of the
13 Illinois Municipal Code, no part of the current EAV of
14 real property located in any such project area that is
15 attributable to an increase above the total initial
16 EAV of such property shall be used as part of the EAV
17 of the Organizational Unit, until such time as all
18 redevelopment project costs have been paid, as
19 provided in Section 11-74.4-8 of the Tax Increment
20 Allocation Redevelopment Act or in Section 11-74.6-35
21 of the Industrial Jobs Recovery Law. For the purpose
22 of the EAV of the Organizational Unit, the total
23 initial EAV or the current EAV, whichever is lower,
24 shall be used until such time as all redevelopment
25 project costs have been paid.

26 (B-5) The real property equalized assessed

1 valuation for a school district shall be adjusted by
2 subtracting from the real property value, as equalized
3 or assessed by the Department of Revenue, for the
4 district an amount computed by dividing the amount of
5 any abatement of taxes under Section 18-170 of the
6 Property Tax Code by 3.00% for a district maintaining
7 grades kindergarten through 12, by 2.30% for a
8 district maintaining grades kindergarten through 8, or
9 by 1.05% for a district maintaining grades 9 through
10 12 and adjusted by an amount computed by dividing the
11 amount of any abatement of taxes under subsection (a)
12 of Section 18-165 of the Property Tax Code by the same
13 percentage rates for district type as specified in
14 this subparagraph (B-5).

15 (C) For Organizational Units that are Hybrid
16 Districts, the State Superintendent shall use the
17 lesser of the adjusted equalized assessed valuation
18 for property within the partial elementary unit
19 district for elementary purposes, as defined in
20 Article 11E of this Code, or the adjusted equalized
21 assessed valuation for property within the partial
22 elementary unit district for high school purposes, as
23 defined in Article 11E of this Code.

24 (D) If a school district's boundaries span
25 multiple counties, then the Department of Revenue
26 shall send to the State Board, for the purposes of

1 calculating Evidence-Based Funding, the limiting rate
2 and individual rates by purpose for the county that
3 contains the majority of the school district's
4 equalized assessed valuation.

5 (4) An Organizational Unit's Adjusted EAV shall be the
6 average of its EAV over the immediately preceding 3 years
7 or the lesser of its EAV in the immediately preceding year
8 or the average of its EAV over the immediately preceding 3
9 years if the EAV in the immediately preceding year has
10 declined by 10% or more when comparing the 2 most recent
11 years. In the event of Organizational Unit reorganization,
12 consolidation, or annexation, the Organizational Unit's
13 Adjusted EAV for the first 3 years after such change shall
14 be as follows: the most current EAV shall be used in the
15 first year, the average of a 2-year EAV or its EAV in the
16 immediately preceding year if the EAV declines by 10% or
17 more when comparing the 2 most recent years for the second
18 year, and the lesser of a 3-year average EAV or its EAV in
19 the immediately preceding year if the Adjusted EAV
20 declines by 10% or more when comparing the 2 most recent
21 years for the third year. For any school district whose
22 EAV in the immediately preceding year is used in
23 calculations, in the following year, the Adjusted EAV
24 shall be the average of its EAV over the immediately
25 preceding 2 years or the immediately preceding year if
26 that year represents a decline of 10% or more when

1 comparing the 2 most recent years.

2 "PTELL EAV" means a figure calculated by the State
3 Board for Organizational Units subject to PTELL as
4 described in this paragraph (4) for the purposes of
5 calculating an Organizational Unit's Local Capacity Ratio.
6 Except as otherwise provided in this paragraph (4), the
7 PTELL EAV of an Organizational Unit shall be equal to the
8 product of the equalized assessed valuation last used in
9 the calculation of general State aid under Section 18-8.05
10 of this Code (now repealed) or Evidence-Based Funding
11 under this Section and the Organizational Unit's Extension
12 Limitation Ratio. If an Organizational Unit has approved
13 or does approve an increase in its limiting rate, pursuant
14 to Section 18-190 of the Property Tax Code, affecting the
15 Base Tax Year, the PTELL EAV shall be equal to the product
16 of the equalized assessed valuation last used in the
17 calculation of general State aid under Section 18-8.05 of
18 this Code (now repealed) or Evidence-Based Funding under
19 this Section multiplied by an amount equal to one plus the
20 percentage increase, if any, in the Consumer Price Index
21 for All Urban Consumers for all items published by the
22 United States Department of Labor for the 12-month
23 calendar year preceding the Base Tax Year, plus the
24 equalized assessed valuation of new property, annexed
25 property, and recovered tax increment value and minus the
26 equalized assessed valuation of disconnected property.

1 As used in this paragraph (4), "new property" and
2 "recovered tax increment value" shall have the meanings
3 set forth in the Property Tax Extension Limitation Law.

4 (e) Base Funding Minimum calculation.

