

1 AN ACT concerning schools.

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

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

6 (105 ILCS 5/18-8.05)

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

10 (A) General Provisions.

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

27 (2) In addition to general State financial aid, school
28 districts with specified levels or concentrations of pupils
29 from low income households are eligible to receive
30 supplemental general State financial aid grants as provided
31 pursuant to subsection (H). The supplemental State aid grants

1 provided for school districts under subsection (H) shall be
2 appropriated for distribution to school districts as part of
3 the same line item in which the general State financial aid
4 of school districts is appropriated under this Section.

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

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

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

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

33 (d) (Blank).

34 (4) Except as provided in subsections (H) and (L), the

1 board of any district receiving any of the grants provided
2 for in this Section may apply those funds to any fund so
3 received for which that board is authorized to make
4 expenditures by law.

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

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

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

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

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

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

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

32 (B) Foundation Level.

33 (1) The Foundation Level is a figure established by the
34 State representing the minimum level of per pupil financial

1 support that should be available to provide for the basic
2 education of each pupil in Average Daily Attendance. As set
3 forth in this Section, each school district is assumed to
4 exert a sufficient local taxing effort such that, in
5 combination with the aggregate of general State financial aid
6 provided the district, an aggregate of State and local
7 resources are available to meet the basic education needs of
8 pupils in the district.

9 (2) For the 1998-1999 school year, the Foundation Level
10 of support is \$4,225. For the 1999-2000 school year, the
11 Foundation Level of support is \$4,325. For the 2000-2001
12 school year, the Foundation Level of support is \$4,425.

13 (3) For the 2001-2002 school year and each school year
14 thereafter, the Foundation Level of support is \$4,560 or such
15 greater amount as may be established by law by the General
16 Assembly.

17 (C) Average Daily Attendance.

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

29 (2) The Average Daily Attendance figures utilized in
30 subsection (E) shall be the requisite attendance data for the
31 school year immediately preceding the school year for which
32 general State aid is being calculated or the average of the
33 attendance data for the 3 preceding school years, whichever
34 is greater. The Average Daily Attendance figures utilized in

1 subsection (H) shall be the requisite attendance data for the
2 school year immediately preceding the school year for which
3 general State aid is being calculated.

4 (D) Available Local Resources.

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

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

21 (3) For school districts maintaining grades kindergarten
22 through 12, local property tax revenues per pupil shall be
23 calculated as the product of the applicable equalized
24 assessed valuation for the district multiplied by 3.00%, and
25 divided by the district's Average Daily Attendance figure.
26 For school districts maintaining grades kindergarten through
27 8, local property tax revenues per pupil shall be calculated
28 as the product of the applicable equalized assessed valuation
29 for the district multiplied by 2.30%, and divided by the
30 district's Average Daily Attendance figure. For school
31 districts maintaining grades 9 through 12, local property tax
32 revenues per pupil shall be the applicable equalized assessed
33 valuation of the district multiplied by 1.05%, and divided by
34 the district's Average Daily Attendance figure.

1 (4) The Corporate Personal Property Replacement Taxes
2 paid to each school district during the calendar year 2 years
3 before the calendar year in which a school year begins,
4 divided by the Average Daily Attendance figure for that
5 district, shall be added to the local property tax revenues
6 per pupil as derived by the application of the immediately
7 preceding paragraph (3). The sum of these per pupil figures
8 for each school district shall constitute Available Local
9 Resources as that term is utilized in subsection (E) in the
10 calculation of general State aid.

11 (E) Computation of General State Aid.

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

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

21 (3) For any school district for which Available Local
22 Resources per pupil is equal to or greater than the product
23 of 0.93 times the Foundation Level and less than the product
24 of 1.75 times the Foundation Level, the general State aid per
25 pupil shall be a decimal proportion of the Foundation Level
26 derived using a linear algorithm. Under this linear
27 algorithm, the calculated general State aid per pupil shall
28 decline in direct linear fashion from 0.07 times the
29 Foundation Level for a school district with Available Local
30 Resources equal to the product of 0.93 times the Foundation
31 Level, to 0.05 times the Foundation Level for a school
32 district with Available Local Resources equal to the product
33 of 1.75 times the Foundation Level. The allocation of
34 general State aid for school districts subject to this

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

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

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

21 (F) Compilation of Average Daily Attendance.

