



## 102ND GENERAL ASSEMBLY

### State of Illinois

### 2021 and 2022

#### HB2787

Introduced 2/19/2021, by Rep. William Davis

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/16-158	from Ch. 108 1/2, par. 16-158
40 ILCS 5/17-127	from Ch. 108 1/2, par. 17-127
105 ILCS 5/18-8.15	

Amends the evidence-based funding formula provisions of the School Code to make changes concerning the employee benefit investments calculation and the Adjusted Base Funding Minimum calculation in relation to the employer normal cost of teacher pensions and the Base Funding Minimum calculation in relation to excess State payments. Amends the Downstate and Chicago Teacher Articles of the Illinois Pension Code to make related changes. Effective immediately.

LRB102 15092 NHT 20447 b

FISCAL NOTE ACT  
MAY APPLY

PENSION IMPACT  
NOTE ACT MAY  
APPLY

STATE MANDATES  
ACT MAY REQUIRE  
REIMBURSEMENT

1 AN ACT concerning education.

2 WHEREAS, This Act may be referred to as the Acceleration  
3 of School Funding Equity Act of 2021; and

4 WHEREAS, The General Assembly overhauled this State's  
5 outdated and inequitable funding system in 2017 with the  
6 enactment of an evidence-based funding formula via Public Act  
7 100-465, which consolidated several funding streams into a  
8 single formula; and

9 WHEREAS, This new, modernized formula considers how much  
10 each school district needs to adequately educate its students,  
11 how much local capacity each district has to fund its schools,  
12 and how close each district is to reaching adequate funding,  
13 all while holding harmless all districts; and

14 WHEREAS, The State pays most employer costs of teacher  
15 pensions, which is among the most inequitable ways this State  
16 supports school districts because those districts with higher  
17 teacher salaries and more teachers receive a greater State  
18 subsidy for the cost of teacher pensions than those districts  
19 with lower teacher salaries and fewer teachers; and

20 WHEREAS, The current structure for State support of  
21 teacher pension costs provides school districts funded above  
22 100% adequacy a benefit of \$328 more per pupil than it provides

1 to school districts funded below 80% of adequacy; and

2 WHEREAS, The evidence-based funding formula depends on new  
3 funding being invested each year in order to close the  
4 adequacy gap; however, no increased tier funding was  
5 appropriated in fiscal year 2021; and

6 WHEREAS, By applying the same principles found in the  
7 evidence-based funding formula, the inequitable teacher  
8 pension funding structure can be improved to accelerate  
9 equity, accelerate the timeline for bringing the school  
10 funding system closer to adequacy, and protect teacher pension  
11 funding; therefore

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

14 Section 5. The Illinois Pension Code is amended by  
15 changing Sections 16-158 and 17-127 as follows:

16 (40 ILCS 5/16-158) (from Ch. 108 1/2, par. 16-158)

17 Sec. 16-158. Contributions by State and other employing  
18 units.

19 (a) The State shall make contributions to the System by  
20 means of appropriations from the Common School Fund and other  
21 State funds of amounts which, together with other employer

1 contributions, employee contributions, investment income, and  
2 other income, will be sufficient to meet the cost of  
3 maintaining and administering the System on a 90% funded basis  
4 in accordance with actuarial recommendations.

5 The Board shall determine the amount of State  
6 contributions required for each fiscal year on the basis of  
7 the actuarial tables and other assumptions adopted by the  
8 Board and the recommendations of the actuary, using the  
9 formula in subsection (b-3).

10 (a-1) Annually, on or before November 15 until November  
11 15, 2011, the Board shall certify to the Governor the amount of  
12 the required State contribution for the coming fiscal year.  
13 The certification under this subsection (a-1) shall include a  
14 copy of the actuarial recommendations upon which it is based  
15 and shall specifically identify the System's projected State  
16 normal cost for that fiscal year.

17 On or before May 1, 2004, the Board shall recalculate and  
18 recertify to the Governor the amount of the required State  
19 contribution to the System for State fiscal year 2005, taking  
20 into account the amounts appropriated to and received by the  
21 System under subsection (d) of Section 7.2 of the General  
22 Obligation Bond Act.

23 On or before July 1, 2005, the Board shall recalculate and  
24 recertify to the Governor the amount of the required State  
25 contribution to the System for State fiscal year 2006, taking  
26 into account the changes in required State contributions made

1 by Public Act 94-4.

2 On or before April 1, 2011, the Board shall recalculate  
3 and recertify to the Governor the amount of the required State  
4 contribution to the System for State fiscal year 2011,  
5 applying the changes made by Public Act 96-889 to the System's  
6 assets and liabilities as of June 30, 2009 as though Public Act  
7 96-889 was approved on that date.

8 (a-5) On or before November 1 of each year, beginning  
9 November 1, 2012, the Board shall submit to the State Actuary,  
10 the Governor, and the General Assembly a proposed  
11 certification of the amount of the required State contribution  
12 to the System for the next fiscal year, along with all of the  
13 actuarial assumptions, calculations, and data upon which that  
14 proposed certification is based. On or before January 1 of  
15 each year, beginning January 1, 2013, the State Actuary shall  
16 issue a preliminary report concerning the proposed  
17 certification and identifying, if necessary, recommended  
18 changes in actuarial assumptions that the Board must consider  
19 before finalizing its certification of the required State  
20 contributions. On or before January 15, 2013 and each January  
21 15 thereafter, the Board shall certify to the Governor and the  
22 General Assembly the amount of the required State contribution  
23 for the next fiscal year. The Board's certification must note  
24 any deviations from the State Actuary's recommended changes,  
25 the reason or reasons for not following the State Actuary's  
26 recommended changes, and the fiscal impact of not following

1 the State Actuary's recommended changes on the required State  
2 contribution.

3 (a-10) By November 1, 2017, the Board shall recalculate  
4 and recertify to the State Actuary, the Governor, and the  
5 General Assembly the amount of the State contribution to the  
6 System for State fiscal year 2018, taking into account the  
7 changes in required State contributions made by Public Act  
8 100-23. The State Actuary shall review the assumptions and  
9 valuations underlying the Board's revised certification and  
10 issue a preliminary report concerning the proposed  
11 recertification and identifying, if necessary, recommended  
12 changes in actuarial assumptions that the Board must consider  
13 before finalizing its certification of the required State  
14 contributions. The Board's final certification must note any  
15 deviations from the State Actuary's recommended changes, the  
16 reason or reasons for not following the State Actuary's  
17 recommended changes, and the fiscal impact of not following  
18 the State Actuary's recommended changes on the required State  
19 contribution.

20 (a-15) On or after June 15, 2019, but no later than June  
21 30, 2019, the Board shall recalculate and recertify to the  
22 Governor and the General Assembly the amount of the State  
23 contribution to the System for State fiscal year 2019, taking  
24 into account the changes in required State contributions made  
25 by Public Act 100-587. The recalculation shall be made using  
26 assumptions adopted by the Board for the original fiscal year

1 2019 certification. The monthly voucher for the 12th month of  
2 fiscal year 2019 shall be paid by the Comptroller after the  
3 recertification required pursuant to this subsection is  
4 submitted to the Governor, Comptroller, and General Assembly.  
5 The recertification submitted to the General Assembly shall be  
6 filed with the Clerk of the House of Representatives and the  
7 Secretary of the Senate in electronic form only, in the manner  
8 that the Clerk and the Secretary shall direct.

9 (b) Through State fiscal year 1995, the State  
10 contributions shall be paid to the System in accordance with  
11 Section 18-7 of the School Code.

12 (b-1) Beginning in State fiscal year 1996, on the 15th day  
13 of each month, or as soon thereafter as may be practicable, the  
14 Board shall submit vouchers for payment of State contributions  
15 to the System, in a total monthly amount of one-twelfth of the  
16 required annual State contribution certified under subsection  
17 (a-1). From March 5, 2004 (the effective date of Public Act  
18 93-665) through June 30, 2004, the Board shall not submit  
19 vouchers for the remainder of fiscal year 2004 in excess of the  
20 fiscal year 2004 certified contribution amount determined  
21 under this Section after taking into consideration the  
22 transfer to the System under subsection (a) of Section 6z-61  
23 of the State Finance Act. These vouchers shall be paid by the  
24 State Comptroller and Treasurer by warrants drawn on the funds  
25 appropriated to the System for that fiscal year.

26 If in any month the amount remaining unexpended from all

1 other appropriations to the System for the applicable fiscal  
2 year (including the appropriations to the System under Section  
3 8.12 of the State Finance Act and Section 1 of the State  
4 Pension Funds Continuing Appropriation Act) is less than the  
5 amount lawfully vouchered under this subsection, the  
6 difference shall be paid from the Common School Fund under the  
7 continuing appropriation authority provided in Section 1.1 of  
8 the State Pension Funds Continuing Appropriation Act.

9 (b-2) Allocations from the Common School Fund apportioned  
10 to school districts not coming under this System shall not be  
11 diminished or affected by the provisions of this Article.

12 (b-3) For State fiscal years 2012 through 2045, the  
13 minimum contribution to the System to be made by the State for  
14 each fiscal year shall be an amount determined by the System to  
15 be sufficient to bring the total assets of the System up to 90%  
16 of the total actuarial liabilities of the System by the end of  
17 State fiscal year 2045. In making these determinations, the  
18 required State contribution shall be calculated each year as a  
19 level percentage of payroll over the years remaining to and  
20 including fiscal year 2045 and shall be determined under the  
21 projected unit credit actuarial cost method.

22 For each of State fiscal years 2018, 2019, and 2020, the  
23 State shall make an additional contribution to the System  
24 equal to 2% of the total payroll of each employee who is deemed  
25 to have elected the benefits under Section 1-161 or who has  
26 made the election under subsection (c) of Section 1-161.



1           A change in an actuarial or investment assumption that  
2 increases or decreases the required State contribution and  
3 first applies in State fiscal year 2018 or thereafter shall be  
4 implemented in equal annual amounts over a 5-year period  
5 beginning in the State fiscal year in which the actuarial  
6 change first applies to the required State contribution.

7           A change in an actuarial or investment assumption that  
8 increases or decreases the required State contribution and  
9 first applied to the State contribution in fiscal year 2014,  
10 2015, 2016, or 2017 shall be implemented:

11           (i) as already applied in State fiscal years before  
12 2018; and

13           (ii) in the portion of the 5-year period beginning in  
14 the State fiscal year in which the actuarial change first  
15 applied that occurs in State fiscal year 2018 or  
16 thereafter, by calculating the change in equal annual  
17 amounts over that 5-year period and then implementing it  
18 at the resulting annual rate in each of the remaining  
19 fiscal years in that 5-year period.

20           For State fiscal years 1996 through 2005, the State  
21 contribution to the System, as a percentage of the applicable  
22 employee payroll, shall be increased in equal annual  
23 increments so that by State fiscal year 2011, the State is  
24 contributing at the rate required under this Section; except  
25 that in the following specified State fiscal years, the State  
26 contribution to the System shall not be less than the

1 following indicated percentages of the applicable employee  
2 payroll, even if the indicated percentage will produce a State  
3 contribution in excess of the amount otherwise required under  
4 this subsection and subsection (a), and notwithstanding any  
5 contrary certification made under subsection (a-1) before May  
6 27, 1998 (the effective date of Public Act 90-582): 10.02% in  
7 FY 1999; 10.77% in FY 2000; 11.47% in FY 2001; 12.16% in FY  
8 2002; 12.86% in FY 2003; and 13.56% in FY 2004.

9 Notwithstanding any other provision of this Article, the  
10 total required State contribution for State fiscal year 2006  
11 is \$534,627,700.

12 Notwithstanding any other provision of this Article, the  
13 total required State contribution for State fiscal year 2007  
14 is \$738,014,500.

15 For each of State fiscal years 2008 through 2009, the  
16 State contribution to the System, as a percentage of the  
17 applicable employee payroll, shall be increased in equal  
18 annual increments from the required State contribution for  
19 State fiscal year 2007, so that by State fiscal year 2011, the  
20 State is contributing at the rate otherwise required under  
21 this Section.

