



Rep. Tom Cross

Filed: 7/24/2004

09300SB2205ham003

LRB093 15833 NHT 52992 a

1 AMENDMENT TO SENATE BILL 2205

2 AMENDMENT NO. _____. Amend Senate Bill 2205, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 1. Short title. This Act may be cited as the
6 FY2005 Budget Implementation (Education) Act.

7 Section 5. Purpose. It is the purpose of this Act to make
8 changes in State programs that are necessary to implement the
9 Governor's FY2005 budget recommendations concerning education.

10 Section 10. The State Finance Act is amended by adding
11 Sections 6z-65, 6z-66, and 6z-67 as follows:

12 (30 ILCS 105/6z-65 new)

13 Sec. 6z-65. SBE Federal Department of Education Fund. The
14 SBE Federal Department of Education Fund is created as a
15 federal trust fund in the State treasury. This fund is
16 established to receive funds from the federal Department of
17 Education, including administrative funds recovered from
18 federal programs, for the specific purposes established by the
19 terms and conditions of federal awards. All moneys in the SBE
20 Federal Department of Education Fund shall be used, subject to
21 appropriation by the General Assembly, for grants and contracts
22 to local education agencies, colleges and universities, and

1 other State agencies and for administrative expenses of the
2 State Board of Education.

3 (30 ILCS 105/6z-66 new)

4 Sec. 6z-66. SBE Federal Agency Services Fund. The SBE
5 Federal Agency Services Fund is created as a federal trust fund
6 in the State treasury. This fund is established to receive
7 funds from all federal departments and agencies except the
8 Departments of Education and Agriculture (including among
9 others the Departments of Health and Human Services, Defense,
10 and Labor and the Corporation for National and Community
11 Service), including administrative funds recovered from
12 federal programs, for the specific purposes established by the
13 terms and conditions of federal awards. All moneys in the SBE
14 Federal Agency Services Fund shall be used, subject to
15 appropriation by the General Assembly, for grants and contracts
16 to local education agencies, colleges and universities, and
17 other State agencies and for administrative expenses of the
18 State Board of Education.

19 (30 ILCS 105/6z-67 new)

20 Sec. 6z-67. SBE Federal Department of Agriculture Fund. The
21 SBE Federal Department of Agriculture Fund is created as a
22 federal trust fund in the State treasury. This fund is
23 established to receive funds from the federal Department of
24 Education, including administrative funds recovered from
25 federal programs, for the specific purposes established by the
26 terms and conditions of federal awards. All moneys in the SBE
27 Federal Department of Agriculture Fund shall be used, subject
28 to appropriation by the General Assembly, for grants and
29 contracts to local education agencies, colleges and
30 universities, and other State agencies and for administrative
31 expenses of the State Board of Education.

1 Section 15. The School Code is amended by changing Sections
2 2-3.64, 2-3.131, and 18-8.05 as follows:

3 (105 ILCS 5/2-3.64) (from Ch. 122, par. 2-3.64)

4 Sec. 2-3.64. State goals and assessment.

5 (a) Beginning in the 1998-1999 school year, the State Board
6 of Education shall establish standards and periodically, in
7 collaboration with local school districts, conduct studies of
8 student performance in the learning areas of fine arts and
9 physical development/health.

10 Beginning with the 1998-1999 school year until the
11 2004-2005 school year ~~2005-2006 school year at the latest~~, the
12 State Board of Education shall annually test: (i) all pupils
13 enrolled in the 3rd, 5th, and 8th grades in English language
14 arts (reading, writing, and English grammar) and mathematics;
15 and (ii) all pupils enrolled in the 4th and 7th grades in the
16 biological and physical sciences and the social sciences
17 (history, geography, civics, economics, and government).
18 Unless the testing required to be implemented no later than the
19 2005-2006 school year under this subsection (a) is implemented
20 for the 2004-2005 school year, for the 2004-2005 school year,
21 the State Board of Education shall test: (i) all pupils
22 enrolled in the 3rd, 5th, and 8th grades in English language
23 arts (reading and English grammar) and mathematics and (ii) all
24 pupils enrolled in the 4th and 7th grades in the biological and
25 physical sciences. The maximum time allowed for all actual
26 testing required under this paragraph shall not exceed 25
27 hours, as allocated among the required tests by the State Board
28 of Education, across all grades tested.

29 Beginning no later than the 2005-2006 school year, the
30 State Board of Education shall annually test: (i) all pupils
31 enrolled in the 3rd, 4th, 5th, 6th, 7th, and 8th grades in
32 reading and mathematics and ~~+~~ (ii) ~~all pupils enrolled in 3rd,~~
33 ~~4th, 6th, and 8th grades in writing;~~ (iii) all pupils enrolled

1 in the 4th and 7th grades in the biological and physical
2 sciences, ~~and (iv) all pupils enrolled in 5th and 8th grades in~~
3 ~~the social sciences (history, geography, economics, civics,~~
4 ~~and government). The State Board of Education shall sample~~
5 ~~student performance in the learning area of physical~~
6 ~~development and health in grades 4 and 7 through the science~~
7 ~~tests and in the learning area of fine arts in grades 5 and 8~~
8 ~~through the social sciences tests.~~ After the addition of
9 ~~subjects and~~ grades and change in subjects as delineated in
10 this paragraph and including whatever other tests that may be
11 approved from time to time no later than the 2005-2006 school
12 year, the maximum time allowed for all State testing in grades
13 3 through 8 shall not exceed 38 hours across those grades.