22 (1) Each school district shall, by July 1 of each year,
23 submit to the State Board of Education, on forms prescribed
24 by the State Board of Education, attendance figures for the
25 school year that began in the preceding calendar year. The
26 attendance information so transmitted shall identify the
27 average daily attendance figures for each month of the school
28 year. Beginning with the general State aid claim form for
29 the 2002-2003 school year, districts shall calculate Average
30 Daily Attendance as provided in subdivisions (a), (b), and
31 (c) of this paragraph (1).

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

1 shall be added to the month of May.

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

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

18 Except as otherwise provided in this Section, days of
19 attendance by pupils shall be counted only for sessions of
20 not less than 5 clock hours of school work per day under
21 direct supervision of: (i) teachers, or (ii) non-teaching
22 personnel or volunteer personnel when engaging in
23 non-teaching duties and supervising in those instances
24 specified in subsection (a) of Section 10-22.34 and paragraph
25 10 of Section 34-18, with pupils of legal school age and in
26 kindergarten and grades 1 through 12.

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

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

33 (a) Pupils regularly enrolled in a public school
34 for only a part of the school day may be counted on the

1 basis of 1/6 day for every class hour of instruction of
2 40 minutes or more attended pursuant to such enrollment,
3 unless a pupil is enrolled in a block-schedule format of
4 80 minutes or more of instruction, in which case the
5 pupil may be counted on the basis of the proportion of
6 minutes of school work completed each day to the minimum
7 number of minutes that school work is required to be held
8 that day.

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

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

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

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

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

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

29 (g) For children with disabilities who are below
30 the age of 6 years and who cannot attend 2 or more clock
31 hours because of their disability or immaturity, a
32 session of not less than one clock hour may be counted as
33 1/2 day of attendance; however for such children whose
34 educational needs so require a session of 4 or more clock

1 hours may be counted as a full day of attendance.

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

20 (G) Equalized Assessed Valuation Data.

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

31 This equalized assessed valuation, as adjusted further by
32 the requirements of this subsection, shall be utilized in the
33 calculation of Available Local Resources.

34 (2) The equalized assessed valuation in paragraph (1)

1 shall be adjusted, as applicable, in the following manner:

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

25 (b) The real property equalized assessed valuation
26 for a school district shall be adjusted by subtracting
27 from the real property value as equalized or assessed by
28 the Department of Revenue for the district an amount
29 computed by dividing the amount of any abatement of taxes
30 under Section 18-170 of the Property Tax Code by 3.00%
31 for a district maintaining grades kindergarten through
32 12, by 2.30% for a district maintaining grades
33 kindergarten through 8, or by 1.05% for a district
34 maintaining grades 9 through 12 and adjusted by an amount

1 computed by dividing the amount of any abatement of taxes
2 under subsection (a) of Section 18-165 of the Property
3 Tax Code by the same percentage rates for district type
4 as specified in this subparagraph (b).

5 (3) For the 1999-2000 school year and each school year
6 thereafter, if a school district meets all of the criteria of
7 this subsection (G)(3), the school district's Available Local
8 Resources shall be calculated under subsection (D) using the
9 district's Extension Limitation Equalized Assessed Valuation
10 as calculated under this subsection (G)(3).

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

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

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

18 "Preceding Tax Year": The property tax levy year
19 immediately preceding the Base Tax Year.

20 "Base Tax Year's Tax Extension": The product of the
21 equalized assessed valuation utilized by the County Clerk
22 in the Base Tax Year multiplied by the limiting rate as
23 calculated by the County Clerk and defined in the
24 Property Tax Extension Limitation Law.