22 Notwithstanding any other provision of this Article, the  
23 total required State contribution for State fiscal year 2010  
24 is \$2,089,268,000 and shall be made from the proceeds of bonds  
25 sold in fiscal year 2010 pursuant to Section 7.2 of the General  
26 Obligation Bond Act, less (i) the pro rata share of bond sale

1 expenses determined by the System's share of total bond  
2 proceeds, (ii) any amounts received from the Common School  
3 Fund in fiscal year 2010, and (iii) any reduction in bond  
4 proceeds due to the issuance of discounted bonds, if  
5 applicable.

6 Notwithstanding any other provision of this Article, the  
7 total required State contribution for State fiscal year 2011  
8 is the amount recertified by the System on or before April 1,  
9 2011 pursuant to subsection (a-1) of this Section and shall be  
10 made from the proceeds of bonds sold in fiscal year 2011  
11 pursuant to Section 7.2 of the General Obligation Bond Act,  
12 less (i) the pro rata share of bond sale expenses determined by  
13 the System's share of total bond proceeds, (ii) any amounts  
14 received from the Common School Fund in fiscal year 2011, and  
15 (iii) any reduction in bond proceeds due to the issuance of  
16 discounted bonds, if applicable. This amount shall include, in  
17 addition to the amount certified by the System, an amount  
18 necessary to meet employer contributions required by the State  
19 as an employer under paragraph (e) of this Section, which may  
20 also be used by the System for contributions required by  
21 paragraph (a) of Section 16-127.

22 Beginning in State fiscal year 2046, the minimum State  
23 contribution for each fiscal year shall be the amount needed  
24 to maintain the total assets of the System at 90% of the total  
25 actuarial liabilities of the System.

26 Amounts received by the System pursuant to Section 25 of

1 the Budget Stabilization Act or Section 8.12 of the State  
2 Finance Act in any fiscal year do not reduce and do not  
3 constitute payment of any portion of the minimum State  
4 contribution required under this Article in that fiscal year.  
5 Such amounts shall not reduce, and shall not be included in the  
6 calculation of, the required State contributions under this  
7 Article in any future year until the System has reached a  
8 funding ratio of at least 90%. A reference in this Article to  
9 the "required State contribution" or any substantially similar  
10 term does not include or apply to any amounts payable to the  
11 System under Section 25 of the Budget Stabilization Act.

12 Notwithstanding any other provision of this Section, the  
13 required State contribution for State fiscal year 2005 and for  
14 fiscal year 2008 and each fiscal year thereafter, as  
15 calculated under this Section and certified under subsection  
16 (a-1), shall not exceed an amount equal to (i) the amount of  
17 the required State contribution that would have been  
18 calculated under this Section for that fiscal year if the  
19 System had not received any payments under subsection (d) of  
20 Section 7.2 of the General Obligation Bond Act, minus (ii) the  
21 portion of the State's total debt service payments for that  
22 fiscal year on the bonds issued in fiscal year 2003 for the  
23 purposes of that Section 7.2, as determined and certified by  
24 the Comptroller, that is the same as the System's portion of  
25 the total moneys distributed under subsection (d) of Section  
26 7.2 of the General Obligation Bond Act. In determining this

1 maximum for State fiscal years 2008 through 2010, however, the  
2 amount referred to in item (i) shall be increased, as a  
3 percentage of the applicable employee payroll, in equal  
4 increments calculated from the sum of the required State  
5 contribution for State fiscal year 2007 plus the applicable  
6 portion of the State's total debt service payments for fiscal  
7 year 2007 on the bonds issued in fiscal year 2003 for the  
8 purposes of Section 7.2 of the General Obligation Bond Act, so  
9 that, by State fiscal year 2011, the State is contributing at  
10 the rate otherwise required under this Section.

11 (b-4) Beginning in fiscal year 2018, each employer under  
12 this Article shall pay to the System a required contribution  
13 determined as a percentage of projected payroll and sufficient  
14 to produce an annual amount equal to:

15 (i) for each of fiscal years 2018, 2019, and 2020, the  
16 defined benefit normal cost of the defined benefit plan,  
17 less the employee contribution, for each employee of that  
18 employer who has elected or who is deemed to have elected  
19 the benefits under Section 1-161 or who has made the  
20 election under subsection (b) of Section 1-161; for fiscal  
21 year 2021 and each fiscal year thereafter, the defined  
22 benefit normal cost of the defined benefit plan, less the  
23 employee contribution, plus 2%, for each employee of that  
24 employer who has elected or who is deemed to have elected  
25 the benefits under Section 1-161 or who has made the  
26 election under subsection (b) of Section 1-161; plus

1           (ii) the amount required for that fiscal year to  
2           amortize any unfunded actuarial accrued liability  
3           associated with the present value of liabilities  
4           attributable to the employer's account under Section  
5           16-158.3, determined as a level percentage of payroll over  
6           a 30-year rolling amortization period.

7           In determining contributions required under item (i) of  
8           this subsection, the System shall determine an aggregate rate  
9           for all employers, expressed as a percentage of projected  
10          payroll.

11          In determining the contributions required under item (ii)  
12          of this subsection, the amount shall be computed by the System  
13          on the basis of the actuarial assumptions and tables used in  
14          the most recent actuarial valuation of the System that is  
15          available at the time of the computation.

16          The contributions required under this subsection (b-4)  
17          shall be paid by an employer concurrently with that employer's  
18          payroll payment period. The State, as the actual employer of  
19          an employee, shall make the required contributions under this  
20          subsection.

21          (b-5) Beginning in fiscal year 2022, by February 15 of  
22          each year or upon a date mutually agreed upon by the System and  
23          the State Superintendent of Education, the System shall  
24          certify to the State Superintendent of Education the amount  
25          attributable to each employer under this Article for the  
26          State-paid employer normal cost paid on behalf of the

1 employer's employees determined as a percentage of projected  
2 payroll and sufficient to produce an annual amount equal to:

3 (1) for fiscal year 2022, the normal cost of each  
4 member employed by the employer, other than a member  
5 covered by subsection (b-4) of this Section, less the  
6 employee contribution; and

7 (2) for fiscal year 2023 and each fiscal year  
8 thereafter, the amount required for that fiscal year to  
9 amortize any unfunded actuarial accrued liability accrued  
10 from differences between estimated and actual normal cost  
11 rates paid by the employer determined as a level  
12 percentage of payroll over a 30-year rolling amortization  
13 period.

14 In determining the amounts required to be calculated under  
15 item (1) of this subsection (b-5), the System shall determine  
16 an aggregate rate for all employers, expressed as a percentage  
17 of projected payroll. In determining the amounts required to  
18 be calculated under item (2) of this subsection (b-5), the  
19 amount shall be computed by the System on the basis of  
20 actuarial assumptions and tables used in the most recent  
21 actuarial valuation of the System that is available at the  
22 time of the computation.

23 (c) Payment of the required State contributions and of all  
24 pensions, retirement annuities, death benefits, refunds, and  
25 other benefits granted under or assumed by this System, and  
26 all expenses in connection with the administration and

1 operation thereof, are obligations of the State.

2 If members are paid from special trust or federal funds  
3 which are administered by the employing unit, whether school  
4 district or other unit, the employing unit shall pay to the  
5 System from such funds the full accruing retirement costs  
6 based upon that service, which, beginning July 1, 2017, shall  
7 be at a rate, expressed as a percentage of salary, equal to the  
8 total employer's normal cost, expressed as a percentage of  
9 payroll, as determined by the System. Employer contributions,  
10 based on salary paid to members from federal funds, may be  
11 forwarded by the distributing agency of the State of Illinois  
12 to the System prior to allocation, in an amount determined in  
13 accordance with guidelines established by such agency and the  
14 System. Any contribution for fiscal year 2015 collected as a  
15 result of the change made by Public Act 98-674 shall be  
16 considered a State contribution under subsection (b-3) of this  
17 Section.

18 (d) Effective July 1, 1986, any employer of a teacher as  
19 defined in paragraph (8) of Section 16-106 shall pay the  
20 employer's normal cost of benefits based upon the teacher's  
21 service, in addition to employee contributions, as determined  
22 by the System. Such employer contributions shall be forwarded  
23 monthly in accordance with guidelines established by the  
24 System.

25 However, with respect to benefits granted under Section  
26 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8)



1 of Section 16-106, the employer's contribution shall be 12%  
2 (rather than 20%) of the member's highest annual salary rate  
3 for each year of creditable service granted, and the employer  
4 shall also pay the required employee contribution on behalf of  
5 the teacher. For the purposes of Sections 16-133.4 and  
6 16-133.5, a teacher as defined in paragraph (8) of Section  
7 16-106 who is serving in that capacity while on leave of  
8 absence from another employer under this Article shall not be  
9 considered an employee of the employer from which the teacher  
10 is on leave.

11 (e) Beginning July 1, 1998, every employer of a teacher  
12 shall pay to the System an employer contribution computed as  
13 follows:

14 (1) Beginning July 1, 1998 through June 30, 1999, the  
15 employer contribution shall be equal to 0.3% of each  
16 teacher's salary.

17 (2) Beginning July 1, 1999 and thereafter, the  
18 employer contribution shall be equal to 0.58% of each  
19 teacher's salary.

20 The school district or other employing unit may pay these  
21 employer contributions out of any source of funding available  
22 for that purpose and shall forward the contributions to the  
23 System on the schedule established for the payment of member  
24 contributions.

25 These employer contributions are intended to offset a  
26 portion of the cost to the System of the increases in

1 retirement benefits resulting from Public Act 90-582.

2 Each employer of teachers is entitled to a credit against  
3 the contributions required under this subsection (e) with  
4 respect to salaries paid to teachers for the period January 1,  
5 2002 through June 30, 2003, equal to the amount paid by that  
6 employer under subsection (a-5) of Section 6.6 of the State  
7 Employees Group Insurance Act of 1971 with respect to salaries  
8 paid to teachers for that period.

9 The additional 1% employee contribution required under  
10 Section 16-152 by Public Act 90-582 is the responsibility of  
11 the teacher and not the teacher's employer, unless the  
12 employer agrees, through collective bargaining or otherwise,  
13 to make the contribution on behalf of the teacher.

14 If an employer is required by a contract in effect on May  
15 1, 1998 between the employer and an employee organization to  
16 pay, on behalf of all its full-time employees covered by this  
17 Article, all mandatory employee contributions required under  
18 this Article, then the employer shall be excused from paying  
19 the employer contribution required under this subsection (e)  
20 for the balance of the term of that contract. The employer and  
21 the employee organization shall jointly certify to the System  
22 the existence of the contractual requirement, in such form as  
23 the System may prescribe. This exclusion shall cease upon the  
24 termination, extension, or renewal of the contract at any time  
25 after May 1, 1998.

26 (f) If ~~June 4, 2018 (Public Act 100-587)~~ the amount of a

1 teacher's salary for any school year used to determine final  
2 average salary exceeds the member's annual full-time salary  
3 rate with the same employer for the previous school year by  
4 more than 6%, the teacher's employer shall pay to the System,  
5 in addition to all other payments required under this Section  
6 and in accordance with guidelines established by the System,  
7 the present value of the increase in benefits resulting from  
8 the portion of the increase in salary that is in excess of 6%.  
9 This present value shall be computed by the System on the basis  
10 of the actuarial assumptions and tables used in the most  
11 recent actuarial valuation of the System that is available at  
12 the time of the computation. If a teacher's salary for the  
13 2005-2006 school year is used to determine final average  
14 salary under this subsection (f), then the changes made to  
15 this subsection (f) by Public Act 94-1057 shall apply in  
16 calculating whether the increase in his or her salary is in  
17 excess of 6%. For the purposes of this Section, change in  
18 employment under Section 10-21.12 of the School Code on or  
19 after June 1, 2005 shall constitute a change in employer. The  
20 System may require the employer to provide any pertinent  
21 information or documentation. The changes made to this  
22 subsection (f) by Public Act 94-1111 apply without regard to  
23 whether the teacher was in service on or after its effective  
24 date.