5 (1) For the 2017-2018 school year, the Base Funding
6 Minimum of an Organizational Unit or a Specially Funded
7 Unit shall be the amount of State funds distributed to the
8 Organizational Unit or Specially Funded Unit during the
9 2016-2017 school year prior to any adjustments and
10 specified appropriation amounts described in this
11 paragraph (1) from the following Sections, as calculated
12 by the State Superintendent: Section 18-8.05 of this Code
13 (now repealed); Section 5 of Article 224 of Public Act
14 99-524 (equity grants); Section 14-7.02b of this Code
15 (funding for children requiring special education
16 services); Section 14-13.01 of this Code (special
17 education facilities and staffing), except for
18 reimbursement of the cost of transportation pursuant to
19 Section 14-13.01; Section 14C-12 of this Code (English
20 learners); and Section 18-4.3 of this Code (summer
21 school), based on an appropriation level of \$13,121,600.
22 For a school district organized under Article 34 of this
23 Code, the Base Funding Minimum also includes (i) the funds
24 allocated to the school district pursuant to Section 1D-1
25 of this Code attributable to funding programs authorized
26 by the Sections of this Code listed in the preceding

1 sentence and (ii) the difference between (I) the funds
2 allocated to the school district pursuant to Section 1D-1
3 of this Code attributable to the funding programs
4 authorized by Section 14-7.02 (non-public special
5 education reimbursement), subsection (b) of Section
6 14-13.01 (special education transportation), Section 29-5
7 (transportation), Section 2-3.80 (agricultural
8 education), Section 2-3.66 (truants' alternative
9 education), Section 2-3.62 (educational service centers),
10 and Section 14-7.03 (special education - orphanage) of
11 this Code and Section 15 of the Childhood Hunger Relief
12 Act (free breakfast program) and (II) the school
13 district's actual expenditures for its non-public special
14 education, special education transportation,
15 transportation programs, agricultural education, truants'
16 alternative education, services that would otherwise be
17 performed by a regional office of education, special
18 education orphanage expenditures, and free breakfast, as
19 most recently calculated and reported pursuant to
20 subsection (f) of Section 1D-1 of this Code. The Base
21 Funding Minimum for Glenwood Academy shall be \$952,014.
22 For programs operated by a regional office of education or
23 an intermediate service center, the Base Funding Minimum
24 must be the total amount of State funds allocated to those
25 programs in the 2018-2019 school year and amounts provided
26 pursuant to Article 34 of Public Act 100-586 and Section

1 3-16 of this Code. All programs established after June 5,
2 2019 (the effective date of Public Act 101-10) and
3 administered by a regional office of education or an
4 intermediate service center must have an initial Base
5 Funding Minimum set to an amount equal to the first-year
6 ASE multiplied by the amount of per pupil funding received
7 in the previous school year by the lowest funded similar
8 existing program type. If the enrollment for a program
9 operated by a regional office of education or an
10 intermediate service center is zero, then it may not
11 receive Base Funding Minimum funds for that program in the
12 next fiscal year, and those funds must be distributed to
13 Organizational Units under subsection (g).

14 (2) For the 2018-2019 and subsequent school years, the
15 Base Funding Minimum of Organizational Units and Specially
16 Funded Units shall be the sum of (i) the amount of
17 Evidence-Based Funding for the prior school year, (ii) the
18 Base Funding Minimum for the prior school year, and (iii)
19 any amount received by a school district pursuant to
20 Section 7 of Article 97 of Public Act 100-21.

21 For the 2022-2023 school year, the Base Funding
22 Minimum of Organizational Units shall be the amounts
23 recalculated by the State Board of Education for Fiscal
24 Year 2019 through Fiscal Year 2022 that were necessary due
25 to average student enrollment errors for districts
26 organized under Article 34 of this Code, plus the Fiscal

1 Year 2022 property tax relief grants provided under
2 Section 2-3.170 of this Code, ensuring each Organizational
3 Unit has the correct amount of resources for Fiscal Year
4 2023 Evidence-Based Funding calculations and that Fiscal
5 Year 2023 Evidence-Based Funding Distributions are made in
6 accordance with this Section.

7 (3) Subject to approval by the General Assembly as
8 provided in this paragraph (3), an Organizational Unit
9 that meets all of the following criteria, as determined by
10 the State Board, shall have District Intervention Money
11 added to its Base Funding Minimum at the time the Base
12 Funding Minimum is calculated by the State Board:

13 (A) The Organizational Unit is operating under an
14 Independent Authority under Section 2-3.25f-5 of this
15 Code for a minimum of 4 school years or is subject to
16 the control of the State Board pursuant to a court
17 order for a minimum of 4 school years.

18 (B) The Organizational Unit was designated as a
19 Tier 1 or Tier 2 Organizational Unit in the previous
20 school year under paragraph (3) of subsection (g) of
21 this Section.

22 (C) The Organizational Unit demonstrates
23 sustainability through a 5-year financial and
24 strategic plan.