14 Beginning with the 2004-2005 school year, the State Board
15 of Education shall not test pupils under this subsection (a) in
16 writing, physical development and health, fine arts, and the
17 social sciences (history, geography, civics, economics, and
18 government).

19 The State Board of Education shall establish the academic
20 standards that are to be applicable to pupils who are subject
21 to State tests under this Section beginning with the 1998-1999
22 school year. However, the State Board of Education shall not
23 establish any such standards in final form without first
24 providing opportunities for public participation and local
25 input in the development of the final academic standards. Those
26 opportunities shall include a well-publicized period of public
27 comment, public hearings throughout the State, and
28 opportunities to file written comments. Beginning with the
29 1998-99 school year and thereafter, the State tests will
30 identify pupils in the 3rd grade or 5th grade who do not meet
31 the State standards.

32 If, by performance on the State tests or local assessments
33 or by teacher judgment, a student's performance is determined
34 to be 2 or more grades below current placement, the student

1 shall be provided a remediation program developed by the
2 district in consultation with a parent or guardian. Such
3 remediation programs may include, but shall not be limited to,
4 increased or concentrated instructional time, a remedial
5 summer school program of not less than 90 hours, improved
6 instructional approaches, tutorial sessions, retention in
7 grade, and modifications to instructional materials. Each
8 pupil for whom a remediation program is developed under this
9 subsection shall be required to enroll in and attend whatever
10 program the district determines is appropriate for the pupil.
11 Districts may combine students in remediation programs where
12 appropriate and may cooperate with other districts in the
13 design and delivery of those programs. The parent or guardian
14 of a student required to attend a remediation program under
15 this Section shall be given written notice of that requirement
16 by the school district a reasonable time prior to commencement
17 of the remediation program that the student is to attend. The
18 State shall be responsible for providing school districts with
19 the new and additional funding, under Section 2-3.51.5 or by
20 other or additional means, that is required to enable the
21 districts to operate remediation programs for the pupils who
22 are required to enroll in and attend those programs under this
23 Section. Every individualized educational program as described
24 in Article 14 shall identify if the State test or components
25 thereof are appropriate for that student. The State Board of
26 Education shall develop rules and regulations governing the
27 administration of alternative tests prescribed within each
28 student's individualized educational program which are
29 appropriate to the disability of each student.

30 All pupils who are in a State approved transitional
31 bilingual education program or transitional program of
32 instruction shall participate in the State tests. Any student
33 who has been enrolled in a State approved bilingual education
34 program less than 3 cumulative academic years may take an

1 accommodated State test, to be known as the Illinois Measure of
2 Annual Growth in English (IMAGE), if the student's lack of
3 English as determined by an English language proficiency test
4 would keep the student from understanding the regular State
5 test. If the school district determines, on a case-by-case
6 individual basis, that IMAGE would likely yield more accurate
7 and reliable information on what the student knows and can do,
8 the school district may make a determination to assess the
9 student using IMAGE for a period that does not exceed 2
10 additional consecutive years, provided that the student has not
11 yet reached a level of English language proficiency sufficient
12 to yield valid and reliable information on what the student
13 knows and can do on the regular State test.

14 Reasonable accommodations as prescribed by the State Board
15 of Education shall be provided for individual students in the
16 testing procedure. All test procedures prescribed by the State
17 Board of Education shall require: (i) that each test used for
18 State and local student testing under this Section identify by
19 name the pupil taking the test; (ii) that the name of the pupil
20 taking the test be placed on the test at the time the test is
21 taken; (iii) that the results or scores of each test taken
22 under this Section by a pupil of the school district be
23 reported to that district and identify by name the pupil who
24 received the reported results or scores; and (iv) that the
25 results or scores of each test taken under this Section be made
26 available to the parents of the pupil. In addition, in each
27 school year the highest scores attained by a student on the
28 Prairie State Achievement Examination administered under
29 subsection (c) of this Section and any Prairie State
30 Achievement Awards received by the student shall become part of
31 the student's permanent record and shall be entered on the
32 student's transcript pursuant to regulations that the State
33 Board of Education shall promulgate for that purpose in
34 accordance with Section 3 and subsection (e) of Section 2 of

1 the Illinois School Student Records Act. Beginning with the
2 1998-1999 school year and in every school year thereafter,
3 scores received by students on the State assessment tests
4 administered in grades 3 through 8 shall be placed into
5 students' temporary records.

6 The State Board of Education shall establish a period of
7 time, to be referred to as the State test window, in each
8 school year for which State testing shall occur to meet the
9 objectives of this Section. However, if the schools of a
10 district are closed and classes are not scheduled during any
11 week that is established by the State Board of Education as the
12 State test window, the school district may (at the discretion
13 of the State Board of Education) move its State test window one
14 week earlier or one week later than the established State test
15 window, so long as the school district gives the State Board of
16 Education written notice of its intention to deviate from the
17 established schedule by December 1 of the school year in which
18 falls the State test window established by the State Board of
19 Education for the testing.