25 Whenever it determines that a payment is or may be  
26 required under this subsection, the System shall calculate the

1 amount of the payment and bill the employer for that amount.  
2 The bill shall specify the calculations used to determine the  
3 amount due. If the employer disputes the amount of the bill, it  
4 may, within 30 days after receipt of the bill, apply to the  
5 System in writing for a recalculation. The application must  
6 specify in detail the grounds of the dispute and, if the  
7 employer asserts that the calculation is subject to subsection  
8 (g) or (h) of this Section, must include an affidavit setting  
9 forth and attesting to all facts within the employer's  
10 knowledge that are pertinent to the applicability of that  
11 subsection. Upon receiving a timely application for  
12 recalculation, the System shall review the application and, if  
13 appropriate, recalculate the amount due.

14 The employer contributions required under this subsection  
15 (f) may be paid in the form of a lump sum within 90 days after  
16 receipt of the bill. If the employer contributions are not  
17 paid within 90 days after receipt of the bill, then interest  
18 will be charged at a rate equal to the System's annual  
19 actuarially assumed rate of return on investment compounded  
20 annually from the 91st day after receipt of the bill. Payments  
21 must be concluded within 3 years after the employer's receipt  
22 of the bill.

23 (f-1) (Blank). ~~June 4, 2018 (Public Act 100-587)~~

24 (g) This subsection (g) applies only to payments made or  
25 salary increases given on or after June 1, 2005 but before July  
26 1, 2011. The changes made by Public Act 94-1057 shall not

1 require the System to refund any payments received before July  
2 31, 2006 (the effective date of Public Act 94-1057).

3 When assessing payment for any amount due under subsection  
4 (f), the System shall exclude salary increases paid to  
5 teachers under contracts or collective bargaining agreements  
6 entered into, amended, or renewed before June 1, 2005.

7 When assessing payment for any amount due under subsection  
8 (f), the System shall exclude salary increases paid to a  
9 teacher at a time when the teacher is 10 or more years from  
10 retirement eligibility under Section 16-132 or 16-133.2.

11 When assessing payment for any amount due under subsection  
12 (f), the System shall exclude salary increases resulting from  
13 overload work, including summer school, when the school  
14 district has certified to the System, and the System has  
15 approved the certification, that (i) the overload work is for  
16 the sole purpose of classroom instruction in excess of the  
17 standard number of classes for a full-time teacher in a school  
18 district during a school year and (ii) the salary increases  
19 are equal to or less than the rate of pay for classroom  
20 instruction computed on the teacher's current salary and work  
21 schedule.

22 When assessing payment for any amount due under subsection  
23 (f), the System shall exclude a salary increase resulting from  
24 a promotion (i) for which the employee is required to hold a  
25 certificate or supervisory endorsement issued by the State  
26 Teacher Certification Board that is a different certification

1 or supervisory endorsement than is required for the teacher's  
2 previous position and (ii) to a position that has existed and  
3 been filled by a member for no less than one complete academic  
4 year and the salary increase from the promotion is an increase  
5 that results in an amount no greater than the lesser of the  
6 average salary paid for other similar positions in the  
7 district requiring the same certification or the amount  
8 stipulated in the collective bargaining agreement for a  
9 similar position requiring the same certification.

10 When assessing payment for any amount due under subsection  
11 (f), the System shall exclude any payment to the teacher from  
12 the State of Illinois or the State Board of Education over  
13 which the employer does not have discretion, notwithstanding  
14 that the payment is included in the computation of final  
15 average salary.

16 (h) When assessing payment for any amount due under  
17 subsection (f), the System shall exclude any salary increase  
18 described in subsection (g) of this Section given on or after  
19 July 1, 2011 but before July 1, 2014 under a contract or  
20 collective bargaining agreement entered into, amended, or  
21 renewed on or after June 1, 2005 but before July 1, 2011.  
22 Notwithstanding any other provision of this Section, any  
23 payments made or salary increases given after June 30, 2014  
24 shall be used in assessing payment for any amount due under  
25 subsection (f) of this Section.

26 (i) The System shall prepare a report and file copies of

1 the report with the Governor and the General Assembly by  
2 January 1, 2007 that contains all of the following  
3 information:

4 (1) The number of recalculations required by the  
5 changes made to this Section by Public Act 94-1057 for  
6 each employer.

7 (2) The dollar amount by which each employer's  
8 contribution to the System was changed due to  
9 recalculations required by Public Act 94-1057.

10 (3) The total amount the System received from each  
11 employer as a result of the changes made to this Section by  
12 Public Act 94-4.

13 (4) The increase in the required State contribution  
14 resulting from the changes made to this Section by Public  
15 Act 94-1057.

16 (i-5) For school years beginning on or after July 1, 2017,  
17 if the amount of a participant's salary for any school year  
18 exceeds the amount of the salary set for the Governor, the  
19 participant's employer shall pay to the System, in addition to  
20 all other payments required under this Section and in  
21 accordance with guidelines established by the System, an  
22 amount determined by the System to be equal to the employer  
23 normal cost, as established by the System and expressed as a  
24 total percentage of payroll, multiplied by the amount of  
25 salary in excess of the amount of the salary set for the  
26 Governor. This amount shall be computed by the System on the

1 basis of the actuarial assumptions and tables used in the most  
2 recent actuarial valuation of the System that is available at  
3 the time of the computation. The System may require the  
4 employer to provide any pertinent information or  
5 documentation.

6 Whenever it determines that a payment is or may be  
7 required under this subsection, the System shall calculate the  
8 amount of the payment and bill the employer for that amount.  
9 The bill shall specify the calculations used to determine the  
10 amount due. If the employer disputes the amount of the bill, it  
11 may, within 30 days after receipt of the bill, apply to the  
12 System in writing for a recalculation. The application must  
13 specify in detail the grounds of the dispute. Upon receiving a  
14 timely application for recalculation, the System shall review  
15 the application and, if appropriate, recalculate the amount  
16 due.

17 The employer contributions required under this subsection  
18 may be paid in the form of a lump sum within 90 days after  
19 receipt of the bill. If the employer contributions are not  
20 paid within 90 days after receipt of the bill, then interest  
21 will be charged at a rate equal to the System's annual  
22 actuarially assumed rate of return on investment compounded  
23 annually from the 91st day after receipt of the bill. Payments  
24 must be concluded within 3 years after the employer's receipt  
25 of the bill.

26 (j) For purposes of determining the required State



1 contribution to the System, the value of the System's assets  
2 shall be equal to the actuarial value of the System's assets,  
3 which shall be calculated as follows:

4 As of June 30, 2008, the actuarial value of the System's  
5 assets shall be equal to the market value of the assets as of  
6 that date. In determining the actuarial value of the System's  
7 assets for fiscal years after June 30, 2008, any actuarial  
8 gains or losses from investment return incurred in a fiscal  
9 year shall be recognized in equal annual amounts over the  
10 5-year period following that fiscal year.

11 (k) For purposes of determining the required State  
12 contribution to the system for a particular year, the  
13 actuarial value of assets shall be assumed to earn a rate of  
14 return equal to the system's actuarially assumed rate of  
15 return.

16 (Source: P.A. 100-23, eff. 7-6-17; 100-340, eff. 8-25-17;  
17 100-587, eff. 6-4-18; 100-624, eff. 7-20-18; 100-863, eff.  
18 8-14-18; 101-10, eff. 6-5-19; 101-81, eff. 7-12-19; revised  
19 8-13-19.)

20 (40 ILCS 5/17-127) (from Ch. 108 1/2, par. 17-127)

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

22 (a) The revenues for the Fund shall consist of: (1)  
23 amounts paid into the Fund by contributors thereto and from  
24 employer contributions and State appropriations in accordance  
25 with this Article; (2) amounts contributed to the Fund by an

1 Employer; (3) amounts contributed to the Fund pursuant to any  
2 law now in force or hereafter to be enacted; (4) contributions  
3 from any other source; and (5) the earnings on investments.

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

10 (c) Beginning in State fiscal year 1999, the State shall  
11 include in its annual contribution to the Fund an additional  
12 amount equal to 0.544% of the Fund's total teacher payroll;  
13 except that this additional contribution need not be made in a  
14 fiscal year if the Board has certified in the previous fiscal  
15 year that the Fund is at least 90% funded, based on actuarial  
16 determinations. These additional State contributions are  
17 intended to offset a portion of the cost to the Fund of the  
18 increases in retirement benefits resulting from this  
19 amendatory Act of 1998.

20 (d) In addition to any other contribution required under  
21 this Article, including the contribution required under  
22 subsection (c), the State shall contribute to the Fund the  
23 following amounts:

24 (1) For State fiscal year 2018, the State shall  
25 contribute \$221,300,000 for the employer normal cost for  
26 fiscal year 2018 and the amount allowed under paragraph

1 (3) of Section 17-142.1 of this Code to defray health  
2 insurance costs. Funds for this paragraph (1) shall come  
3 from funds appropriated for Evidence-Based Funding  
4 pursuant to Section 18-8.15 of the School Code.

5 (2) Beginning in State fiscal year 2019, the State  
6 shall contribute for each fiscal year an amount to be  
7 determined by the Fund, equal to the employer normal cost  
8 for that fiscal year, plus the amount allowed pursuant to  
9 paragraph (3) of Section 17-142.1 to defray health  
10 insurance costs.

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

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

1 the required State contributions.

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

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

23 (g) For State fiscal year 2018, the State Board of  
24 Education shall submit vouchers, as directed by the Board, for  
25 payment of State contributions to the Fund for the required  
26 annual State contribution under subsection (d) of this

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

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

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

1 Section 10. The School Code is amended by changing Section  
2 18-8.15 as follows:

3 (105 ILCS 5/18-8.15)

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

6 (a) General provisions.

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

22 (A) provide all students with a high quality  
23 education that offers the academic, enrichment, social  
24 and emotional support, technical, and career-focused  
25 programs that will allow them to become competitive

1 workers, responsible parents, productive citizens of  
2 this State, and active members of our national  
3 democracy;

4 (B) ensure all students receive the education they  
5 need to graduate from high school with the skills  
6 required to pursue post-secondary education and  
7 training for a rewarding career;

8 (C) reduce, with a goal of eliminating, the  
9 achievement gap between at-risk and non-at-risk  
10 students by raising the performance of at-risk  
11 students and not by reducing standards; and

12 (D) ensure this State satisfies its obligation to  
13 assume the primary responsibility to fund public  
14 education and simultaneously relieve the  
15 disproportionate burden placed on local property taxes  
16 to fund schools.

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

25 (A) First, the model calculates a unique Adequacy  
26 Target for each Organizational Unit in this State that

1 considers the costs to implement research-based  
2 activities, the unit's student demographics, and  
3 regional wage differences.

4 (B) Second, the model calculates each  
5 Organizational Unit's Local Capacity, or the amount  
6 each Organizational Unit is assumed to contribute  
7 toward its Adequacy Target from local resources.

8 (C) Third, the model calculates how much funding  
9 the State currently contributes to the Organizational  
10 Unit and adds that to the unit's Local Capacity to  
11 determine the unit's overall current adequacy of  
12 funding.

13 (D) Finally, the model's distribution method  
14 allocates new State funding to those Organizational  
15 Units that are least well-funded, considering both  
16 Local Capacity and State funding, in relation to their  
17 Adequacy Target.

18 (3) An Organizational Unit receiving any funding under  
19 this Section may apply those funds to any fund so received  
20 for which that Organizational Unit is authorized to make  
21 expenditures by law.

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

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

26 "Adjusted EAV" is defined in paragraph (4) of



1 subsection (d) of this Section.

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

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

26 "Allocation Rate" is defined in paragraph (3) of

1 subsection (g) of this Section.

2 "Alternative School" means a public school that is  
3 created and operated by a regional superintendent of  
4 schools and approved by the State Board.

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

7 "Assessment" means any of those benchmark, progress  
8 monitoring, formative, diagnostic, and other assessments,  
9 in addition to the State accountability assessment, that  
10 assist teachers' needs in understanding the skills and  
11 meeting the needs of the students they serve.

12 "Assistant principal" means a school administrator  
13 duly endorsed to be employed as an assistant principal in  
14 this State.