25 (D) The Organizational Unit has made sufficient
26 progress and achieved sufficient stability in the

1 areas of governance, academic growth, and finances.

2 As part of its determination under this paragraph (3),
3 the State Board may consider the Organizational Unit's
4 summative designation, any accreditations of the
5 Organizational Unit, or the Organizational Unit's
6 financial profile, as calculated by the State Board.

7 If the State Board determines that an Organizational
8 Unit has met the criteria set forth in this paragraph (3),
9 it must submit a report to the General Assembly, no later
10 than January 2 of the fiscal year in which the State Board
11 makes its determination, on the amount of District
12 Intervention Money to add to the Organizational Unit's
13 Base Funding Minimum. The General Assembly must review the
14 State Board's report and may approve or disapprove, by
15 joint resolution, the addition of District Intervention
16 Money. If the General Assembly fails to act on the report
17 within 40 calendar days from the receipt of the report,
18 the addition of District Intervention Money is deemed
19 approved. If the General Assembly approves the amount of
20 District Intervention Money to be added to the
21 Organizational Unit's Base Funding Minimum, the District
22 Intervention Money must be added to the Base Funding
23 Minimum annually thereafter.

24 For the first 4 years following the initial year that
25 the State Board determines that an Organizational Unit has
26 met the criteria set forth in this paragraph (3) and has

1 received funding under this Section, the Organizational
2 Unit must annually submit to the State Board, on or before
3 November 30, a progress report regarding its financial and
4 strategic plan under subparagraph (C) of this paragraph
5 (3). The plan shall include the financial data from the
6 past 4 annual financial reports or financial audits that
7 must be presented to the State Board by November 15 of each
8 year and the approved budget financial data for the
9 current year. The plan shall be developed according to the
10 guidelines presented to the Organizational Unit by the
11 State Board. The plan shall further include financial
12 projections for the next 3 fiscal years and include a
13 discussion and financial summary of the Organizational
14 Unit's facility needs. If the Organizational Unit does not
15 demonstrate sufficient progress toward its 5-year plan or
16 if it has failed to file an annual financial report, an
17 annual budget, a financial plan, a deficit reduction plan,
18 or other financial information as required by law, the
19 State Board may establish a Financial Oversight Panel
20 under Article 1H of this Code. However, if the
21 Organizational Unit already has a Financial Oversight
22 Panel, the State Board may extend the duration of the
23 Panel.

24 (f) Percent of Adequacy and Final Resources calculation.

25 (1) The Evidence-Based Funding formula establishes a
26 Percent of Adequacy for each Organizational Unit in order

1 to place such units into tiers for the purposes of the
2 funding distribution system described in subsection (g) of
3 this Section. Initially, an Organizational Unit's
4 Preliminary Resources and Preliminary Percent of Adequacy
5 are calculated pursuant to paragraph (2) of this
6 subsection (f). Then, an Organizational Unit's Final
7 Resources and Final Percent of Adequacy are calculated to
8 account for the Organizational Unit's poverty
9 concentration levels pursuant to paragraphs (3) and (4) of
10 this subsection (f).

11 (2) An Organizational Unit's Preliminary Resources are
12 equal to the sum of its Local Capacity Target, CPPRT, and
13 Base Funding Minimum. An Organizational Unit's Preliminary
14 Percent of Adequacy is the lesser of (i) its Preliminary
15 Resources divided by its Adequacy Target or (ii) 100%.

16 (3) Except for Specially Funded Units, an
17 Organizational Unit's Final Resources are equal to the sum
18 of its Local Capacity, CPPRT, and Adjusted Base Funding
19 Minimum. The Base Funding Minimum of each Specially Funded
20 Unit shall serve as its Final Resources, except that the
21 Base Funding Minimum for State-approved charter schools
22 shall not include any portion of general State aid
23 allocated in the prior year based on the per capita
24 tuition charge times the charter school enrollment.

25 (4) An Organizational Unit's Final Percent of Adequacy
26 is its Final Resources divided by its Adequacy Target. An

1 Organizational Unit's Adjusted Base Funding Minimum is
2 equal to its Base Funding Minimum less its Supplemental
3 Grant Funding, with the resulting figure added to the
4 product of its Supplemental Grant Funding and Preliminary
5 Percent of Adequacy.

6 (g) Evidence-Based Funding formula distribution system.