20 (a-5) All tests administered pursuant to this Section shall
21 be academically based. For the purposes of this Section
22 "academically based tests" shall mean tests consisting of
23 questions and answers that are measurable and quantifiable to
24 measure the knowledge, skill, and ability of students in the
25 subject matters covered by tests. The scoring of academically
26 based tests shall be reliable, valid, unbiased and shall meet
27 the guidelines for test development and use prescribed by the
28 American Psychological Association, the National Council of
29 Measurement and Evaluation, and the American Educational
30 Research Association. Academically based tests shall not
31 include assessments or evaluations of attitudes, values, or
32 beliefs, or testing of personality, self-esteem, or
33 self-concept. Nothing in this amendatory Act is intended, nor
34 shall it be construed, to nullify, supersede, or contradict the

1 legislative intent on academic testing expressed during the
2 passage of HB 1005/P.A. 90-296. Nothing in this Section is
3 intended, nor shall it be construed, to nullify, supersede, or
4 contradict the legislative intent on academic testing
5 expressed in the preamble of this amendatory Act of the 93rd
6 General Assembly.

7 The State Board of Education shall monitor the use of short
8 answer questions in the math and reading assessments or in
9 other assessments in order to demonstrate that the use of short
10 answer questions results in a statistically significant
11 improvement in student achievement as measured on the State
12 assessments for math and reading or on other State assessments
13 and is justifiable in terms of cost and student performance.

14 (b) It shall be the policy of the State to encourage school
15 districts to continuously test pupil proficiency in the
16 fundamental learning areas in order to: (i) provide timely
17 information on individual students' performance relative to
18 State standards that is adequate to guide instructional
19 strategies; (ii) improve future instruction; and (iii)
20 complement the information provided by the State testing system
21 described in this Section. Each district's school improvement
22 plan must address specific activities the district intends to
23 implement to assist pupils who by teacher judgment and test
24 results as prescribed in subsection (a) of this Section
25 demonstrate that they are not meeting State standards or local
26 objectives. Such activities may include, but shall not be
27 limited to, summer school, extended school day, special
28 homework, tutorial sessions, modified instructional materials,
29 other modifications in the instructional program, reduced
30 class size or retention in grade. To assist school districts in
31 testing pupil proficiency in reading in the primary grades, the
32 State Board shall make optional reading inventories for
33 diagnostic purposes available to each school district that
34 requests such assistance. Districts that administer the

1 reading inventories may develop remediation programs for
2 students who perform in the bottom half of the student
3 population. Those remediation programs may be funded by moneys
4 provided under the School Safety and Educational Improvement
5 Block Grant Program established under Section 2-3.51.5.
6 Nothing in this Section shall prevent school districts from
7 implementing testing and remediation policies for grades not
8 required under this Section.

9 (c) Beginning with the 2000-2001 school year, each school
10 district that operates a high school program for students in
11 grades 9 through 12 shall annually administer the Prairie State
12 Achievement Examination established under this subsection to
13 its students as set forth below. The Prairie State Achievement
14 Examination shall be developed by the State Board of Education
15 to measure student performance in the academic areas of
16 reading, writing, mathematics, science, and social sciences.
17 Beginning with the 2004-2005 school year, however, the State
18 Board of Education shall not test a student in writing and the
19 social sciences (history, geography, civics, economics, and
20 government) as part of the Prairie State Achievement
21 Examination unless the student is retaking the Prairie State
22 Achievement Examination in the fall of 2004. The State Board of
23 Education shall establish the academic standards that are to
24 apply in measuring student performance on the Prairie State
25 Achievement Examination including the minimum examination
26 score in each area that will qualify a student to receive a
27 Prairie State Achievement Award from the State in recognition
28 of the student's excellent performance. Each school district
29 that is subject to the requirements of this subsection (c)
30 shall afford all students 2 opportunities to take the Prairie
31 State Achievement Examination beginning as late as practical
32 during the second semester of grade 11, but in no event before
33 March 1. The State Board of Education shall annually notify
34 districts of the weeks during which these test administrations

1 shall be required to occur. Every individualized educational
2 program as described in Article 14 shall identify if the
3 Prairie State Achievement Examination or components thereof
4 are appropriate for that student. Each student, exclusive of a
5 student whose individualized educational program developed
6 under Article 14 identifies the Prairie State Achievement
7 Examination as inappropriate for the student, shall be required
8 to take the examination in grade 11. For each academic area the
9 State Board of Education shall establish the score that
10 qualifies for the Prairie State Achievement Award on that
11 portion of the examination. Any student who fails to earn a
12 qualifying score for a Prairie State Achievement Award in any
13 one or more of the academic areas on the initial test
14 administration or who wishes to improve his or her score on any
15 portion of the examination shall be permitted to retake such
16 portion or portions of the examination during grade 12.
17 Districts shall inform their students of the timelines and
18 procedures applicable to their participation in every yearly
19 administration of the Prairie State Achievement Examination.
20 Students receiving special education services whose
21 individualized educational programs identify the Prairie State
22 Achievement Examination as inappropriate for them nevertheless
23 shall have the option of taking the examination, which shall be
24 administered to those students in accordance with standards
25 adopted by the State Board of Education to accommodate the
26 respective disabilities of those students. A student who
27 successfully completes all other applicable high school
28 graduation requirements but fails to receive a score on the
29 Prairie State Achievement Examination that qualifies the
30 student for receipt of a Prairie State Achievement Award shall
31 nevertheless qualify for the receipt of a regular high school
32 diploma.

33 (d) Beginning with the 2002-2003 school year, all schools
34 in this State that are part of the sample drawn by the National

1 Center for Education Statistics, in collaboration with their
2 school districts and the State Board of Education, shall
3 administer the biennial State academic assessments of 4th and
4 8th grade reading and mathematics under the National Assessment
5 of Educational Progress carried out under Section m11(b) (2) of
6 the National Education Statistics Act of 1994 (20 U.S.C. 9010)
7 if the Secretary of Education pays the costs of administering
8 the assessments.