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

24 "Average Student Enrollment" or "ASE" for fiscal year  
25 2018 means, for an Organizational Unit, the greater of the  
26 average number of students (grades K through 12) reported

1 to the State Board as enrolled in the Organizational Unit  
2 on October 1 in the immediately preceding school year,  
3 plus the pre-kindergarten students who receive special  
4 education services of 2 or more hours a day as reported to  
5 the State Board on December 1 in the immediately preceding  
6 school year, or the average number of students (grades K  
7 through 12) reported to the State Board as enrolled in the  
8 Organizational Unit on October 1, plus the  
9 pre-kindergarten students who receive special education  
10 services of 2 or more hours a day as reported to the State  
11 Board on December 1, for each of the immediately preceding  
12 3 school years. For fiscal year 2019 and each subsequent  
13 fiscal year, "Average Student Enrollment" or "ASE" means,  
14 for an Organizational Unit, the greater of the average  
15 number of students (grades K through 12) reported to the  
16 State Board as enrolled in the Organizational Unit on  
17 October 1 and March 1 in the immediately preceding school  
18 year, plus the pre-kindergarten students who receive  
19 special education services as reported to the State Board  
20 on October 1 and March 1 in the immediately preceding  
21 school year, or the average number of students (grades K  
22 through 12) reported to the State Board as enrolled in the  
23 Organizational Unit on October 1 and March 1, plus the  
24 pre-kindergarten students who receive special education  
25 services as reported to the State Board on October 1 and  
26 March 1, for each of the immediately preceding 3 school

1 years. For the purposes of this definition, "enrolled in  
2 the Organizational Unit" means the number of students  
3 reported to the State Board who are enrolled in schools  
4 within the Organizational Unit that the student attends or  
5 would attend if not placed or transferred to another  
6 school or program to receive needed services. For the  
7 purposes of calculating "ASE", all students, grades K  
8 through 12, excluding those attending kindergarten for a  
9 half day and students attending an alternative education  
10 program operated by a regional office of education or  
11 intermediate service center, shall be counted as 1.0. All  
12 students attending kindergarten for a half day shall be  
13 counted as 0.5, unless in 2017 by June 15 or by March 1 in  
14 subsequent years, the school district reports to the State  
15 Board of Education the intent to implement full-day  
16 kindergarten district-wide for all students, then all  
17 students attending kindergarten shall be counted as 1.0.  
18 Special education pre-kindergarten students shall be  
19 counted as 0.5 each. If the State Board does not collect or  
20 has not collected both an October 1 and March 1 enrollment  
21 count by grade or a December 1 collection of special  
22 education pre-kindergarten students as of August 31, 2017  
23 (the effective date of Public Act 100-465), it shall  
24 establish such collection for all future years. For any  
25 year in which a count by grade level was collected only  
26 once, that count shall be used as the single count

1 available for computing a 3-year average ASE. Funding for  
2 programs operated by a regional office of education or an  
3 intermediate service center must be calculated using the  
4 Evidence-Based Funding formula under this Section for the  
5 2019-2020 school year and each subsequent school year  
6 until separate adequacy formulas are developed and adopted  
7 for each type of program. ASE for a program operated by a  
8 regional office of education or an intermediate service  
9 center must be determined by the March 1 enrollment for  
10 the program. For the 2019-2020 school year, the ASE used  
11 in the calculation must be the first-year ASE and, in that  
12 year only, the assignment of students served by a regional  
13 office of education or intermediate service center shall  
14 not result in a reduction of the March enrollment for any  
15 school district. For the 2020-2021 school year, the ASE  
16 must be the greater of the current-year ASE or the 2-year  
17 average ASE. Beginning with the 2021-2022 school year, the  
18 ASE must be the greater of the current-year ASE or the  
19 3-year average ASE. School districts shall submit the data  
20 for the ASE calculation to the State Board within 45 days  
21 of the dates required in this Section for submission of  
22 enrollment data in order for it to be included in the ASE  
23 calculation. For fiscal year 2018 only, the ASE  
24 calculation shall include only enrollment taken on October  
25 1.

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 a similar methodology to that identified in the Texas A & M  
11 University study, with adjustments made no less frequently  
12 than once every 5 years.

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

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

1 Adequacy Target attributable to the received computer  
2 technology and equipment investment grant shall include  
3 all additional investments in computer technology and  
4 equipment adequacy elements.

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

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

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

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

24 "EAV" means equalized assessed valuation as defined in  
25 paragraph (2) of subsection (d) of this Section and  
26 calculated in accordance with paragraph (3) of subsection



1 (d) of this Section.

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

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

10 "Employee benefits" means health, dental, and vision  
11 insurance offered to employees of an Organizational Unit,  
12 the costs associated with the statutorily required payment  
13 of the normal cost of the Organizational Unit's teacher  
14 pensions, as set forth in subparagraph (U) of paragraph  
15 (2) of subsection (b) of this Section, Social Security  
16 employer contributions, and Illinois Municipal Retirement  
17 Fund employer contributions.

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

1 learners, with the exception that EL student enrollment  
2 shall include students in grades pre-kindergarten through  
3 12.

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

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

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

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

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

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

26 "Full-time equivalent" or "FTE" means the full-time

1           equivalency compensation for staffing the relevant  
2           position at an Organizational Unit.

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

5           "Guidance counselor" means a licensed guidance  
6           counselor who provides guidance and counseling support for  
7           students within an Organizational Unit.

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

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

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

1           "Instructional materials" means relevant  
2 instructional materials for student instruction,  
3 including, but not limited to, textbooks, consumable  
4 workbooks, laboratory equipment, library books, and other  
5 similar materials.

6           "Laboratory School" means a public school that is  
7 created and operated by a public university and approved  
8 by the State Board.

9           "Librarian" means a teacher with an endorsement as a  
10 library information specialist or another individual whose  
11 primary responsibility is overseeing library resources  
12 within an Organizational Unit.

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

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

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

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

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

23           "Low-Income Count" means, for an Organizational Unit  
24 in a fiscal year, the higher of the average number of  
25 students for the prior school year or the immediately  
26 preceding 3 school years who, as of July 1 of the

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

25 "Maintenance and operations" means custodial services,  
26 facility and ground maintenance, facility operations,

1 facility security, routine facility repairs, and other  
2 similar services and functions.

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

5 "New Property Tax Relief Pool Funds" means, for any  
6 given fiscal year, all State funds appropriated under  
7 Section 2-3.170 of this ~~the School~~ Code.

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

12 "Net State Contribution Target" means, for a given  
13 school year, the amount of State funds that would be  
14 necessary to fully meet the Adequacy Target of an  
15 Operational Unit minus the Preliminary Resources available  
16 to each unit.

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

22 "Operating Tax Rate" means the rate utilized in the  
23 previous year to extend property taxes for all purposes,  
24 except Bond and Interest, Summer School, Rent, Capital  
25 Improvement, and Vocational Education Building purposes.  
26 For Hybrid Districts, the Operating Tax Rate shall be the

1 combined elementary and high school rates utilized in the  
2 previous year to extend property taxes for all purposes,  
3 except Bond and Interest, Summer School, Rent, Capital  
4 Improvement, and Vocational Education Building purposes.

5 "Organizational Unit" means a Laboratory School or any  
6 public school district that is recognized as such by the  
7 State Board and that contains elementary schools typically  
8 serving kindergarten through 5th grades, middle schools  
9 typically serving 6th through 8th grades, high schools  
10 typically serving 9th through 12th grades, a program  
11 established under Section 2-3.66 or 2-3.41, or a program  
12 operated by a regional office of education or an  
13 intermediate service center under Article 13A or 13B. The  
14 General Assembly acknowledges that the actual grade levels  
15 served by a particular Organizational Unit may vary  
16 slightly from what is typical.

17 "Organizational Unit CWI" is determined by calculating  
18 the CWI in the region and original county in which an  
19 Organizational Unit's primary administrative office is  
20 located as set forth in this paragraph, provided that if  
21 the Organizational Unit CWI as calculated in accordance  
22 with this paragraph is less than 0.9, the Organizational  
23 Unit CWI shall be increased to 0.9. Each county's current  
24 CWI value shall be adjusted based on the CWI value of that  
25 county's neighboring Illinois counties, to create a  
26 "weighted adjusted index value". This shall be calculated

1 by summing the CWI values of all of a county's adjacent  
2 Illinois counties and dividing by the number of adjacent  
3 Illinois counties, then taking the weighted value of the  
4 original county's CWI value and the adjacent Illinois  
5 county average. To calculate this weighted value, if the  
6 number of adjacent Illinois counties is greater than 2,  
7 the original county's CWI value will be weighted at 0.25  
8 and the adjacent Illinois county average will be weighted  
9 at 0.75. If the number of adjacent Illinois counties is 2,  
10 the original county's CWI value will be weighted at 0.33  
11 and the adjacent Illinois county average will be weighted  
12 at 0.66. The greater of the county's current CWI value and  
13 its weighted adjusted index value shall be used as the  
14 Organizational Unit CWI.

15 "Preceding Tax Year" means the property tax levy year  
16 immediately preceding the Base Tax Year.

17 "Preceding Tax Year's Extension" means the product of  
18 the equalized assessed valuation utilized by the county  
19 clerk in the Preceding Tax Year multiplied by the  
20 Operating Tax Rate.

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

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

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



1 "Professional development" means training programs for  
2 licensed staff in schools, including, but not limited to,  
3 programs that assist in implementing new curriculum  
4 programs, provide data focused or academic assessment data  
5 training to help staff identify a student's weaknesses and  
6 strengths, target interventions, improve instruction,  
7 encompass instructional strategies for English learner,  
8 gifted, or at-risk students, address inclusivity, cultural  
9 sensitivity, or implicit bias, or otherwise provide  
10 professional support for licensed staff.

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

16 "PTELL" means the Property Tax Extension Limitation  
17 Law.

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

20 "Pupil support staff" means a nurse, psychologist,  
21 social worker, family liaison personnel, or other staff  
22 member who provides support to at-risk or struggling  
23 students.

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

26 "Regionalization Factor" means, for a particular

1 Organizational Unit, the figure derived by dividing the  
2 Organizational Unit CWI by the Statewide Weighted CWI.

3 "School site staff" means the primary school secretary  
4 and any additional clerical personnel assigned to a  
5 school.

6 "Special education" means special educational  
7 facilities and services, as defined in Section 14-1.08 of  
8 this Code.

9 "Special Education Allocation" means the amount of an  
10 Organizational Unit's final Adequacy Target attributable  
11 to special education divided by the Organizational Unit's  
12 final Adequacy Target, the product of which shall be  
13 multiplied by the amount of new funding received pursuant  
14 to this Section. An Organizational Unit's final Adequacy  
15 Target attributable to special education shall include all  
16 special education investment adequacy elements.

17 "Specialist teacher" means a teacher who provides  
18 instruction in subject areas not included in core  
19 subjects, including, but not limited to, art, music,  
20 physical education, health, driver education,  
21 career-technical education, and such other subject areas  
22 as may be mandated by State law or provided by an  
23 Organizational Unit.

24 "Specially Funded Unit" means an Alternative School,  
25 safe school, Department of Juvenile Justice school,  
26 special education cooperative or entity recognized by the

1 State Board as a special education cooperative,  
2 State-approved charter school, or alternative learning  
3 opportunities program that received direct funding from  
4 the State Board during the 2016-2017 school year through  
5 any of the funding sources included within the calculation  
6 of the Base Funding Minimum or Glenwood Academy.

7 "Supplemental Grant Funding" means supplemental  
8 general State aid funding received by an Organizational  
9 Unit during the 2016-2017 school year pursuant to  
10 subsection (H) of Section 18-8.05 of this Code (now  
11 repealed).

12 "State Adequacy Level" is the sum of the Adequacy  
13 Targets of all Organizational Units.

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

15 "State Superintendent" means the State Superintendent  
16 of Education.

17 "Statewide Weighted CWI" means a figure determined by  
18 multiplying each Organizational Unit CWI times the ASE for  
19 that Organizational Unit creating a weighted value,  
20 summing all Organizational Units' weighted values, and  
21 dividing by the total ASE of all Organizational Units,  
22 thereby creating an average weighted index.

23 "Student activities" means non-credit producing  
24 after-school programs, including, but not limited to,  
25 clubs, bands, sports, and other activities authorized by  
26 the school board of the Organizational Unit.

1           "Substitute teacher" means an individual teacher or  
2           teaching assistant who is employed by an Organizational  
3           Unit and is temporarily serving the Organizational Unit on  
4           a per diem or per period-assignment basis to replace  
5           another staff member.