25 "Preceding Tax Year's Tax Extension": The product of
26 the equalized assessed valuation utilized by the County
27 Clerk in the Preceding Tax Year multiplied by the
28 Operating Tax Rate as defined in subsection (A).

29 "Extension Limitation Ratio": A numerical ratio,
30 certified by the County Clerk, in which the numerator is
31 the Base Tax Year's Tax Extension and the denominator is
32 the Preceding Tax Year's Tax Extension.

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

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

25 (4) For the purposes of calculating general State aid
26 for the 1999-2000 school year only, if a school district
27 experienced a triennial reassessment on the equalized
28 assessed valuation used in calculating its general State
29 financial aid apportionment for the 1998-1999 school year,
30 the State Board of Education shall calculate the Extension
31 Limitation Equalized Assessed Valuation that would have been
32 used to calculate the district's 1998-1999 general State aid.
33 This amount shall equal the product of the equalized assessed
34 valuation used to calculate general State aid for the

1 1997-1998 school year and the district's Extension Limitation
2 Ratio. If the Extension Limitation Equalized Assessed
3 Valuation of the school district as calculated under this
4 paragraph (4) is less than the district's equalized assessed
5 valuation utilized in calculating the district's 1998-1999
6 general State aid allocation, then for purposes of
7 calculating the district's general State aid pursuant to
8 paragraph (5) of subsection (E), that Extension Limitation
9 Equalized Assessed Valuation shall be utilized to calculate
10 the district's Available Local Resources.

11 (5) For school districts having a majority of their
12 equalized assessed valuation in any county except Cook,
13 DuPage, Kane, Lake, McHenry, or Will, if the amount of
14 general State aid allocated to the school district for the
15 1999-2000 school year under the provisions of subsection (E),
16 (H), and (J) of this Section is less than the amount of
17 general State aid allocated to the district for the 1998-1999
18 school year under these subsections, then the general State
19 aid of the district for the 1999-2000 school year only shall
20 be increased by the difference between these amounts. The
21 total payments made under this paragraph (5) shall not exceed
22 \$14,000,000. Claims shall be prorated if they exceed
23 \$14,000,000.

24 (H) Supplemental General State Aid.

25 (1) In addition to the general State aid a school
26 district is allotted pursuant to subsection (E), qualifying
27 school districts shall receive a grant, paid in conjunction
28 with a district's payments of general State aid, for
29 supplemental general State aid based upon the concentration
30 level of children from low-income households within the
31 school district. Supplemental State aid grants provided for
32 school districts under this subsection shall be appropriated
33 for distribution to school districts as part of the same line
34 item in which the general State financial aid of school

1 districts is appropriated under this Section.

2 (1.5) This paragraph (1.5) applies only to school years
3 preceding the 2003-2004 school year. For purposes of this
4 subsection (H), the term "Low-Income Concentration Level"
5 shall be the low-income eligible pupil count from the most
6 recently available federal census divided by the Average
7 Daily Attendance of the school district. If, however, (i) the
8 percentage decrease from the 2 most recent federal censuses
9 in the low-income eligible pupil count of a high school
10 district with fewer than 400 students exceeds by 75% or more
11 the percentage change in the total low-income eligible pupil
12 count of contiguous elementary school districts, whose
13 boundaries are coterminous with the high school district, or
14 (ii) a high school district within 2 counties and serving 5
15 elementary school districts, whose boundaries are coterminous
16 with the high school district, has a percentage decrease from
17 the 2 most recent federal censuses in the low-income eligible
18 pupil count and there is a percentage increase in the total
19 low-income eligible pupil count of a majority of the
20 elementary school districts in excess of 50% from the 2 most
21 recent federal censuses, then the high school district's
22 low-income eligible pupil count from the earlier federal
23 census shall be the number used as the low-income eligible
24 pupil count for the high school district, for purposes of
25 this subsection (H). The changes made to this paragraph (1)
26 by Public Act 92-28 shall apply to supplemental general State
27 aid grants for school years preceding the 2003-2004 school
28 year that are paid in fiscal year 1999 or ~~and-in-each--fiscal~~
29 ~~year~~ thereafter and to any State aid payments made in fiscal
30 year 1994 through fiscal year 1998 pursuant to subsection
31 1(n) of Section 18-8 of this Code (which was repealed on July
32 1, 1998), and any high school district that is affected by
33 Public Act 92-28 is entitled to a recomputation of its
34 supplemental general State aid grant or State aid paid in any