9 (e) Beginning no later than the 2005-2006 school year,
10 subject to available federal funds to this State for the
11 purpose of student assessment, the State Board of Education
12 shall provide additional tests and assessment resources that
13 may be used by school districts for local diagnostic purposes.
14 These tests and resources shall include without limitation
15 additional high school writing, physical development and
16 health, and fine arts assessments. The State Board of Education
17 shall annually distribute a listing of these additional tests
18 and resources, using funds available from appropriations made
19 for student assessment purposes.

20 (f) For the assessment and accountability purposes of this
21 Section, "all pupils" includes those pupils enrolled in a
22 public or State-operated elementary school, secondary school,
23 or cooperative or joint agreement with a governing body or
24 board of control, a charter school operating in compliance with
25 the Charter Schools Law, a school operated by a regional office
26 of education under Section 13A-3 of this Code, or a public
27 school administered by a local public agency or the Department
28 of Human Services.

29 (Source: P.A. 92-604, eff. 7-1-02; 93-426, eff. 8-5-03.)

30 (105 ILCS 5/2-3.131)

31 Sec. 2-3.131. ~~FY2004~~ Transitional assistance payments.

32 (a) If the amount that the State Board of Education will
33 pay to a school district from fiscal year 2004 appropriations,

1 as estimated by the State Board of Education on April 1, 2004,
2 is less than the amount that the State Board of Education paid
3 to the school district from fiscal year 2003 appropriations,
4 then, subject to appropriation, the State Board of Education
5 shall make a fiscal year 2004 transitional assistance payment
6 to the school district in an amount equal to the difference
7 between the estimated amount to be paid from fiscal year 2004
8 appropriations and the amount paid from fiscal year 2003
9 appropriations.

10 (b) If the amount that the State Board of Education will
11 pay to a school district from fiscal year 2005 appropriations,
12 as estimated by the State Board of Education on April 1, 2005,
13 is less than the amount that the State Board of Education paid
14 to the school district from fiscal year 2004 appropriations,
15 then the State Board of Education shall make a fiscal year 2005
16 transitional assistance payment to the school district in an
17 amount equal to the difference between the estimated amount to
18 be paid from fiscal year 2005 appropriations and the amount
19 paid from fiscal year 2004 appropriations.

20 (Source: P.A. 93-21, eff. 7-1-03.)

21 (105 ILCS 5/18-8.05)

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

25 (A) General Provisions.

26 (1) The provisions of this Section apply to the 1998-1999
27 and subsequent school years. The system of general State
28 financial aid provided for in this Section is designed to
29 assure that, through a combination of State financial aid and
30 required local resources, the financial support provided each
31 pupil in Average Daily Attendance equals or exceeds a
32 prescribed per pupil Foundation Level. This formula approach

1 imputes a level of per pupil Available Local Resources and
2 provides for the basis to calculate a per pupil level of
3 general State financial aid that, when added to Available Local
4 Resources, equals or exceeds the Foundation Level. The amount
5 of per pupil general State financial aid for school districts,
6 in general, varies in inverse relation to Available Local
7 Resources. Per pupil amounts are based upon each school
8 district's Average Daily Attendance as that term is defined in
9 this Section.

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

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

22 (a) Any school district which fails for any given
23 school year to maintain school as required by law, or to
24 maintain a recognized school is not eligible to file for
25 such school year any claim upon the Common School Fund. In
26 case of nonrecognition of one or more attendance centers in
27 a school district otherwise operating recognized schools,
28 the claim of the district shall be reduced in the
29 proportion which the Average Daily Attendance in the
30 attendance center or centers bear to the Average Daily
31 Attendance in the school district. A "recognized school"
32 means any public school which meets the standards as
33 established for recognition by the State Board of
34 Education. A school district or attendance center not

1 having recognition status at the end of a school term is
2 entitled to receive State aid payments due upon a legal
3 claim which was filed while it was recognized.

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

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

12 (d) (Blank).

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

17 School districts are not required to exert a minimum
18 Operating Tax Rate in order to qualify for assistance under
19 this Section.

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

22 (a) "Average Daily Attendance": A count of pupil
23 attendance in school, averaged as provided for in
24 subsection (C) and utilized in deriving per pupil financial
25 support levels.

26 (b) "Available Local Resources": A computation of
27 local financial support, calculated on the basis of Average
28 Daily Attendance and derived as provided pursuant to
29 subsection (D).

30 (c) "Corporate Personal Property Replacement Taxes":
31 Funds paid to local school districts pursuant to "An Act in
32 relation to the abolition of ad valorem personal property
33 tax and the replacement of revenues lost thereby, and
34 amending and repealing certain Acts and parts of Acts in

1 connection therewith", certified August 14, 1979, as
2 amended (Public Act 81-1st S.S.-1).

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

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

9 (B) Foundation Level.

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

20 (2) For the 1998-1999 school year, the Foundation Level of
21 support is \$4,225. For the 1999-2000 school year, the
22 Foundation Level of support is \$4,325. For the 2000-2001 school
23 year, the Foundation Level of support is \$4,425. ~~(3)~~ For the
24 2001-2002 school year and 2002-2003 school year, the Foundation
25 Level of support is \$4,560. For the 2003-2004 school year, the
26 Foundation Level of support is \$4,810.