6           "Summer school" means academic and enrichment programs  
7           provided to students during the summer months outside of  
8           the regular school year.

9           "Supervisory aide" means a non-licensed staff member  
10          who helps in supervising students of an Organizational  
11          Unit, but does so outside of the classroom, in situations  
12          such as, but not limited to, monitoring hallways and  
13          playgrounds, supervising lunchrooms, or supervising  
14          students when being transported in buses serving the  
15          Organizational Unit.

16          "Target Ratio" is defined in paragraph (4) of  
17          subsection (g).

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

20          "Tier 1 Aggregate Funding", "Tier 2 Aggregate  
21          Funding", "Tier 3 Aggregate Funding", and "Tier 4  
22          Aggregate Funding" are defined in paragraph (1) of  
23          subsection (g).

24          (b) Adequacy Target calculation.

25                 (1) Each Organizational Unit's Adequacy Target is the  
26                 sum of the Organizational Unit's cost of providing

1 Essential Elements, as calculated in accordance with this  
2 subsection (b), with the salary amounts in the Essential  
3 Elements multiplied by a Regionalization Factor calculated  
4 pursuant to paragraph (3) of this subsection (b).

5 (2) The Essential Elements are attributable on a pro  
6 rata basis related to defined subgroups of the ASE of each  
7 Organizational Unit as specified in this paragraph (2),  
8 with investments and FTE positions pro rata funded based  
9 on ASE counts in excess of or less than the thresholds set  
10 forth in this paragraph (2). The method for calculating  
11 attributable pro rata costs and the defined subgroups  
12 thereto are as follows:

13 (A) Core class size investments. Each  
14 Organizational Unit shall receive the funding required  
15 to support that number of FTE core teacher positions  
16 as is needed to keep the respective class sizes of the  
17 Organizational Unit to the following maximum numbers:

18 (i) For grades kindergarten through 3, the  
19 Organizational Unit shall receive funding required  
20 to support one FTE core teacher position for every  
21 15 Low-Income Count students in those grades and  
22 one FTE core teacher position for every 20  
23 non-Low-Income Count students in those grades.

24 (ii) For grades 4 through 12, the  
25 Organizational Unit shall receive funding required  
26 to support one FTE core teacher position for every

1           20 Low-Income Count students in those grades and  
2           one FTE core teacher position for every 25  
3           non-Low-Income Count students in those grades.

4           The number of non-Low-Income Count students in a  
5           grade shall be determined by subtracting the  
6           Low-Income students in that grade from the ASE of the  
7           Organizational Unit for that grade.

8           (B) Specialist teacher investments. Each  
9           Organizational Unit shall receive the funding needed  
10          to cover that number of FTE specialist teacher  
11          positions that correspond to the following  
12          percentages:

13                 (i) if the Organizational Unit operates an  
14                 elementary or middle school, then 20.00% of the  
15                 number of the Organizational Unit's core teachers,  
16                 as determined under subparagraph (A) of this  
17                 paragraph (2); and

18                 (ii) if such Organizational Unit operates a  
19                 high school, then 33.33% of the number of the  
20                 Organizational Unit's core teachers.

21          (C) Instructional facilitator investments. Each  
22          Organizational Unit shall receive the funding needed  
23          to cover one FTE instructional facilitator position  
24          for every 200 combined ASE of pre-kindergarten  
25          children with disabilities and all kindergarten  
26          through grade 12 students of the Organizational Unit.

1           (D) Core intervention teacher (tutor) investments.  
2           Each Organizational Unit shall receive the funding  
3           needed to cover one FTE teacher position for each  
4           prototypical elementary, middle, and high school.

5           (E) Substitute teacher investments. Each  
6           Organizational Unit shall receive the funding needed  
7           to cover substitute teacher costs that is equal to  
8           5.70% of the minimum pupil attendance days required  
9           under Section 10-19 of this Code for all full-time  
10          equivalent core, specialist, and intervention  
11          teachers, school nurses, special education teachers  
12          and instructional assistants, instructional  
13          facilitators, and summer school and extended day  
14          teacher positions, as determined under this paragraph  
15          (2), at a salary rate of 33.33% of the average salary  
16          for grade K through 12 teachers and 33.33% of the  
17          average salary of each instructional assistant  
18          position.

19          (F) Core guidance counselor investments. Each  
20          Organizational Unit shall receive the funding needed  
21          to cover one FTE guidance counselor for each 450  
22          combined ASE of pre-kindergarten children with  
23          disabilities and all kindergarten through grade 5  
24          students, plus one FTE guidance counselor for each 250  
25          grades 6 through 8 ASE middle school students, plus  
26          one FTE guidance counselor for each 250 grades 9

1 through 12 ASE high school students.

2 (G) Nurse investments. Each Organizational Unit  
3 shall receive the funding needed to cover one FTE  
4 nurse for each 750 combined ASE of pre-kindergarten  
5 children with disabilities and all kindergarten  
6 through grade 12 students across all grade levels it  
7 serves.

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

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

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



1 position for each prototypical high school.

2 (K) Assistant principal investments. Each  
3 Organizational Unit shall receive the funding needed  
4 to cover one FTE assistant principal position for each  
5 prototypical elementary school, plus one FTE assistant  
6 principal position for each prototypical middle  
7 school, plus one FTE assistant principal position for  
8 each prototypical high school.

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

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

20 (N) Professional development investments. Each  
21 Organizational Unit shall receive \$125 per student of  
22 the combined ASE of pre-kindergarten children with  
23 disabilities and all kindergarten through grade 12  
24 students for trainers and other professional  
25 development-related expenses for supplies and  
26 materials.

1           (O) Instructional material investments. Each  
2           Organizational Unit shall receive \$190 per student of  
3           the combined ASE of pre-kindergarten children with  
4           disabilities and all kindergarten through grade 12  
5           students to cover instructional material costs.

6           (P) Assessment investments. Each Organizational  
7           Unit shall receive \$25 per student of the combined ASE  
8           of pre-kindergarten children with disabilities and all  
9           kindergarten through grade 12 students to cover  
10          assessment costs.

11          (Q) Computer technology and equipment investments.  
12          Each Organizational Unit shall receive \$285.50 per  
13          student of the combined ASE of pre-kindergarten  
14          children with disabilities and all kindergarten  
15          through grade 12 students to cover computer technology  
16          and equipment costs. For the 2018-2019 school year and  
17          subsequent school years, Organizational Units assigned  
18          to Tier 1 and Tier 2 in the prior school year shall  
19          receive an additional \$285.50 per student of the  
20          combined ASE of pre-kindergarten children with  
21          disabilities and all kindergarten through grade 12  
22          students to cover computer technology and equipment  
23          costs in the Organizational Unit's Adequacy Target.  
24          The State Board may establish additional requirements  
25          for Organizational Unit expenditures of funds received  
26          pursuant to this subparagraph (Q), including a

1 requirement that funds received pursuant to this  
2 subparagraph (Q) may be used only for serving the  
3 technology needs of the district. It is the intent of  
4 Public Act 100-465 that all Tier 1 and Tier 2 districts  
5 receive the addition to their Adequacy Target in the  
6 following year, subject to compliance with the  
7 requirements of the State Board.

8 (R) Student activities investments. Each  
9 Organizational Unit shall receive the following  
10 funding amounts to cover student activities: \$100 per  
11 kindergarten through grade 5 ASE student in elementary  
12 school, plus \$200 per ASE student in middle school,  
13 plus \$675 per ASE student in high school.

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

24 (T) Central office investments. Each  
25 Organizational Unit shall receive \$742 per student of  
26 the combined ASE of pre-kindergarten children with

1 disabilities and all kindergarten through grade 12  
2 students to cover central office operations, including  
3 administrators and classified personnel charged with  
4 managing the instructional programs, business and  
5 operations of the school district, and security  
6 personnel. The proportion of salary for the  
7 application of a Regionalization Factor and the  
8 calculation of benefits is equal to \$368.48.

9 (U) Employee benefit investments. Each  
10 Organizational Unit shall receive 30% of the total of  
11 all salary-calculated elements of the Adequacy Target,  
12 excluding substitute teachers and student activities  
13 investments, to cover benefit costs. For central  
14 office and maintenance and operations investments, the  
15 benefit calculation shall be based upon the salary  
16 proportion of each investment.

17 For fiscal year 2022 and each fiscal year  
18 thereafter, the State Superintendent shall calculate  
19 the employer normal cost of teacher pensions of each  
20 Organizational Unit, other than a school district  
21 organized under Article 34 of this Code, by  
22 determining the proportion of the total adequate  
23 pensionable payroll attributable to the district's  
24 adequate pensionable payroll, in which the adequate  
25 pensionable payroll is calculated using the applicable  
26 Regionalization Factor multiplied by the salaries of

1 the positions set forth in paragraph (3) of this  
2 subsection (b) and the administrators and classified  
3 personnel described in subparagraph (T) of this  
4 paragraph (2) that are covered by Article 16 of the  
5 Illinois Pension Code, and multiplying that proportion  
6 by the total employer normal cost amount most recently  
7 certified by the Teachers' Retirement System of the  
8 State of Illinois pursuant to subsection (b-5) of  
9 Section 16-158 of the Illinois Pension Code. The  
10 amount calculated by the State Superintendent as the  
11 employer normal cost of teacher pensions for the  
12 Organizational Unit shall be added to the employee  
13 benefit investments specified under this subparagraph  
14 (U).

15 For fiscal year 2022 and each fiscal year  
16 thereafter, the amount most recently certified by the  
17 Public School Teachers' Pension and Retirement Fund of  
18 Chicago pursuant to subsection (f) of Section 17-127  
19 of the Illinois Pension Code as the employer normal  
20 cost of teacher pensions for a school district  
21 organized under Article 34 of this Code shall be added  
22 to the employee benefit investments specified under  
23 this subparagraph (U).

24 ~~If at any time the responsibility for funding the~~  
25 ~~employer normal cost of teacher pensions is assigned~~  
26 ~~to school districts, then that amount certified by the~~

1 ~~Teachers' Retirement System of the State of Illinois~~  
2 ~~to be paid by the Organizational Unit for the~~  
3 ~~preceding school year shall be added to the benefit~~  
4 ~~investment. For any fiscal year in which a school~~  
5 ~~district organized under Article 34 of this Code is~~  
6 ~~responsible for paying the employer normal cost of~~  
7 ~~teacher pensions, then that amount of its employer~~  
8 ~~normal cost plus the amount for retiree health~~  
9 ~~insurance as certified by the Public School Teachers'~~  
10 ~~Pension and Retirement Fund of Chicago to be paid by~~  
11 ~~the school district for the preceding school year that~~  
12 ~~is statutorily required to cover employer normal costs~~  
13 ~~and the amount for retiree health insurance shall be~~  
14 ~~added to the 30% specified in this subparagraph (U).~~  
15 The Teachers' Retirement System of the State of  
16 Illinois and the Public School Teachers' Pension and  
17 Retirement Fund of Chicago shall submit such  
18 information as the State Superintendent may require  
19 for the calculations set forth in this subparagraph  
20 (U).

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

26 (i) one FTE intervention teacher (tutor)

1 position for every 125 Low-Income Count students;

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

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

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

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

14 (i) one FTE intervention teacher (tutor)  
15 position for every 125 English learner students;

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

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

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

22 (v) one FTE core teacher position for every  
23 100 English learner students.

24 (X) Special education investments. Each  
25 Organizational Unit shall receive funding based on the  
26 average teacher salary for grades K through 12 to

1 cover special education as follows:

2 (i) one FTE teacher position for every 141  
3 combined ASE of pre-kindergarten children with  
4 disabilities and all kindergarten through grade 12  
5 students;

6 (ii) one FTE instructional assistant for every  
7 141 combined ASE of pre-kindergarten children with  
8 disabilities and all kindergarten through grade 12  
9 students; and

10 (iii) one FTE psychologist position for every  
11 1,000 combined ASE of pre-kindergarten children  
12 with disabilities and all kindergarten through  
13 grade 12 students.