1 of those fiscal years. This recomputation shall not be
2 affected by any other funding.

3 (1.10) This paragraph (1.10) applies to the 2003-2004
4 school year and each school year thereafter. For purposes of
5 this subsection (4), the term "Low Income Concentration
6 Level" shall be the low income eligible pupil count (as
7 determined by the Department of Human Services based on the
8 number of pupils who are eligible for at least one of the
9 following low income programs: Medicaid, KidCare, TANF, and
10 Food Stamps) divided by the Average Daily Attendance of the
11 school district.

12 (2) Supplemental general State aid pursuant to this
13 subsection (H) shall be provided as follows for the
14 1998-1999, 1999-2000, and 2000-2001 school years only:

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

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

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

27 (d) For any school district with a Low Income
28 Concentration Level of 60% or more, the grant for the
29 1998-99 school year shall be \$1,900 multiplied by the low
30 income eligible pupil count.

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

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

5 (2.5) Supplemental general State aid pursuant to this
6 subsection (H) shall be provided as follows for the 2002-2003
7 school year ~~and each school year thereafter~~:

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

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

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

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

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

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

32 (2.10) Supplemental general State aid pursuant to this
33 subsection (H) shall be provided as follows for the 2003-2004
34 school year and each school year thereafter:

1 (a) For any school district with a Low Income
2 Concentration Level of 15% or less, the grant for each
3 school year shall be \$710 multiplied by the low income
4 eligible pupil count.

5 (b) For any school district with a Low Income
6 Concentration Level greater than 15%, the grant for each
7 school year shall be \$588.50 added to \$2,700 and
8 multiplied by the square of the Low Income Concentration
9 Level, all multiplied by the low income eligible pupil
10 count.

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

21 (4) School districts with an Average Daily Attendance of
22 50,000 or more that qualify for supplemental general State
23 aid pursuant to this subsection shall be required to
24 distribute from funds available pursuant to this Section, no
25 less than \$261,000,000 in accordance with the following
26 requirements:

27 (a) The required amounts shall be distributed to
28 the attendance centers within the district in proportion
29 to the number of pupils enrolled at each attendance
30 center who are eligible to receive free or reduced-price
31 lunches or breakfasts under the federal Child Nutrition
32 Act of 1966 and under the National School Lunch Act
33 during the immediately preceding school year.

34 (b) The distribution of these portions of

1 supplemental and general State aid among attendance
2 centers according to these requirements shall not be
3 compensated for or contravened by adjustments of the
4 total of other funds appropriated to any attendance
5 centers, and the Board of Education shall utilize funding
6 from one or several sources in order to fully implement
7 this provision annually prior to the opening of school.

8 (c) Each attendance center shall be provided by the
9 school district a distribution of noncategorical funds
10 and other categorical funds to which an attendance center
11 is entitled under law in order that the general State aid
12 and supplemental general State aid provided by
13 application of this subsection supplements rather than
14 supplants the noncategorical funds and other categorical
15 funds provided by the school district to the attendance
16 centers.

17 (d) Any funds made available under this subsection
18 that by reason of the provisions of this subsection are
19 not required to be allocated and provided to attendance
20 centers may be used and appropriated by the board of the
21 district for any lawful school purpose.

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

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

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

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

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

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

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

23 (I) General State Aid for Newly Configured School Districts.