7 (1) In each school year under the Evidence-Based
8 Funding formula, each Organizational Unit receives funding
9 equal to the sum of its Base Funding Minimum and the unit's
10 allocation of New State Funds determined pursuant to this
11 subsection (g). To allocate New State Funds, the
12 Evidence-Based Funding formula distribution system first
13 places all Organizational Units into one of 4 tiers in
14 accordance with paragraph (3) of this subsection (g),
15 based on the Organizational Unit's Final Percent of
16 Adequacy. New State Funds are allocated to each of the 4
17 tiers as follows: Tier 1 Aggregate Funding equals 50% of
18 all New State Funds, Tier 2 Aggregate Funding equals 49%
19 of all New State Funds, Tier 3 Aggregate Funding equals
20 0.9% of all New State Funds, and Tier 4 Aggregate Funding
21 equals 0.1% of all New State Funds. Each Organizational
22 Unit within Tier 1 or Tier 2 receives an allocation of New
23 State Funds equal to its tier Funding Gap, as defined in
24 the following sentence, multiplied by the tier's
25 Allocation Rate determined pursuant to paragraph (4) of
26 this subsection (g). For Tier 1, an Organizational Unit's

1 Funding Gap equals the tier's Target Ratio, as specified
2 in paragraph (5) of this subsection (g), multiplied by the
3 Organizational Unit's Adequacy Target, with the resulting
4 amount reduced by the Organizational Unit's Final
5 Resources. For Tier 2, an Organizational Unit's Funding
6 Gap equals the tier's Target Ratio, as described in
7 paragraph (5) of this subsection (g), multiplied by the
8 Organizational Unit's Adequacy Target, with the resulting
9 amount reduced by the Organizational Unit's Final
10 Resources and its Tier 1 funding allocation. To determine
11 the Organizational Unit's Funding Gap, the resulting
12 amount is then multiplied by a factor equal to one minus
13 the Organizational Unit's Local Capacity Target
14 percentage. Each Organizational Unit within Tier 3 or Tier
15 4 receives an allocation of New State Funds equal to the
16 product of its Adequacy Target and the tier's Allocation
17 Rate, as specified in paragraph (4) of this subsection
18 (g).

19 (2) To ensure equitable distribution of dollars for
20 all Tier 2 Organizational Units, no Tier 2 Organizational
21 Unit shall receive fewer dollars per ASE than any Tier 3
22 Organizational Unit. Each Tier 2 and Tier 3 Organizational
23 Unit shall have its funding allocation divided by its ASE.
24 Any Tier 2 Organizational Unit with a funding allocation
25 per ASE below the greatest Tier 3 allocation per ASE shall
26 get a funding allocation equal to the greatest Tier 3

1 funding allocation per ASE multiplied by the
2 Organizational Unit's ASE. Each Tier 2 Organizational
3 Unit's Tier 2 funding allocation shall be multiplied by
4 the percentage calculated by dividing the original Tier 2
5 Aggregate Funding by the sum of all Tier 2 Organizational
6 Units' Tier 2 funding allocation after adjusting
7 districts' funding below Tier 3 levels.

8 (3) Organizational Units are placed into one of 4
9 tiers as follows:

10 (A) Tier 1 consists of all Organizational Units,
11 except for Specially Funded Units, with a Percent of
12 Adequacy less than the Tier 1 Target Ratio. The Tier 1
13 Target Ratio is the ratio level that allows for Tier 1
14 Aggregate Funding to be distributed, with the Tier 1
15 Allocation Rate determined pursuant to paragraph (4)
16 of this subsection (g).

17 (B) Tier 2 consists of all Tier 1 Units and all
18 other Organizational Units, except for Specially
19 Funded Units, with a Percent of Adequacy of less than
20 0.90.

21 (C) Tier 3 consists of all Organizational Units,
22 except for Specially Funded Units, with a Percent of
23 Adequacy of at least 0.90 and less than 1.0.

24 (D) Tier 4 consists of all Organizational Units
25 with a Percent of Adequacy of at least 1.0.

26 (4) The Allocation Rates for Tiers 1 through 4 are

1 determined as follows:

2 (A) The Tier 1 Allocation Rate is 30%.

3 (B) The Tier 2 Allocation Rate is the result of the
4 following equation: Tier 2 Aggregate Funding, divided
5 by the sum of the Funding Gaps for all Tier 2
6 Organizational Units, unless the result of such
7 equation is higher than 1.0. If the result of such
8 equation is higher than 1.0, then the Tier 2
9 Allocation Rate is 1.0.

10 (C) The Tier 3 Allocation Rate is the result of the
11 following equation: Tier 3 Aggregate Funding, divided
12 by the sum of the Adequacy Targets of all Tier 3
13 Organizational Units.

14 (D) The Tier 4 Allocation Rate is the result of the
15 following equation: Tier 4 Aggregate Funding, divided
16 by the sum of the Adequacy Targets of all Tier 4
17 Organizational Units.

18 (5) A tier's Target Ratio is determined as follows:

19 (A) The Tier 1 Target Ratio is the ratio level that
20 allows for Tier 1 Aggregate Funding to be distributed
21 with the Tier 1 Allocation Rate.

22 (B) The Tier 2 Target Ratio is 0.90.

23 (C) The Tier 3 Target Ratio is 1.0.

24 (6) If, at any point, the Tier 1 Target Ratio is
25 greater than 90%, then all Tier 1 funding shall be
26 allocated to Tier 2 and no Tier 1 Organizational Unit's

1 funding may be identified.