14 (3) For calculating the salaries included within the  
15 Essential Elements, the State Superintendent shall  
16 annually calculate average salaries to the nearest dollar  
17 using the employment information system data maintained by  
18 the State Board, limited to public schools only and  
19 excluding special education and vocational cooperatives,  
20 schools operated by the Department of Juvenile Justice,  
21 and charter schools, for the following positions:

22 (A) Teacher for grades K through 8.

23 (B) Teacher for grades 9 through 12.

24 (C) Teacher for grades K through 12.

25 (D) Guidance counselor for grades K through 8.

26 (E) Guidance counselor for grades 9 through 12.



1 (F) Guidance counselor for grades K through 12.

2 (G) Social worker.

3 (H) Psychologist.

4 (I) Librarian.

5 (J) Nurse.

6 (K) Principal.

7 (L) Assistant principal.

8 For the purposes of this paragraph (3), "teacher"  
9 includes core teachers, specialist and elective teachers,  
10 instructional facilitators, tutors, special education  
11 teachers, pupil support staff teachers, English learner  
12 teachers, extended day teachers, and summer school  
13 teachers. Where specific grade data is not required for  
14 the Essential Elements, the average salary for  
15 corresponding positions shall apply. For substitute  
16 teachers, the average teacher salary for grades K through  
17 12 shall apply.

18 For calculating the salaries included within the  
19 Essential Elements for positions not included within EIS  
20 Data, the following salaries shall be used in the first  
21 year of implementation of Evidence-Based Funding:

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

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

26 In the second and subsequent years of implementation

1 of Evidence-Based Funding, the amounts in items (i) and  
2 (ii) of this paragraph (3) shall annually increase by the  
3 ECI.

4 The salary amounts for the Essential Elements  
5 determined pursuant to subparagraphs (A) through (L), (S)  
6 and (T), and (V) through (X) of paragraph (2) of  
7 subsection (b) of this Section shall be multiplied by a  
8 Regionalization Factor.

9 (c) Local Capacity calculation.

10 (1) Each Organizational Unit's Local Capacity  
11 represents an amount of funding it is assumed to  
12 contribute toward its Adequacy Target for purposes of the  
13 Evidence-Based Funding formula calculation. "Local  
14 Capacity" means either (i) the Organizational Unit's Local  
15 Capacity Target as calculated in accordance with paragraph  
16 (2) of this subsection (c) if its Real Receipts are equal  
17 to or less than its Local Capacity Target or (ii) the  
18 Organizational Unit's Adjusted Local Capacity, as  
19 calculated in accordance with paragraph (3) of this  
20 subsection (c) if Real Receipts are more than its Local  
21 Capacity Target.

22 (2) "Local Capacity Target" means, for an  
23 Organizational Unit, that dollar amount that is obtained  
24 by multiplying its Adequacy Target by its Local Capacity  
25 Ratio.

26 (A) An Organizational Unit's Local Capacity

1 Percentage is the conversion of the Organizational  
2 Unit's Local Capacity Ratio, as such ratio is  
3 determined in accordance with subparagraph (B) of this  
4 paragraph (2), into a cumulative distribution  
5 resulting in a percentile ranking to determine each  
6 Organizational Unit's relative position to all other  
7 Organizational Units in this State. The calculation of  
8 Local Capacity Percentage is described in subparagraph  
9 (C) of this paragraph (2).

10 (B) An Organizational Unit's Local Capacity Ratio  
11 in a given year is the percentage obtained by dividing  
12 its Adjusted EAV or PTELL EAV, whichever is less, by  
13 its Adequacy Target, with the resulting ratio further  
14 adjusted as follows:

15 (i) for Organizational Units serving grades  
16 kindergarten through 12 and Hybrid Districts, no  
17 further adjustments shall be made;

18 (ii) for Organizational Units serving grades  
19 kindergarten through 8, the ratio shall be  
20 multiplied by 9/13;

21 (iii) for Organizational Units serving grades  
22 9 through 12, the Local Capacity Ratio shall be  
23 multiplied by 4/13; and

24 (iv) for an Organizational Unit with a  
25 different grade configuration than those specified  
26 in items (i) through (iii) of this subparagraph

1 (B), the State Superintendent shall determine a  
2 comparable adjustment based on the grades served.

3 (C) The Local Capacity Percentage is equal to the  
4 percentile ranking of the district. Local Capacity  
5 Percentage converts each Organizational Unit's Local  
6 Capacity Ratio to a cumulative distribution resulting  
7 in a percentile ranking to determine each  
8 Organizational Unit's relative position to all other  
9 Organizational Units in this State. The Local Capacity  
10 Percentage cumulative distribution resulting in a  
11 percentile ranking for each Organizational Unit shall  
12 be calculated using the standard normal distribution  
13 of the score in relation to the weighted mean and  
14 weighted standard deviation and Local Capacity Ratios  
15 of all Organizational Units. If the value assigned to  
16 any Organizational Unit is in excess of 90%, the value  
17 shall be adjusted to 90%. For Laboratory Schools, the  
18 Local Capacity Percentage shall be set at 10% in  
19 recognition of the absence of EAV and resources from  
20 the public university that are allocated to the  
21 Laboratory School. For programs operated by a regional  
22 office of education or an intermediate service center,  
23 the Local Capacity Percentage must be set at 10% in  
24 recognition of the absence of EAV and resources from  
25 school districts that are allocated to the regional  
26 office of education or intermediate service center.

1           The weighted mean for the Local Capacity Percentage  
2           shall be determined by multiplying each Organizational  
3           Unit's Local Capacity Ratio times the ASE for the unit  
4           creating a weighted value, summing the weighted values  
5           of all Organizational Units, and dividing by the total  
6           ASE of all Organizational Units. The weighted standard  
7           deviation shall be determined by taking the square  
8           root of the weighted variance of all Organizational  
9           Units' Local Capacity Ratio, where the variance is  
10          calculated by squaring the difference between each  
11          unit's Local Capacity Ratio and the weighted mean,  
12          then multiplying the variance for each unit times the  
13          ASE for the unit to create a weighted variance for each  
14          unit, then summing all units' weighted variance and  
15          dividing by the total ASE of all units.

16           (D)     For any Organizational Unit, the  
17           Organizational Unit's Adjusted Local Capacity Target  
18           shall be reduced by either (i) the school board's  
19           remaining contribution pursuant to paragraph (ii) of  
20           subsection (b-4) of Section 16-158 of the Illinois  
21           Pension Code in a given year or (ii) the board of  
22           education's remaining contribution pursuant to  
23           paragraph (iv) of subsection (b) of Section 17-129 of  
24           the Illinois Pension Code absent the employer normal  
25           cost portion of the required contribution and amount  
26           allowed pursuant to subdivision (3) of Section

1 17-142.1 of the Illinois Pension Code in a given year.  
2 In the preceding sentence, item (i) shall be certified  
3 to the State Board of Education by the Teachers'  
4 Retirement System of the State of Illinois and item  
5 (ii) shall be certified to the State Board of  
6 Education by the Public School Teachers' Pension and  
7 Retirement Fund of the City of Chicago.

8 (3) If an Organizational Unit's Real Receipts are more  
9 than its Local Capacity Target, then its Local Capacity  
10 shall equal an Adjusted Local Capacity Target as  
11 calculated in accordance with this paragraph (3). The  
12 Adjusted Local Capacity Target is calculated as the sum of  
13 the Organizational Unit's Local Capacity Target and its  
14 Real Receipts Adjustment. The Real Receipts Adjustment  
15 equals the Organizational Unit's Real Receipts less its  
16 Local Capacity Target, with the resulting figure  
17 multiplied by the Local Capacity Percentage.

18 As used in this paragraph (3), "Real Percent of  
19 Adequacy" means the sum of an Organizational Unit's Real  
20 Receipts, CPPRT, and Base Funding Minimum, with the  
21 resulting figure divided by the Organizational Unit's  
22 Adequacy Target.

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

25 (1) An Organizational Unit's Real Receipts are the  
26 product of its Applicable Tax Rate and its Adjusted EAV.

1 An Organizational Unit's Applicable Tax Rate is its  
2 Adjusted Operating Tax Rate for property within the  
3 Organizational Unit.

4 (2) The State Superintendent shall calculate the  
5 equalized assessed valuation, or EAV, of all taxable  
6 property of each Organizational Unit as of September 30 of  
7 the previous year in accordance with paragraph (3) of this  
8 subsection (d). The State Superintendent shall then  
9 determine the Adjusted EAV of each Organizational Unit in  
10 accordance with paragraph (4) of this subsection (d),  
11 which Adjusted EAV figure shall be used for the purposes  
12 of calculating Local Capacity.

13 (3) To calculate Real Receipts and EAV, the Department  
14 of Revenue shall supply to the State Superintendent the  
15 value as equalized or assessed by the Department of  
16 Revenue of all taxable property of every Organizational  
17 Unit, together with (i) the applicable tax rate used in  
18 extending taxes for the funds of the Organizational Unit  
19 as of September 30 of the previous year and (ii) the  
20 limiting rate for all Organizational Units subject to  
21 property tax extension limitations as imposed under PTELL.

22 (A) The Department of Revenue shall add to the  
23 equalized assessed value of all taxable property of  
24 each Organizational Unit situated entirely or  
25 partially within a county that is or was subject to the  
26 provisions of Section 15-176 or 15-177 of the Property

1 Tax Code (i) an amount equal to the total amount by  
2 which the homestead exemption allowed under Section  
3 15-176 or 15-177 of the Property Tax Code for real  
4 property situated in that Organizational Unit exceeds  
5 the total amount that would have been allowed in that  
6 Organizational Unit if the maximum reduction under  
7 Section 15-176 was (I) \$4,500 in Cook County or \$3,500  
8 in all other counties in tax year 2003 or (II) \$5,000  
9 in all counties in tax year 2004 and thereafter and  
10 (ii) an amount equal to the aggregate amount for the  
11 taxable year of all additional exemptions under  
12 Section 15-175 of the Property Tax Code for owners  
13 with a household income of \$30,000 or less. The county  
14 clerk of any county that is or was subject to the  
15 provisions of Section 15-176 or 15-177 of the Property  
16 Tax Code shall annually calculate and certify to the  
17 Department of Revenue for each Organizational Unit all  
18 homestead exemption amounts under Section 15-176 or  
19 15-177 of the Property Tax Code and all amounts of  
20 additional exemptions under Section 15-175 of the  
21 Property Tax Code for owners with a household income  
22 of \$30,000 or less. It is the intent of this  
23 subparagraph (A) that if the general homestead  
24 exemption for a parcel of property is determined under  
25 Section 15-176 or 15-177 of the Property Tax Code  
26 rather than Section 15-175, then the calculation of



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

15 (B) With respect to any part of an Organizational  
16 Unit within a redevelopment project area in respect to  
17 which a municipality has adopted tax increment  
18 allocation financing pursuant to the Tax Increment  
19 Allocation Redevelopment Act, Division 74.4 of Article  
20 11 of the Illinois Municipal Code, or the Industrial  
21 Jobs Recovery Law, Division 74.6 of Article 11 of the  
22 Illinois Municipal Code, no part of the current EAV of  
23 real property located in any such project area that is  
24 attributable to an increase above the total initial  
25 EAV of such property shall be used as part of the EAV  
26 of the Organizational Unit, until such time as all

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

9 (B-5) The real property equalized assessed  
10 valuation for a school district shall be adjusted by  
11 subtracting from the real property value, as equalized  
12 or assessed by the Department of Revenue, for the  
13 district an amount computed by dividing the amount of  
14 any abatement of taxes under Section 18-170 of the  
15 Property Tax Code by 3.00% for a district maintaining  
16 grades kindergarten through 12, by 2.30% for a  
17 district maintaining grades kindergarten through 8, or  
18 by 1.05% for a district maintaining grades 9 through  
19 12 and adjusted by an amount computed by dividing the  
20 amount of any abatement of taxes under subsection (a)  
21 of Section 18-165 of the Property Tax Code by the same  
22 percentage rates for district type as specified in  
23 this subparagraph (B-5).

24 (C) For Organizational Units that are Hybrid  
25 Districts, the State Superintendent shall use the  
26 lesser of the adjusted equalized assessed valuation

1           for property within the partial elementary unit  
2           district for elementary purposes, as defined in  
3           Article 11E of this Code, or the adjusted equalized  
4           assessed valuation for property within the partial  
5           elementary unit district for high school purposes, as  
6           defined in Article 11E of this Code.