24 (1) For a new school district formed by combining
25 property included totally within 2 or more previously
26 existing school districts, for its first year of existence
27 the general State aid and supplemental general State aid
28 calculated under this Section shall be computed for the new
29 district and for the previously existing districts for which
30 property is totally included within the new district. If the
31 computation on the basis of the previously existing districts
32 is greater, a supplementary payment equal to the difference
33 shall be made for the first 4 years of existence of the new
34 district.

1 (2) For a school district which annexes all of the
2 territory of one or more entire other school districts, for
3 the first year during which the change of boundaries
4 attributable to such annexation becomes effective for all
5 purposes as determined under Section 7-9 or 7A-8, the general
6 State aid and supplemental general State aid calculated under
7 this Section shall be computed for the annexing district as
8 constituted after the annexation and for the annexing and
9 each annexed district as constituted prior to the annexation;
10 and if the computation on the basis of the annexing and
11 annexed districts as constituted prior to the annexation is
12 greater, a supplementary payment equal to the difference
13 shall be made for the first 4 years of existence of the
14 annexing school district as constituted upon such annexation.

15 (3) For 2 or more school districts which annex all of
16 the territory of one or more entire other school districts,
17 and for 2 or more community unit districts which result upon
18 the division (pursuant to petition under Section 11A-2) of
19 one or more other unit school districts into 2 or more parts
20 and which together include all of the parts into which such
21 other unit school district or districts are so divided, for
22 the first year during which the change of boundaries
23 attributable to such annexation or division becomes effective
24 for all purposes as determined under Section 7-9 or 11A-10,
25 as the case may be, the general State aid and supplemental
26 general State aid calculated under this Section shall be
27 computed for each annexing or resulting district as
28 constituted after the annexation or division and for each
29 annexing and annexed district, or for each resulting and
30 divided district, as constituted prior to the annexation or
31 division; and if the aggregate of the general State aid and
32 supplemental general State aid as so computed for the
33 annexing or resulting districts as constituted after the
34 annexation or division is less than the aggregate of the

1 general State aid and supplemental general State aid as so
2 computed for the annexing and annexed districts, or for the
3 resulting and divided districts, as constituted prior to the
4 annexation or division, then a supplementary payment equal to
5 the difference shall be made and allocated between or among
6 the annexing or resulting districts, as constituted upon such
7 annexation or division, for the first 4 years of their
8 existence. The total difference payment shall be allocated
9 between or among the annexing or resulting districts in the
10 same ratio as the pupil enrollment from that portion of the
11 annexed or divided district or districts which is annexed to
12 or included in each such annexing or resulting district bears
13 to the total pupil enrollment from the entire annexed or
14 divided district or districts, as such pupil enrollment is
15 determined for the school year last ending prior to the date
16 when the change of boundaries attributable to the annexation
17 or division becomes effective for all purposes. The amount
18 of the total difference payment and the amount thereof to be
19 allocated to the annexing or resulting districts shall be
20 computed by the State Board of Education on the basis of
21 pupil enrollment and other data which shall be certified to
22 the State Board of Education, on forms which it shall provide
23 for that purpose, by the regional superintendent of schools
24 for each educational service region in which the annexing and
25 annexed districts, or resulting and divided districts are
26 located.

27 (3.5) Claims for financial assistance under this
28 subsection (I) shall not be recomputed except as expressly
29 provided under this Section.

30 (4) Any supplementary payment made under this subsection
31 (I) shall be treated as separate from all other payments made
32 pursuant to this Section.

33 (J) Supplementary Grants in Aid.

34 (1) Notwithstanding any other provisions of this

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

20 (2) If, as provided in paragraph (1) of this subsection
21 (J), a school district is to receive aggregate general State
22 aid in combination with supplemental general State aid under
23 this Section for the 1998-99 school year and any subsequent
24 school year that in any such school year is less than the
25 amount of the aggregate general State aid entitlement that
26 the district received for the 1997-98 school year, the school
27 district shall also receive, from a separate appropriation
28 made for purposes of this subsection (J), a supplementary
29 payment that is equal to the amount of the difference in the
30 aggregate State aid figures as described in paragraph (1).