2 (7) In the event that all Tier 2 Organizational Units
3 receive funding at the Tier 2 Target Ratio level, any
4 remaining New State Funds shall be allocated to Tier 3 and
5 Tier 4 Organizational Units.

6 (8) If any Specially Funded Units, excluding Glenwood
7 Academy, recognized by the State Board do not qualify for
8 direct funding following the implementation of Public Act
9 100-465 from any of the funding sources included within
10 the definition of Base Funding Minimum, the unqualified
11 portion of the Base Funding Minimum shall be transferred
12 to one or more appropriate Organizational Units as
13 determined by the State Superintendent based on the prior
14 year ASE of the Organizational Units.

15 (8.5) If a school district withdraws from a special
16 education cooperative, the portion of the Base Funding
17 Minimum that is attributable to the school district may be
18 redistributed to the school district upon withdrawal. The
19 school district and the cooperative must include the
20 amount of the Base Funding Minimum that is to be
21 reapportioned in their withdrawal agreement and notify the
22 State Board of the change with a copy of the agreement upon
23 withdrawal.

24 (9) The Minimum Funding Level is intended to establish
25 a target for State funding that will keep pace with
26 inflation and continue to advance equity through the

1 Evidence-Based Funding formula. The target for State
2 funding of New Property Tax Relief Pool Funds is
3 \$50,000,000 for State fiscal year 2019 and subsequent
4 State fiscal years. The Minimum Funding Level is equal to
5 \$350,000,000. In addition to any New State Funds, no more
6 than \$50,000,000 New Property Tax Relief Pool Funds may be
7 counted toward the Minimum Funding Level. If the sum of
8 New State Funds and applicable New Property Tax Relief
9 Pool Funds are less than the Minimum Funding Level, than
10 funding for tiers shall be reduced in the following
11 manner:

12 (A) First, Tier 4 funding shall be reduced by an
13 amount equal to the difference between the Minimum
14 Funding Level and New State Funds until such time as
15 Tier 4 funding is exhausted.

16 (B) Next, Tier 3 funding shall be reduced by an
17 amount equal to the difference between the Minimum
18 Funding Level and New State Funds and the reduction in
19 Tier 4 funding until such time as Tier 3 funding is
20 exhausted.

21 (C) Next, Tier 2 funding shall be reduced by an
22 amount equal to the difference between the Minimum
23 Funding Level and New State Funds and the reduction in
24 Tier 4 and Tier 3.

25 (D) Finally, Tier 1 funding shall be reduced by an
26 amount equal to the difference between the Minimum

1 Funding level and New State Funds and the reduction in
2 Tier 2, 3, and 4 funding. In addition, the Allocation
3 Rate for Tier 1 shall be reduced to a percentage equal
4 to the Tier 1 Allocation Rate set by paragraph (4) of
5 this subsection (g), multiplied by the result of New
6 State Funds divided by the Minimum Funding Level.

7 (9.5) For State fiscal year 2019 and subsequent State
8 fiscal years, except State fiscal year 2026, if New State
9 Funds exceed \$300,000,000, then any amount in excess of
10 \$300,000,000 shall be dedicated for purposes of Section
11 2-3.170 of this Code up to a maximum of \$50,000,000.

12 (10) In the event of a decrease in the amount of the
13 appropriation for this Section in any fiscal year after
14 implementation of this Section, the Organizational Units
15 receiving Tier 1 and Tier 2 funding, as determined under
16 paragraph (3) of this subsection (g), shall be held
17 harmless by establishing a Base Funding Guarantee equal to
18 the per pupil kindergarten through grade 12 funding
19 received in accordance with this Section in the prior
20 fiscal year. Reductions shall be made to the Base Funding
21 Minimum of Organizational Units in Tier 3 and Tier 4 on a
22 per pupil basis equivalent to the total number of the ASE
23 in Tier 3-funded and Tier 4-funded Organizational Units
24 divided by the total reduction in State funding. The Base
25 Funding Minimum as reduced shall continue to be applied to
26 Tier 3 and Tier 4 Organizational Units and adjusted by the

1 relative formula when increases in appropriations for this
2 Section resume. In no event may State funding reductions
3 to Organizational Units in Tier 3 or Tier 4 exceed an
4 amount that would be less than the Base Funding Minimum
5 established in the first year of implementation of this
6 Section. If additional reductions are required, all school
7 districts shall receive a reduction by a per pupil amount
8 equal to the aggregate additional appropriation reduction
9 divided by the total ASE of all Organizational Units.

10 (11) The State Superintendent shall make minor
11 adjustments to the distribution formula set forth in this
12 subsection (g) to account for the rounding of percentages
13 to the nearest tenth of a percentage and dollar amounts to
14 the nearest whole dollar.

15 (h) State Superintendent administration of funding and
16 district submission requirements.