27 (3) ~~(4)~~ For the 2004-2005 ~~2003-2004~~ school year and each
28 school year thereafter, the Foundation Level of support is
29 \$4,964 ~~\$4,810~~ or such greater amount as may be established by
30 law by the General Assembly.

31 (C) Average Daily Attendance.

32 (1) For purposes of calculating general State aid pursuant

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

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

20 (D) Available Local Resources.

21 (1) For purposes of calculating general State aid pursuant
22 to subsection (E), a representation of Available Local
23 Resources per pupil, as that term is defined and determined in
24 this subsection, shall be utilized. Available Local Resources
25 per pupil shall include a calculated dollar amount representing
26 local school district revenues from local property taxes and
27 from Corporate Personal Property Replacement Taxes, expressed
28 on the basis of pupils in Average Daily Attendance.

29 (2) In determining a school district's revenue from local
30 property taxes, the State Board of Education shall utilize the
31 equalized assessed valuation of all taxable property of each
32 school district as of September 30 of the previous year. The
33 equalized assessed valuation utilized shall be obtained and

1 determined as provided in subsection (G).

2 (3) For school districts maintaining grades kindergarten
3 through 12, local property tax revenues per pupil shall be
4 calculated as the product of the applicable equalized assessed
5 valuation for the district multiplied by 3.00%, and divided by
6 the district's Average Daily Attendance figure. For school
7 districts maintaining grades kindergarten through 8, local
8 property tax revenues per pupil shall be calculated as the
9 product of the applicable equalized assessed valuation for the
10 district multiplied by 2.30%, and divided by the district's
11 Average Daily Attendance figure. For school districts
12 maintaining grades 9 through 12, local property tax revenues
13 per pupil shall be the applicable equalized assessed valuation
14 of the district multiplied by 1.05%, and divided by the
15 district's Average Daily Attendance figure.

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

26 (E) Computation of General State Aid.

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

30 (2) For any school district for which Available Local
31 Resources per pupil is less than the product of 0.93 times the
32 Foundation Level, general State aid for that district shall be
33 calculated as an amount equal to the Foundation Level minus

1 Available Local Resources, multiplied by the Average Daily
2 Attendance of the school district.

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

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

24 (5) The amount of general State aid allocated to a school
25 district for the 1999-2000 school year meeting the requirements
26 set forth in paragraph (4) of subsection (G) shall be increased
27 by an amount equal to the general State aid that would have
28 been received by the district for the 1998-1999 school year by
29 utilizing the Extension Limitation Equalized Assessed
30 Valuation as calculated in paragraph (4) of subsection (G) less
31 the general State aid allotted for the 1998-1999 school year.
32 This amount shall be deemed a one time increase, and shall not
33 affect any future general State aid allocations.

1 (F) Compilation of Average Daily Attendance.

2 (1) Each school district shall, by July 1 of each year,
3 submit to the State Board of Education, on forms prescribed by
4 the State Board of Education, attendance figures for the school
5 year that began in the preceding calendar year. The attendance
6 information so transmitted shall identify the average daily
7 attendance figures for each month of the school year. Beginning
8 with the general State aid claim form for the 2002-2003 school
9 year, districts shall calculate Average Daily Attendance as
10 provided in subdivisions (a), (b), and (c) of this paragraph
11 (1).

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

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

20 (c) In districts in which some buildings, but not all,
21 hold year-round classes, for the non-year-round buildings,
22 days of attendance in August shall be added to the month of
23 September and any days of attendance in June shall be added
24 to the month of May. The average daily attendance for the
25 year-round buildings shall be computed as provided in
26 subdivision (b) of this paragraph (1). To calculate the
27 Average Daily Attendance for the district, the average
28 daily attendance for the year-round buildings shall be
29 multiplied by the days in session for the non-year-round
30 buildings for each month and added to the monthly
31 attendance of the non-year-round buildings.

32 Except as otherwise provided in this Section, days of
33 attendance by pupils shall be counted only for sessions of not
34 less than 5 clock hours of school work per day under direct

1 supervision of: (i) teachers, or (ii) non-teaching personnel or
2 volunteer personnel when engaging in non-teaching duties and
3 supervising in those instances specified in subsection (a) of
4 Section 10-22.34 and paragraph 10 of Section 34-18, with pupils
5 of legal school age and in kindergarten and grades 1 through
6 12.

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

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

13 (a) Pupils regularly enrolled in a public school for
14 only a part of the school day may be counted on the basis
15 of 1/6 day for every class hour of instruction of 40
16 minutes or more attended pursuant to such enrollment,
17 unless a pupil is enrolled in a block-schedule format of 80
18 minutes or more of instruction, in which case the pupil may
19 be counted on the basis of the proportion of minutes of
20 school work completed each day to the minimum number of
21 minutes that school work is required to be held that day.