31 (3) (Blank).

32 (K) Grants to Laboratory and Alternative Schools.

33 In calculating the amount to be paid to the governing
34 board of a public university that operates a laboratory

1 school under this Section or to any alternative school that
2 is operated by a regional superintendent of schools, the
3 State Board of Education shall require by rule such reporting
4 requirements as it deems necessary.

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

18 As used in this Section, "alternative school" means a
19 public school which is created and operated by a Regional
20 Superintendent of Schools and approved by the State Board of
21 Education. Such alternative schools may offer courses of
22 instruction for which credit is given in regular school
23 programs, courses to prepare students for the high school
24 equivalency testing program or vocational and occupational
25 training. A regional superintendent of schools may contract
26 with a school district or a public community college district
27 to operate an alternative school. An alternative school
28 serving more than one educational service region may be
29 established by the regional superintendents of schools of the
30 affected educational service regions. An alternative school
31 serving more than one educational service region may be
32 operated under such terms as the regional superintendents of
33 schools of those educational service regions may agree.

34 Each laboratory and alternative school shall file, on

1 forms provided by the State Superintendent of Education, an
2 annual State aid claim which states the Average Daily
3 Attendance of the school's students by month. The best 3
4 months' Average Daily Attendance shall be computed for each
5 school. The general State aid entitlement shall be computed
6 by multiplying the applicable Average Daily Attendance by the
7 Foundation Level as determined under this Section.

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

10 (1) For a school district operating under the financial
11 supervision of an Authority created under Article 34A, the
12 general State aid otherwise payable to that district under
13 this Section, but not the supplemental general State aid,
14 shall be reduced by an amount equal to the budget for the
15 operations of the Authority as certified by the Authority to
16 the State Board of Education, and an amount equal to such
17 reduction shall be paid to the Authority created for such
18 district for its operating expenses in the manner provided in
19 Section 18-11. The remainder of general State school aid for
20 any such district shall be paid in accordance with Article
21 34A when that Article provides for a disposition other than
22 that provided by this Article.

23 (2) (Blank).

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

26 (M) Education Funding Advisory Board.

27 The Education Funding Advisory Board, hereinafter in this
28 subsection (M) referred to as the "Board", is hereby created.
29 The Board shall consist of 5 members who are appointed by the
30 Governor, by and with the advice and consent of the Senate.
31 The members appointed shall include representatives of
32 education, business, and the general public. One of the
33 members so appointed shall be designated by the Governor at

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

30 The Education Funding Advisory Board shall be deemed
31 established, and the initial members appointed by the
32 Governor to serve as members of the Board shall take office,
33 on the date that the Governor makes his or her appointment of
34 the fifth initial member of the Board, whether those initial

1 members are then serving pursuant to appointment and
2 confirmation or pursuant to temporary appointments that are
3 made by the Governor as in the case of vacancies.

4 The State Board of Education shall provide such staff
5 assistance to the Education Funding Advisory Board as is
6 reasonably required for the proper performance by the Board
7 of its responsibilities.

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

22 (N) (Blank).

23 (O) References.

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

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

32 (Source: P.A. 91-24, eff. 7-1-99; 91-93, eff. 7-9-99; 91-96,
33 eff. 7-9-99; 91-111, eff. 7-14-99; 91-357, eff. 7-29-99;

1 91-533, eff. 8-13-99; 92-7, eff. 6-29-01; 92-16, eff.
2 6-28-01; 92-28, eff. 7-1-01; 92-29, eff. 7-1-01; 92-269, eff.
3 8-7-01; 92-604, eff. 7-1-02; 92-636, eff. 7-11-02; 92-651,
4 eff. 7-11-02; revised 7-26-02.)

5 Section 99. Effective date. This Act takes effect upon
6 becoming law.