17 (1) The State Superintendent shall, in accordance with
18 appropriations made by the General Assembly, meet the
19 funding obligations created under this Section.

20 (2) The State Superintendent shall calculate the
21 Adequacy Target for each Organizational Unit under this
22 Section. No Evidence-Based Funding shall be distributed
23 within an Organizational Unit without the approval of the
24 unit's school board.

25 (3) Annually, the State Superintendent shall calculate
26 and report to each Organizational Unit the unit's

1 aggregate financial adequacy amount, which shall be the
2 sum of the Adequacy Target for each Organizational Unit.
3 The State Superintendent shall calculate and report
4 separately for each Organizational Unit the unit's total
5 State funds allocated for its students with disabilities.
6 The State Superintendent shall calculate and report
7 separately for each Organizational Unit the amount of
8 funding and applicable FTE calculated for each Essential
9 Element of the unit's Adequacy Target.

10 (4) Annually, the State Superintendent shall calculate
11 and report to each Organizational Unit the amount the unit
12 must expend on special education and bilingual education
13 and computer technology and equipment for Organizational
14 Units assigned to Tier 1 or Tier 2 that received an
15 additional \$285.50 per student computer technology and
16 equipment investment grant to their Adequacy Target
17 pursuant to the unit's Base Funding Minimum, Special
18 Education Allocation, Bilingual Education Allocation, and
19 computer technology and equipment investment allocation.

20 (5) Moneys distributed under this Section shall be
21 calculated on a school year basis, but paid on a fiscal
22 year basis, with payments beginning in August and
23 extending through June. Unless otherwise provided, the
24 moneys appropriated for each fiscal year shall be
25 distributed in 22 equal payments at least 2 times monthly
26 to each Organizational Unit. If moneys appropriated for

1 any fiscal year are distributed other than monthly, the
2 distribution shall be on the same basis for each
3 Organizational Unit.

4 (6) Any school district that fails, for any given
5 school year, to maintain school as required by law or to
6 maintain a recognized school is not eligible to receive
7 Evidence-Based Funding. In case of non-recognition of one
8 or more attendance centers in a school district otherwise
9 operating recognized schools, the claim of the district
10 shall be reduced in the proportion that the enrollment in
11 the attendance center or centers bears to the enrollment
12 of the school district. "Recognized school" means any
13 public school that meets the standards for recognition by
14 the State Board. A school district or attendance center
15 not having recognition status at the end of a school term
16 is entitled to receive State aid payments due upon a legal
17 claim that was filed while it was recognized.

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

21 (8) Each fiscal year, the State Superintendent shall
22 calculate for each Organizational Unit an amount of its
23 Base Funding Minimum and Evidence-Based Funding that shall
24 be deemed attributable to the provision of special
25 educational facilities and services, as defined in Section
26 14-1.08 of this Code, in a manner that ensures compliance

1 with maintenance of State financial support requirements
2 under the federal Individuals with Disabilities Education
3 Act. An Organizational Unit must use such funds only for
4 the provision of special educational facilities and
5 services, as defined in Section 14-1.08 of this Code, and
6 must comply with any expenditure verification procedures
7 adopted by the State Board.

8 (9) All Organizational Units in this State must submit
9 annual spending plans, as part of the budget submission
10 process, no later than October 31 of each year to the State
11 Board. The spending plan shall describe how each
12 Organizational Unit will utilize the Base Funding Minimum
13 and Evidence-Based Funding it receives from this State
14 under this Section with specific identification of the
15 intended utilization of Low-Income, English learner, and
16 special education resources. Additionally, the annual
17 spending plans of each Organizational Unit shall describe
18 how the Organizational Unit expects to achieve student
19 growth and how the Organizational Unit will achieve State
20 education goals, as defined by the State Board, and shall
21 indicate which stakeholder groups the Organizational Unit
22 engaged with to inform its annual spending plans. The
23 State Superintendent may, from time to time, identify
24 additional requisites for Organizational Units to satisfy
25 when compiling the annual spending plans required under
26 this subsection (h). The format and scope of annual

1 spending plans shall be developed by the State
2 Superintendent and the State Board of Education. School
3 districts that serve students under Article 14C of this
4 Code shall continue to submit information as required
5 under Section 14C-12 of this Code. Annual spending plans
6 required under this subsection (h) shall be integrated
7 into annual school district budgets completed pursuant to
8 Section 17-1 or Section 34-43. Organizational Units that
9 do not submit a budget to the State Board shall be provided
10 with a separate planning template developed by the State
11 Board. The State Board shall create an Evidence-Based
12 Funding spending plan tool to make Evidence-Based Funding
13 spending plan data for each Organizational Unit available
14 on the State Board's website no later than December 31,
15 2025, with annual updates thereafter. The tool shall allow
16 for the selection and review of each Organizational Unit's
17 planned use of Evidence-Based Funding.