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

1 the 2-year average.

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 \$625,500.  
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 (3) Subject to approval by the General Assembly as  
22 provided in this paragraph (3), an Organizational Unit  
23 that meets all of the following criteria, as determined by  
24 the State Board, shall have District Intervention Money  
25 added to its Base Funding Minimum at the time the Base  
26 Funding Minimum is calculated by the State Board:

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

6           (B) The Organizational Unit was designated as a  
7 Tier 1 or Tier 2 Organizational Unit in the previous  
8 school year under paragraph (3) of subsection (g) of  
9 this Section.

10          (C) The Organizational Unit demonstrates  
11 sustainability through a 5-year financial and  
12 strategic plan.

13          (D) The Organizational Unit has made sufficient  
14 progress and achieved sufficient stability in the  
15 areas of governance, academic growth, and finances.

16          As part of its determination under this paragraph (3),  
17 the State Board may consider the Organizational Unit's  
18 summative designation, any accreditations of the  
19 Organizational Unit, or the Organizational Unit's  
20 financial profile, as calculated by the State Board.

21          If the State Board determines that an Organizational  
22 Unit has met the criteria set forth in this paragraph (3),  
23 it must submit a report to the General Assembly, no later  
24 than January 2 of the fiscal year in which the State Board  
25 makes its determination, on the amount of District  
26 Intervention Money to add to the Organizational Unit's



1 Base Funding Minimum. The General Assembly must review the  
2 State Board's report and may approve or disapprove, by  
3 joint resolution, the addition of District Intervention  
4 Money. If the General Assembly fails to act on the report  
5 within 40 calendar days from the receipt of the report,  
6 the addition of District Intervention Money is deemed  
7 approved. If the General Assembly approves the amount of  
8 District Intervention Money to be added to the  
9 Organizational Unit's Base Funding Minimum, the District  
10 Intervention Money must be added to the Base Funding  
11 Minimum annually thereafter.

12 For the first 4 years following the initial year that  
13 the State Board determines that an Organizational Unit has  
14 met the criteria set forth in this paragraph (3) and has  
15 received funding under this Section, the Organizational  
16 Unit must annually submit to the State Board, on or before  
17 November 30, a progress report regarding its financial and  
18 strategic plan under subparagraph (C) of this paragraph  
19 (3). The plan shall include the financial data from the  
20 past 4 annual financial reports or financial audits that  
21 must be presented to the State Board by November 15 of each  
22 year and the approved budget financial data for the  
23 current year. The plan shall be developed according to the  
24 guidelines presented to the Organizational Unit by the  
25 State Board. The plan shall further include financial  
26 projections for the next 3 fiscal years and include a

1 discussion and financial summary of the Organizational  
2 Unit's facility needs. If the Organizational Unit does not  
3 demonstrate sufficient progress toward its 5-year plan or  
4 if it has failed to file an annual financial report, an  
5 annual budget, a financial plan, a deficit reduction plan,  
6 or other financial information as required by law, the  
7 State Board may establish a Financial Oversight Panel  
8 under Article 1H of this Code. However, if the  
9 Organizational Unit already has a Financial Oversight  
10 Panel, the State Board may extend the duration of the  
11 Panel.

12 (4) In this paragraph (4):

13 "Excess state payment" means any amount of an  
14 Organizational Unit's Adjusted Base Funding Minimum that  
15 is in excess of the expected State payment.

16 "Expected State payment" means the amount an  
17 Organizational Unit would receive from the State if the  
18 Evidence-Based Funding formula under this Section were  
19 fully funded, calculated for each Organizational Unit by  
20 taking the difference of the Organizational Unit's  
21 regionalized Adequacy Target and its preliminary Local  
22 Capacity Target.

23 For the 2022-2023 school year and subsequent school  
24 years, the Base Funding Minimum of Organizational Units  
25 shall exclude any excess State payment specified and  
26 determined by the State Superintendent pursuant to this

1 paragraph (4). For the 2022-2023 school year, the State  
2 Superintendent shall exclude 33% of any excess State  
3 payment amount from the Base Funding Minimum of the  
4 Organizational Unit. For the 2024-2025 school year and  
5 subsequent school years, the State Superintendent shall  
6 exclude 100% of any excess State payment amount from the  
7 Base Funding Minimum of the Organizational Unit. Each  
8 school year, the State Superintendent shall distribute the  
9 total amount of excess State payment amounts excluded  
10 pursuant to this paragraph (4) as New State Funds pursuant  
11 to subsection (g) of this Section. For the 2023-2024  
12 school year, the State Superintendent shall exclude 66% of  
13 any excess State payment amount from the Base Funding  
14 Minimum of the Organizational Unit. If the amount of  
15 excess State payment exceeds the amount of an  
16 Organizational Unit's Base Funding Minimum payment, the  
17 State Board shall deduct the remaining amount of excess  
18 State payment from other funds due to the Organizational  
19 Unit, provided that it may not reduce the Organizational  
20 Unit's receipts to less than zero.

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

22 (1) The Evidence-Based Funding formula establishes a  
23 Percent of Adequacy for each Organizational Unit in order  
24 to place such units into tiers for the purposes of the  
25 funding distribution system described in subsection (g) of  
26 this Section. Initially, an Organizational Unit's

1 Preliminary Resources and Preliminary Percent of Adequacy  
2 are calculated pursuant to paragraph (2) of this  
3 subsection (f). Then, an Organizational Unit's Final  
4 Resources and Final Percent of Adequacy are calculated to  
5 account for the Organizational Unit's poverty  
6 concentration levels pursuant to paragraphs (3) and (4) of  
7 this subsection (f).

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

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

22 (4) An Organizational Unit's Final Percent of Adequacy  
23 is its Final Resources divided by its Adequacy Target. An  
24 Organizational Unit's Adjusted Base Funding Minimum is  
25 equal to its Base Funding Minimum less its Supplemental  
26 Grant Funding, with the resulting figure added to the

1 product of its Supplemental Grant Funding and Preliminary  
2 Percent of Adequacy. Beginning in fiscal year 2022, an  
3 Organizational Unit's Adjusted Base Funding Minimum is  
4 equal to its Base Funding Minimum less its Supplemental  
5 Grant Funding, with the resulting figure added to the  
6 product of its Supplemental Grant Funding and Preliminary  
7 Percent of Adequacy, plus the amount of the State-paid  
8 employer normal cost paid on behalf of the Organizational  
9 Unit's employees as certified under subsection (b-5) of  
10 Section 16-158 or subsection (f) of Section 17-127 of the  
11 Illinois Pension Code.

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

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

1 equals 0.1% of all New State Funds. Each Organizational  
2 Unit within Tier 1 or Tier 2 receives an allocation of New  
3 State Funds equal to its tier Funding Gap, as defined in  
4 the following sentence, multiplied by the tier's  
5 Allocation Rate determined pursuant to paragraph (4) of  
6 this subsection (g). For Tier 1, an Organizational Unit's  
7 Funding Gap equals the tier's Target Ratio, as specified  
8 in paragraph (5) of this subsection (g), multiplied by the  
9 Organizational Unit's Adequacy Target, with the resulting  
10 amount reduced by the Organizational Unit's Final  
11 Resources. For Tier 2, an Organizational Unit's Funding  
12 Gap equals the tier's Target Ratio, as described in  
13 paragraph (5) of this subsection (g), multiplied by the  
14 Organizational Unit's Adequacy Target, with the resulting  
15 amount reduced by the Organizational Unit's Final  
16 Resources and its Tier 1 funding allocation. To determine  
17 the Organizational Unit's Funding Gap, the resulting  
18 amount is then multiplied by a factor equal to one minus  
19 the Organizational Unit's Local Capacity Target  
20 percentage. Each Organizational Unit within Tier 3 or Tier  
21 4 receives an allocation of New State Funds equal to the  
22 product of its Adequacy Target and the tier's Allocation  
23 Rate, as specified in paragraph (4) of this subsection  
24 (g).

25 (2) To ensure equitable distribution of dollars for  
26 all Tier 2 Organizational Units, no Tier 2 Organizational

1 Unit shall receive fewer dollars per ASE than any Tier 3  
2 Organizational Unit. Each Tier 2 and Tier 3 Organizational  
3 Unit shall have its funding allocation divided by its ASE.  
4 Any Tier 2 Organizational Unit with a funding allocation  
5 per ASE below the greatest Tier 3 allocation per ASE shall  
6 get a funding allocation equal to the greatest Tier 3  
7 funding allocation per ASE multiplied by the  
8 Organizational Unit's ASE. Each Tier 2 Organizational  
9 Unit's Tier 2 funding allocation shall be multiplied by  
10 the percentage calculated by dividing the original Tier 2  
11 Aggregate Funding by the sum of all Tier 2 Organizational  
12 Units' Tier 2 funding allocation after adjusting  
13 districts' funding below Tier 3 levels.

14 (3) Organizational Units are placed into one of 4  
15 tiers as follows:

16 (A) Tier 1 consists of all Organizational Units,  
17 except for Specially Funded Units, with a Percent of  
18 Adequacy less than the Tier 1 Target Ratio. The Tier 1  
19 Target Ratio is the ratio level that allows for Tier 1  
20 Aggregate Funding to be distributed, with the Tier 1  
21 Allocation Rate determined pursuant to paragraph (4)  
22 of this subsection (g).

23 (B) Tier 2 consists of all Tier 1 Units and all  
24 other Organizational Units, except for Specially  
25 Funded Units, with a Percent of Adequacy of less than  
26 0.90.

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

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

6 (4) The Allocation Rates for Tiers 1 through 4 are  
7 determined as follows:

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

9 (B) The Tier 2 Allocation Rate is the result of the  
10 following equation: Tier 2 Aggregate Funding, divided  
11 by the sum of the Funding Gaps for all Tier 2  
12 Organizational Units, unless the result of such  
13 equation is higher than 1.0. If the result of such  
14 equation is higher than 1.0, then the Tier 2  
15 Allocation Rate is 1.0.

16 (C) The Tier 3 Allocation Rate is the result of the  
17 following equation: Tier 3 Aggregate Funding, divided  
18 by the sum of the Adequacy Targets of all Tier 3  
19 Organizational Units.

20 (D) The Tier 4 Allocation Rate is the result of the  
21 following equation: Tier 4 Aggregate Funding, divided  
22 by the sum of the Adequacy Targets of all Tier 4  
23 Organizational Units.

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

25 (A) The Tier 1 Target Ratio is the ratio level that  
26 allows for Tier 1 Aggregate Funding to be distributed



1 with the Tier 1 Allocation Rate.

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

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

4 (6) If, at any point, the Tier 1 Target Ratio is  
5 greater than 90%, then ~~than~~ all Tier 1 funding shall be  
6 allocated to Tier 2 and no Tier 1 Organizational Unit's  
7 funding may be identified.

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

12 (8) If any Specially Funded Units, excluding Glenwood  
13 Academy, recognized by the State Board do not qualify for  
14 direct funding following the implementation of Public Act  
15 100-465 from any of the funding sources included within  
16 the definition of Base Funding Minimum, the unqualified  
17 portion of the Base Funding Minimum shall be transferred  
18 to one or more appropriate Organizational Units as  
19 determined by the State Superintendent based on the prior  
20 year ASE of the Organizational Units.

21 (8.5) If a school district withdraws from a special  
22 education cooperative, the portion of the Base Funding  
23 Minimum that is attributable to the school district may be  
24 redistributed to the school district upon withdrawal. The  
25 school district and the cooperative must include the  
26 amount of the Base Funding Minimum that is to be

1 reappropriated in their withdrawal agreement and notify the  
2 State Board of the change with a copy of the agreement upon  
3 withdrawal.