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

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

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

1 up to a maximum of 5 days per school year of which a
2 maximum of 4 days of such 5 days may be used for
3 parent-teacher conferences, provided a district conducts
4 an in-service training program for teachers which has been
5 approved by the State Superintendent of Education; or, in
6 lieu of 4 such days, 2 full days may be used, in which
7 event each such day may be counted as a day of attendance;
8 and (2) when days in addition to those provided in item (1)
9 are scheduled by a school pursuant to its school
10 improvement plan adopted under Article 34 or its revised or
11 amended school improvement plan adopted under Article 2,
12 provided that (i) such sessions of 3 or more clock hours
13 are scheduled to occur at regular intervals, (ii) the
14 remainder of the school days in which such sessions occur
15 are utilized for in-service training programs or other
16 staff development activities for teachers, and (iii) a
17 sufficient number of minutes of school work under the
18 direct supervision of teachers are added to the school days
19 between such regularly scheduled sessions to accumulate
20 not less than the number of minutes by which such sessions
21 of 3 or more clock hours fall short of 5 clock hours. Any
22 full days used for the purposes of this paragraph shall not
23 be considered for computing average daily attendance. Days
24 scheduled for in-service training programs, staff
25 development activities, or parent-teacher conferences may
26 be scheduled separately for different grade levels and
27 different attendance centers of the district.

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

34 (f) A session of at least 4 clock hours may be counted

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

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

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

29 (G) Equalized Assessed Valuation Data.

30 (1) For purposes of the calculation of Available Local
31 Resources required pursuant to subsection (D), the State Board
32 of Education shall secure from the Department of Revenue the
33 value as equalized or assessed by the Department of Revenue of

1 all taxable property of every school district, together with
2 (i) the applicable tax rate used in extending taxes for the
3 funds of the district as of September 30 of the previous year
4 and (ii) the limiting rate for all school districts subject to
5 property tax extension limitations as imposed under the
6 Property Tax Extension Limitation Law.

7 This equalized assessed valuation, as adjusted further by
8 the requirements of this subsection, shall be utilized in the
9 calculation of Available Local Resources.

10 (2) The equalized assessed valuation in paragraph (1) shall
11 be adjusted, as applicable, in the following manner:

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

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

15 (3) For the 1999-2000 school year and each school year
16 thereafter, if a school district meets all of the criteria of
17 this subsection (G) (3), the school district's Available Local
18 Resources shall be calculated under subsection (D) using the
19 district's Extension Limitation Equalized Assessed Valuation
20 as calculated under this subsection (G) (3).

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

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

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

27 "Preceding Tax Year": The property tax levy year
28 immediately preceding the Base Tax Year.

29 "Base Tax Year's Tax Extension": The product of the
30 equalized assessed valuation utilized by the County Clerk
31 in the Base Tax Year multiplied by the limiting rate as
32 calculated by the County Clerk and defined in the Property
33 Tax Extension Limitation Law.

34 "Preceding Tax Year's Tax Extension": The product of

1 the equalized assessed valuation utilized by the County
2 Clerk in the Preceding Tax Year multiplied by the Operating
3 Tax Rate as defined in subsection (A).

4 "Extension Limitation Ratio": A numerical ratio,
5 certified by the County Clerk, in which the numerator is
6 the Base Tax Year's Tax Extension and the denominator is
7 the Preceding Tax Year's Tax Extension.

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

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

33 (4) For the purposes of calculating general State aid for
34 the 1999-2000 school year only, if a school district

1 experienced a triennial reassessment on the equalized assessed
2 valuation used in calculating its general State financial aid
3 apportionment for the 1998-1999 school year, the State Board of
4 Education shall calculate the Extension Limitation Equalized
5 Assessed Valuation that would have been used to calculate the
6 district's 1998-1999 general State aid. This amount shall equal
7 the product of the equalized assessed valuation used to
8 calculate general State aid for the 1997-1998 school year and
9 the district's Extension Limitation Ratio. If the Extension
10 Limitation Equalized Assessed Valuation of the school district
11 as calculated under this paragraph (4) is less than the
12 district's equalized assessed valuation utilized in
13 calculating the district's 1998-1999 general State aid
14 allocation, then for purposes of calculating the district's
15 general State aid pursuant to paragraph (5) of subsection (E),
16 that Extension Limitation Equalized Assessed Valuation shall
17 be utilized to calculate the district's Available Local
18 Resources.

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

31 (H) Supplemental General State Aid.

32 (1) In addition to the general State aid a school district
33 is allotted pursuant to subsection (E), qualifying school

1 districts shall receive a grant, paid in conjunction with a
2 district's payments of general State aid, for supplemental
3 general State aid based upon the concentration level of
4 children from low-income households within the school
5 district. Supplemental State aid grants provided for school
6 districts under this subsection shall be appropriated for
7 distribution to school districts as part of the same line item
8 in which the general State financial aid of school districts is
9 appropriated under this Section. If the appropriation in any
10 fiscal year for general State aid and supplemental general
11 State aid is insufficient to pay the amounts required under the
12 general State aid and supplemental general State aid
13 calculations, then the State Board of Education shall ensure
14 that each school district receives the full amount due for
15 general State aid and the remainder of the appropriation shall
16 be used for supplemental general State aid, which the State
17 Board of Education shall calculate and pay to eligible
18 districts on a prorated basis.