18 (10) No later than January 1, 2018, the State
19 Superintendent shall develop a 5-year strategic plan for
20 all Organizational Units to help in planning for adequacy
21 funding under this Section. The State Superintendent shall
22 submit the plan to the Governor and the General Assembly,
23 as provided in Section 3.1 of the General Assembly
24 Organization Act. The plan shall include recommendations
25 for:

26 (A) a framework for collaborative, professional,

1 innovative, and 21st century learning environments
2 using the Evidence-Based Funding model;

3 (B) ways to prepare and support this State's
4 educators for successful instructional careers;

5 (C) application and enhancement of the current
6 financial accountability measures, the approved State
7 plan to comply with the federal Every Student Succeeds
8 Act, and the Illinois Balanced Accountability Measures
9 in relation to student growth and elements of the
10 Evidence-Based Funding model; and

11 (D) implementation of an effective school adequacy
12 funding system based on projected and recommended
13 funding levels from the General Assembly.

14 (11) On an annual basis, the State Superintendent must
15 recalibrate all of the following per pupil elements of the
16 Adequacy Target and applied to the formulas, based on the
17 study of average expenses and as reported in the most
18 recent annual financial report:

19 (A) Gifted under subparagraph (M) of paragraph (2)
20 of subsection (b).

21 (B) Instructional materials under subparagraph (O)
22 of paragraph (2) of subsection (b).

23 (C) Assessment under subparagraph (P) of paragraph
24 (2) of subsection (b).

25 (D) Student activities under subparagraph (R) of
26 paragraph (2) of subsection (b).

1 (E) Maintenance and operations under subparagraph
2 (S) of paragraph (2) of subsection (b).

3 (F) Central office under subparagraph (T) of
4 paragraph (2) of subsection (b).

5 (i) Professional Review Panel.

6 (1) A Professional Review Panel is created to study
7 and review topics related to the implementation and effect
8 of Evidence-Based Funding, as assigned by a joint
9 resolution or Public Act of the General Assembly or a
10 motion passed by the State Board of Education. The Panel
11 must provide recommendations to and serve the Governor,
12 the General Assembly, and the State Board. The State
13 Superintendent or his or her designee must serve as a
14 voting member and chairperson of the Panel. The State
15 Superintendent must appoint a vice chairperson from the
16 membership of the Panel. The Panel must advance
17 recommendations based on a three-fifths majority vote of
18 Panel members present and voting. A minority opinion may
19 also accompany any recommendation of the Panel. The Panel
20 shall be appointed by the State Superintendent, except as
21 otherwise provided in paragraph (2) of this subsection (i)
22 and include the following members:

23 (A) Two appointees that represent district
24 superintendents, recommended by a statewide
25 organization that represents district superintendents.

26 (B) Two appointees that represent school boards,

1 recommended by a statewide organization that
2 represents school boards.

3 (C) Two appointees from districts that represent
4 school business officials, recommended by a statewide
5 organization that represents school business
6 officials.

7 (D) Two appointees that represent school
8 principals, recommended by a statewide organization
9 that represents school principals.

10 (E) Two appointees that represent teachers,
11 recommended by a statewide organization that
12 represents teachers.

13 (F) Two appointees that represent teachers,
14 recommended by another statewide organization that
15 represents teachers.

16 (G) Two appointees that represent regional
17 superintendents of schools, recommended by
18 organizations that represent regional superintendents.

19 (H) Two independent experts selected solely by the
20 State Superintendent.

21 (I) Two independent experts recommended by public
22 universities in this State.

23 (J) One member recommended by a statewide
24 organization that represents parents.

25 (K) Two representatives recommended by collective
26 impact organizations that represent major metropolitan

1 areas or geographic areas in Illinois.

2 (L) One member from a statewide organization
3 focused on research-based education policy to support
4 a school system that prepares all students for
5 college, a career, and democratic citizenship.

6 (M) One representative from a school district
7 organized under Article 34 of this Code.

8 The State Superintendent shall ensure that the
9 membership of the Panel includes representatives from
10 school districts and communities reflecting the
11 geographic, socio-economic, racial, and ethnic diversity
12 of this State. The State Superintendent shall additionally
13 ensure that the membership of the Panel includes
14 representatives with expertise in bilingual education and
15 special education. Staff from the State Board shall staff
16 the Panel.

17 (2) In addition to those Panel members appointed by
18 the State Superintendent, 4 members of the General
19 Assembly shall be appointed as follows: one member of the
20 House of Representatives appointed by the Speaker of the
21 House of Representatives, one member of the Senate
22 appointed by the President of the Senate, one member of
23 the House of Representatives appointed by the Minority
24 Leader of the House of Representatives, and one member of
25 the Senate appointed by the Minority Leader of the Senate.
26 There shall be one additional member appointed by the

1 Governor. All members appointed by legislative leaders or
2 the Governor shall be non-voting, ex officio members.

3 (3) The Panel must study topics at the direction of
4 the General Assembly or State Board of Education, as
5 provided under paragraph (1). The Panel may also study the
6 following topics at the direction of the chairperson:

7 (A) The format and scope of annual spending plans
8 referenced in paragraph (9) of subsection (h) of this
9 Section.