4 (9) The Minimum Funding Level is intended to establish  
5 a target for State funding that will keep pace with  
6 inflation and continue to advance equity through the  
7 Evidence-Based Funding formula. The target for State  
8 funding of New Property Tax Relief Pool Funds is  
9 \$50,000,000 for State fiscal year 2019 and subsequent  
10 State fiscal years. The Minimum Funding Level is equal to  
11 \$350,000,000. In addition to any New State Funds, no more  
12 than \$50,000,000 New Property Tax Relief Pool Funds may be  
13 counted toward the Minimum Funding Level. If the sum of  
14 New State Funds and applicable New Property Tax Relief  
15 Pool Funds are less than the Minimum Funding Level, than  
16 funding for tiers shall be reduced in the following  
17 manner:

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

22 (B) Next, Tier 3 funding shall be reduced by an  
23 amount equal to the difference between the Minimum  
24 Funding Level and New State Funds and the reduction in  
25 Tier 4 funding until such time as Tier 3 funding is  
26 exhausted.

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

5           (D) Finally, Tier 1 funding shall be reduced by an  
6 amount equal to the difference between the Minimum  
7 Funding level and New State Funds and the reduction in  
8 Tier 2, 3, and 4 funding. In addition, the Allocation  
9 Rate for Tier 1 shall be reduced to a percentage equal  
10 to the Tier 1 Allocation Rate set by paragraph (4) of  
11 this subsection (g), multiplied by the result of New  
12 State Funds divided by the Minimum Funding Level.

13           (9.5) For State fiscal year 2019 and subsequent State  
14 fiscal years, if New State Funds exceed \$300,000,000, then  
15 any amount in excess of \$300,000,000 shall be dedicated  
16 for purposes of Section 2-3.170 of this Code up to a  
17 maximum of \$50,000,000.

18           (10) In the event of a decrease in the amount of the  
19 appropriation for this Section in any fiscal year after  
20 implementation of this Section, the Organizational Units  
21 receiving Tier 1 and Tier 2 funding, as determined under  
22 paragraph (3) of this subsection (g), shall be held  
23 harmless by establishing a Base Funding Guarantee equal to  
24 the per pupil kindergarten through grade 12 funding  
25 received in accordance with this Section in the prior  
26 fiscal year. Reductions shall be made to the Base Funding

1 Minimum of Organizational Units in Tier 3 and Tier 4 on a  
2 per pupil basis equivalent to the total number of the ASE  
3 in Tier 3-funded and Tier 4-funded Organizational Units  
4 divided by the total reduction in State funding. The Base  
5 Funding Minimum as reduced shall continue to be applied to  
6 Tier 3 and Tier 4 Organizational Units and adjusted by the  
7 relative formula when increases in appropriations for this  
8 Section resume. In no event may State funding reductions  
9 to Organizational Units in Tier 3 or Tier 4 exceed an  
10 amount that would be less than the Base Funding Minimum  
11 established in the first year of implementation of this  
12 Section. If additional reductions are required, all school  
13 districts shall receive a reduction by a per pupil amount  
14 equal to the aggregate additional appropriation reduction  
15 divided by the total ASE of all Organizational Units.

16 (11) The State Superintendent shall make minor  
17 adjustments to the distribution formula set forth in this  
18 subsection (g) to account for the rounding of percentages  
19 to the nearest tenth of a percentage and dollar amounts to  
20 the nearest whole dollar.

21 (h) State Superintendent administration of funding and  
22 district submission requirements.

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

26 (2) The State Superintendent shall calculate the

1 Adequacy Target for each Organizational Unit and Net State  
2 Contribution Target for each Organizational Unit under  
3 this Section. No Evidence-Based Funding shall be  
4 distributed within an Organizational Unit without the  
5 approval of the unit's school board.

6 (3) Annually, the State Superintendent shall calculate  
7 and report to each Organizational Unit the unit's  
8 aggregate financial adequacy amount, which shall be the  
9 sum of the Adequacy Target for each Organizational Unit.  
10 The State Superintendent shall calculate and report  
11 separately for each Organizational Unit the unit's total  
12 State funds allocated for its students with disabilities.  
13 The State Superintendent shall calculate and report  
14 separately for each Organizational Unit the amount of  
15 funding and applicable FTE calculated for each Essential  
16 Element of the unit's Adequacy Target.

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

1           (5) Moneys distributed under this Section shall be  
2           calculated on a school year basis, but paid on a fiscal  
3           year basis, with payments beginning in August and  
4           extending through June. Unless otherwise provided, the  
5           moneys appropriated for each fiscal year shall be  
6           distributed in 22 equal payments at least 2 times monthly  
7           to each Organizational Unit. If moneys appropriated for  
8           any fiscal year are distributed other than monthly, the  
9           distribution shall be on the same basis for each  
10          Organizational Unit.

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

25          (7) School district claims filed under this Section  
26          are subject to Sections 18-9 and 18-12 of this Code,

1           except as otherwise provided in this Section.

2           (8) Each fiscal year, the State Superintendent shall  
3           calculate for each Organizational Unit an amount of its  
4           Base Funding Minimum and Evidence-Based Funding that shall  
5           be deemed attributable to the provision of special  
6           educational facilities and services, as defined in Section  
7           14-1.08 of this Code, in a manner that ensures compliance  
8           with maintenance of State financial support requirements  
9           under the federal Individuals with Disabilities Education  
10          Act. An Organizational Unit must use such funds only for  
11          the provision of special educational facilities and  
12          services, as defined in Section 14-1.08 of this Code, and  
13          must comply with any expenditure verification procedures  
14          adopted by the State Board.

15          (9) All Organizational Units in this State must submit  
16          annual spending plans by the end of September of each year  
17          to the State Board as part of the annual budget process,  
18          which shall describe how each Organizational Unit will  
19          utilize the Base Funding Minimum and Evidence-Based  
20          Funding it receives from this State under this Section  
21          with specific identification of the intended utilization  
22          of Low-Income, English learner, and special education  
23          resources. Additionally, the annual spending plans of each  
24          Organizational Unit shall describe how the Organizational  
25          Unit expects to achieve student growth and how the  
26          Organizational Unit will achieve State education goals, as

1 defined by the State Board. The State Superintendent may,  
2 from time to time, identify additional requisites for  
3 Organizational Units to satisfy when compiling the annual  
4 spending plans required under this subsection (h). The  
5 format and scope of annual spending plans shall be  
6 developed by the State Superintendent and the State Board  
7 of Education. School districts that serve students under  
8 Article 14C of this Code shall continue to submit  
9 information as required under Section 14C-12 of this Code.

10 (10) No later than January 1, 2018, the State  
11 Superintendent shall develop a 5-year strategic plan for  
12 all Organizational Units to help in planning for adequacy  
13 funding under this Section. The State Superintendent shall  
14 submit the plan to the Governor and the General Assembly,  
15 as provided in Section 3.1 of the General Assembly  
16 Organization Act. The plan shall include recommendations  
17 for:

18 (A) a framework for collaborative, professional,  
19 innovative, and 21st century learning environments  
20 using the Evidence-Based Funding model;

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

23 (C) application and enhancement of the current  
24 financial accountability measures, the approved State  
25 plan to comply with the federal Every Student Succeeds  
26 Act, and the Illinois Balanced Accountability Measures



1 in relation to student growth and elements of the  
2 Evidence-Based Funding model; and

3 (D) implementation of an effective school adequacy  
4 funding system based on projected and recommended  
5 funding levels from the General Assembly.

6 (11) On an annual basis, the State Superintendent must  
7 recalibrate all of the following per pupil elements of the  
8 Adequacy Target and applied to the formulas, based on the  
9 study of average expenses and as reported in the most  
10 recent annual financial report:

11 (A) Gifted under subparagraph (M) of paragraph (2)  
12 of subsection (b).

13 (B) Instructional materials under subparagraph (O)  
14 of paragraph (2) of subsection (b).

15 (C) Assessment under subparagraph (P) of paragraph  
16 (2) of subsection (b).

17 (D) Student activities under subparagraph (R) of  
18 paragraph (2) of subsection (b).

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

21 (F) Central office under subparagraph (T) of  
22 paragraph (2) of subsection (b).

23 (i) Professional Review Panel.

24 (1) A Professional Review Panel is created to study  
25 and review topics related to the implementation and effect  
26 of Evidence-Based Funding, as assigned by a joint

1 resolution or Public Act of the General Assembly or a  
2 motion passed by the State Board of Education. The Panel  
3 must provide recommendations to and serve the Governor,  
4 the General Assembly, and the State Board. The State  
5 Superintendent or his or her designee must serve as a  
6 voting member and chairperson of the Panel. The State  
7 Superintendent must appoint a vice chairperson from the  
8 membership of the Panel. The Panel must advance  
9 recommendations based on a three-fifths majority vote of  
10 Panel members present and voting. A minority opinion may  
11 also accompany any recommendation of the Panel. The Panel  
12 shall be appointed by the State Superintendent, except as  
13 otherwise provided in paragraph (2) of this subsection (i)  
14 and include the following members:

15 (A) Two appointees that represent district  
16 superintendents, recommended by a statewide  
17 organization that represents district superintendents.

18 (B) Two appointees that represent school boards,  
19 recommended by a statewide organization that  
20 represents school boards.

21 (C) Two appointees from districts that represent  
22 school business officials, recommended by a statewide  
23 organization that represents school business  
24 officials.

25 (D) Two appointees that represent school  
26 principals, recommended by a statewide organization

1 that represents school principals.

2 (E) Two appointees that represent teachers,  
3 recommended by a statewide organization that  
4 represents teachers.

5 (F) Two appointees that represent teachers,  
6 recommended by another statewide organization that  
7 represents teachers.

8 (G) Two appointees that represent regional  
9 superintendents of schools, recommended by  
10 organizations that represent regional superintendents.

11 (H) Two independent experts selected solely by the  
12 State Superintendent.

13 (I) Two independent experts recommended by public  
14 universities in this State.

15 (J) One member recommended by a statewide  
16 organization that represents parents.

17 (K) Two representatives recommended by collective  
18 impact organizations that represent major metropolitan  
19 areas or geographic areas in Illinois.

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

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

26 The State Superintendent shall ensure that the

1 membership of the Panel includes representatives from  
2 school districts and communities reflecting the  
3 geographic, socio-economic, racial, and ethnic diversity  
4 of this State. The State Superintendent shall additionally  
5 ensure that the membership of the Panel includes  
6 representatives with expertise in bilingual education and  
7 special education. Staff from the State Board shall staff  
8 the Panel.

9 (2) In addition to those Panel members appointed by  
10 the State Superintendent, 4 members of the General  
11 Assembly shall be appointed as follows: one member of the  
12 House of Representatives appointed by the Speaker of the  
13 House of Representatives, one member of the Senate  
14 appointed by the President of the Senate, one member of  
15 the House of Representatives appointed by the Minority  
16 Leader of the House of Representatives, and one member of  
17 the Senate appointed by the Minority Leader of the Senate.  
18 There shall be one additional member appointed by the  
19 Governor. All members appointed by legislative leaders or  
20 the Governor shall be non-voting, ex officio members.

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

25 (A) The format and scope of annual spending plans  
26 referenced in paragraph (9) of subsection (h) of this

1 Section.

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

3 (C) Maintenance and operations, including capital  
4 maintenance and construction costs.

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

6 (E) Benefits.

7 (F) Technology.

8 (G) Local Capacity Target.

9 (H) Funding for Alternative Schools, Laboratory  
10 Schools, safe schools, and alternative learning  
11 opportunities programs.

12 (I) Funding for college and career acceleration  
13 strategies.

14 (J) Special education investments.

15 (K) Early childhood investments, in collaboration  
16 with the Illinois Early Learning Council.

17 (4) (Blank).

18 (5) Within 5 years after the implementation of this  
19 Section, and every 5 years thereafter, the Panel shall  
20 complete an evaluative study of the entire Evidence-Based  
21 Funding model, including an assessment of whether or not  
22 the formula is achieving State goals. The Panel shall  
23 report to the State Board, the General Assembly, and the  
24 Governor on the findings of the study.

25 (6) (Blank).

26 (j) References. Beginning July 1, 2017, references in

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

5 (Source: P.A. 100-465, eff. 8-31-17; 100-578, eff. 1-31-18;  
6 100-582, eff. 3-23-18; 101-10, eff. 6-5-19; 101-17, eff.  
7 6-14-19; 101-643, eff. 6-18-20; revised 8-21-20.)

8 Section 99. Effective date. This Act takes effect upon  
9 becoming law.