19 (1.5) This paragraph (1.5) applies only to those school
20 years preceding the 2003-2004 school year. For purposes of this
21 subsection (H), the term "Low-Income Concentration Level"
22 shall be the low-income eligible pupil count from the most
23 recently available federal census divided by the Average Daily
24 Attendance of the school district. If, however, (i) the
25 percentage decrease from the 2 most recent federal censuses in
26 the low-income eligible pupil count of a high school district
27 with fewer than 400 students exceeds by 75% or more the
28 percentage change in the total low-income eligible pupil count
29 of contiguous elementary school districts, whose boundaries
30 are coterminous with the high school district, or (ii) a high
31 school district within 2 counties and serving 5 elementary
32 school districts, whose boundaries are coterminous with the
33 high school district, has a percentage decrease from the 2 most
34 recent federal censuses in the low-income eligible pupil count

1 and there is a percentage increase in the total low-income
2 eligible pupil count of a majority of the elementary school
3 districts in excess of 50% from the 2 most recent federal
4 censuses, then the high school district's low-income eligible
5 pupil count from the earlier federal census shall be the number
6 used as the low-income eligible pupil count for the high school
7 district, for purposes of this subsection (H). The changes made
8 to this paragraph (1) by Public Act 92-28 shall apply to
9 supplemental general State aid grants for school years
10 preceding the 2003-2004 school year that are paid in fiscal
11 year 1999 or thereafter and to any State aid payments made in
12 fiscal year 1994 through fiscal year 1998 pursuant to
13 subsection 1(n) of Section 18-8 of this Code (which was
14 repealed on July 1, 1998), and any high school district that is
15 affected by Public Act 92-28 is entitled to a recomputation of
16 its supplemental general State aid grant or State aid paid in
17 any of those fiscal years. This recomputation shall not be
18 affected by any other funding.

19 (1.10) This paragraph (1.10) applies to the 2003-2004
20 school year and each school year thereafter. For purposes of
21 this subsection (H), the term "Low-Income Concentration Level"
22 shall, for each fiscal year, be the low-income eligible pupil
23 count as of July 1 of the immediately preceding fiscal year (as
24 determined by the Department of Human Services based on the
25 number of pupils who are eligible for at least one of the
26 following low income programs: Medicaid, KidCare, TANF, or Food
27 Stamps, excluding pupils who are eligible for services provided
28 by the Department of Children and Family Services, averaged
29 over the 2 immediately preceding fiscal years for fiscal year
30 2004 and over the 3 immediately preceding fiscal years for each
31 fiscal year thereafter) divided by the Average Daily Attendance
32 of the school district.

33 (2) Supplemental general State aid pursuant to this
34 subsection (H) shall be provided as follows for the 1998-1999,

1 1999-2000, and 2000-2001 school years only:

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

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

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

14 (d) For any school district with a Low Income
15 Concentration Level of 60% or more, the grant for the
16 1998-99 school year shall be \$1,900 multiplied by the low
17 income eligible pupil count.

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

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

26 (2.5) Supplemental general State aid pursuant to this
27 subsection (H) shall be provided as follows for the 2002-2003
28 school year:

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

33 (b) For any school district with a Low Income
34 Concentration Level of at least 10% and less than 20%, the

1 grant for each school year shall be \$675 multiplied by the
2 low income eligible pupil count.

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

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

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

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

19 (2.10) Except as otherwise provided, supplemental general
20 State aid pursuant to this subsection (H) shall be provided as
21 follows for the 2003-2004 school year and each school year
22 thereafter:

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

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

32 For the 2003-2004 school year and 2004-2005 school year
33 only, the grant shall be no less than the grant for the
34 2002-2003 school year. For the 2005-2006 ~~2004-2005~~ school year

1 only, the grant shall be no less than the grant for the
2 2002-2003 school year multiplied by 0.66. For the 2006-2007
3 ~~2005-2006~~ school year only, the grant shall be no less than the
4 grant for the 2002-2003 school year multiplied by 0.33.

5 For the 2003-2004 school year only, the grant shall be no
6 greater than the grant received during the 2002-2003 school
7 year added to the product of 0.25 multiplied by the difference
8 between the grant amount calculated under subsection (a) or (b)
9 of this paragraph (2.10), whichever is applicable, and the
10 grant received during the 2002-2003 school year. For the
11 2004-2005 school year only, the grant shall be no greater than
12 the grant received during the 2002-2003 school year added to
13 the product of 0.50 multiplied by the difference between the
14 grant amount calculated under subsection (a) or (b) of this
15 paragraph (2.10), whichever is applicable, and the grant
16 received during the 2002-2003 school year. For the 2005-2006
17 school year only, the grant shall be no greater than the grant
18 received during the 2002-2003 school year added to the product
19 of 0.75 multiplied by the difference between the grant amount
20 calculated under subsection (a) or (b) of this paragraph
21 (2.10), whichever is applicable, and the grant received during
22 the 2002-2003 school year.

23 (3) School districts with an Average Daily Attendance of
24 more than 1,000 and less than 50,000 that qualify for
25 supplemental general State aid pursuant to this subsection
26 shall submit a plan to the State Board of Education prior to
27 October 30 of each year for the use of the funds resulting from
28 this grant of supplemental general State aid for the
29 improvement of instruction in which priority is given to
30 meeting the education needs of disadvantaged children. Such
31 plan shall be submitted in accordance with rules and
32 regulations promulgated by the State Board of Education.

33 (4) School districts with an Average Daily Attendance of
34 50,000 or more that qualify for supplemental general State aid

1 pursuant to this subsection shall be required to distribute
2 from funds available pursuant to this Section, no less than
3 \$261,000,000 in accordance with the following requirements:

4 (a) The required amounts shall be distributed to the
5 attendance centers within the district in proportion to the
6 number of pupils enrolled at each attendance center who are
7 eligible to receive free or reduced-price lunches or
8 breakfasts under the federal Child Nutrition Act of 1966
9 and under the National School Lunch Act during the
10 immediately preceding school year.