10 (B) The Comparable Wage Index under this Section.

11 (C) Maintenance and operations, including capital
12 maintenance and construction costs.

13 (D) "At-risk student" definition.

14 (E) Benefits.

15 (F) Technology.

16 (G) Local Capacity Target.

17 (H) Funding for Alternative Schools, Laboratory
18 Schools, safe schools, and alternative learning
19 opportunities programs.

20 (I) Funding for college and career acceleration
21 strategies.

22 (J) Special education investments.

23 (K) Early childhood investments, in collaboration
24 with the Illinois Early Learning Council.

25 (4) (Blank).

26 (5) Within 5 years after the implementation of this

1 Section, and every 5 years thereafter, the Panel shall
2 complete an evaluative study of the entire Evidence-Based
3 Funding model, including an assessment of whether or not
4 the formula is achieving State goals. The Panel shall
5 report to the State Board, the General Assembly, and the
6 Governor on the findings of the study.

7 (6) (Blank).

8 (7) To ensure that (i) the Adequacy Target calculation
9 under subsection (b) accurately reflects the needs of
10 students living in poverty or attending schools located in
11 areas of high poverty, (ii) racial equity within the
12 Evidence-Based Funding formula is explicitly explored and
13 advanced, and (iii) the funding goals of the formula
14 distribution system established under this Section are
15 sufficient to provide adequate funding for every student
16 and to fully fund every school in this State, the Panel
17 shall review the Essential Elements under paragraph (2) of
18 subsection (b). The Panel shall consider all of the
19 following in its review:

20 (A) The financial ability of school districts to
21 provide instruction in a foreign language to every
22 student and whether an additional Essential Element
23 should be added to the formula to ensure that every
24 student has access to instruction in a foreign
25 language.

26 (B) The adult-to-student ratio for each Essential

1 Element in which a ratio is identified. The Panel
2 shall consider whether the ratio accurately reflects
3 the staffing needed to support students living in
4 poverty or who have traumatic backgrounds.

5 (C) Changes to the Essential Elements that may be
6 required to better promote racial equity and eliminate
7 structural racism within schools.

8 (D) The impact of investing \$350,000,000 in
9 additional funds each year under this Section and an
10 estimate of when the school system will become fully
11 funded under this level of appropriation.

12 (E) Provide an overview of alternative funding
13 structures that would enable the State to become fully
14 funded at an earlier date.

15 (F) The potential to increase efficiency and to
16 find cost savings within the school system to expedite
17 the journey to a fully funded system.

18 (G) The appropriate levels for reenrolling and
19 graduating high-risk high school students who have
20 been previously out of school. These outcomes shall
21 include enrollment, attendance, skill gains, credit
22 gains, graduation or promotion to the next grade
23 level, and the transition to college, training, or
24 employment, with an emphasis on progressively
25 increasing the overall attendance.

26 (H) The evidence-based or research-based practices

1 that are shown to reduce the gaps and disparities
2 experienced by African American students in academic
3 achievement and educational performance, including
4 practices that have been shown to reduce disparities
5 in disciplinary rates, drop-out rates, graduation
6 rates, college matriculation rates, and college
7 completion rates.

8 On or before December 31, 2021, the Panel shall report
9 to the State Board, the General Assembly, and the Governor
10 on the findings of its review. This paragraph (7) is
11 inoperative on and after July 1, 2022.

12 (8) On or before April 1, 2024, the Panel must submit a
13 report to the General Assembly on annual adjustments to
14 Glenwood Academy's base-funding minimum in a similar
15 fashion to school districts under this Section.

16 (9) On or before March 31, 2026, the Professional
17 Review Panel shall make a report to the Governor and the
18 General Assembly assessing the impact of the property tax
19 relief pool grant program under Section 2-3.170, including
20 the number of districts participating in the program by
21 fiscal year since Fiscal Year 2019, the tier assignment
22 for participating school districts, and an analysis of the
23 operating tax rates of participating school districts to
24 determine if the grant program is meeting the legislative
25 intent of reducing property taxes in high-tax areas of the
26 State.

1 (j) References. Beginning July 1, 2017, references in
2 other laws to general State aid funds or calculations under
3 Section 18-8.05 of this Code (now repealed) shall be deemed to
4 be references to evidence-based model formula funds or
5 calculations under this Section.

6 (Source: P.A. 103-8, eff. 6-7-23; 103-154, eff. 6-30-23;
7 103-175, eff. 6-30-23; 103-605, eff. 7-1-24; 103-780, eff.
8 8-2-24; 103-802, eff. 1-1-25; 104-2, eff. 6-16-25; 104-417,
9 eff. 8-15-25; 104-435, eff. 11-21-25; revised 12-9-25.)

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