11 (b) The distribution of these portions of supplemental
12 and general State aid among attendance centers according to
13 these requirements shall not be compensated for or
14 contravened by adjustments of the total of other funds
15 appropriated to any attendance centers, and the Board of
16 Education shall utilize funding from one or several sources
17 in order to fully implement this provision annually prior
18 to the opening of school.

19 (c) Each attendance center shall be provided by the
20 school district a distribution of noncategorical funds and
21 other categorical funds to which an attendance center is
22 entitled under law in order that the general State aid and
23 supplemental general State aid provided by application of
24 this subsection supplements rather than supplants the
25 noncategorical funds and other categorical funds provided
26 by the school district to the attendance centers.

27 (d) Any funds made available under this subsection that
28 by reason of the provisions of this subsection are not
29 required to be allocated and provided to attendance centers
30 may be used and appropriated by the board of the district
31 for any lawful school purpose.

32 (e) Funds received by an attendance center pursuant to
33 this subsection shall be used by the attendance center at
34 the discretion of the principal and local school council

1 for programs to improve educational opportunities at
2 qualifying schools through the following programs and
3 services: early childhood education, reduced class size or
4 improved adult to student classroom ratio, enrichment
5 programs, remedial assistance, attendance improvement, and
6 other educationally beneficial expenditures which
7 supplement the regular and basic programs as determined by
8 the State Board of Education. Funds provided shall not be
9 expended for any political or lobbying purposes as defined
10 by board rule.

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

27 Upon notification by the State Board of Education that
28 the district has not submitted a plan prior to July 15 or a
29 modified plan within the time period specified herein, the
30 State aid funds affected by that plan or modified plan
31 shall be withheld by the State Board of Education until a
32 plan or modified plan is submitted.

33 If the district fails to distribute State aid to
34 attendance centers in accordance with an approved plan, the

1 plan for the following year shall allocate funds, in
2 addition to the funds otherwise required by this
3 subsection, to those attendance centers which were
4 underfunded during the previous year in amounts equal to
5 such underfunding.

6 For purposes of determining compliance with this
7 subsection in relation to the requirements of attendance
8 center funding, each district subject to the provisions of
9 this subsection shall submit as a separate document by
10 December 1 of each year a report of expenditure data for
11 the prior year in addition to any modification of its
12 current plan. If it is determined that there has been a
13 failure to comply with the expenditure provisions of this
14 subsection regarding contravention or supplanting, the
15 State Superintendent of Education shall, within 60 days of
16 receipt of the report, notify the district and any affected
17 local school council. The district shall within 45 days of
18 receipt of that notification inform the State
19 Superintendent of Education of the remedial or corrective
20 action to be taken, whether by amendment of the current
21 plan, if feasible, or by adjustment in the plan for the
22 following year. Failure to provide the expenditure report
23 or the notification of remedial or corrective action in a
24 timely manner shall result in a withholding of the affected
25 funds.

26 The State Board of Education shall promulgate rules and
27 regulations to implement the provisions of this
28 subsection. No funds shall be released under this
29 subdivision (H) (4) to any district that has not submitted a
30 plan that has been approved by the State Board of
31 Education.

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

33 (1) For a new school district formed by combining property

1 included totally within 2 or more previously existing school
2 districts, for its first year of existence the general State
3 aid and supplemental general State aid calculated under this
4 Section shall be computed for the new district and for the
5 previously existing districts for which property is totally
6 included within the new district. If the computation on the
7 basis of the previously existing districts is greater, a
8 supplementary payment equal to the difference shall be made for
9 the first 4 years of existence of the new district.

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

24 (3) For 2 or more school districts which annex all of the
25 territory of one or more entire other school districts, and for
26 2 or more community unit districts which result upon the
27 division (pursuant to petition under Section 11A-2) of one or
28 more other unit school districts into 2 or more parts and which
29 together include all of the parts into which such other unit
30 school district or districts are so divided, for the first year
31 during which the change of boundaries attributable to such
32 annexation or division becomes effective for all purposes as
33 determined under Section 7-9 or 11A-10, as the case may be, the
34 general State aid and supplemental general State aid calculated

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

34 (3.5) Claims for financial assistance under this

1 subsection (I) shall not be recomputed except as expressly
2 provided under this Section.

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

6 (J) Supplementary Grants in Aid.

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

26 (2) If, as provided in paragraph (1) of this subsection
27 (J), a school district is to receive aggregate general State
28 aid in combination with supplemental general State aid under
29 this Section for the 1998-99 school year and any subsequent
30 school year that in any such school year is less than the
31 amount of the aggregate general State aid entitlement that the
32 district received for the 1997-98 school year, the school
33 district shall also receive, from a separate appropriation made

1 for purposes of this subsection (J), a supplementary payment
2 that is equal to the amount of the difference in the aggregate
3 State aid figures as described in paragraph (1).

4 (3) (Blank).

5 (K) Grants to Laboratory and Alternative Schools.

6 In calculating the amount to be paid to the governing board
7 of a public university that operates a laboratory school under
8 this Section or to any alternative school that is operated by a
9 regional superintendent of schools, the State Board of
10 Education shall require by rule such reporting requirements as
11 it deems necessary.

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

24 As used in this Section, "alternative school" means a
25 public school which is created and operated by a Regional
26 Superintendent of Schools and approved by the State Board of
27 Education. Such alternative schools may offer courses of
28 instruction for which credit is given in regular school
29 programs, courses to prepare students for the high school
30 equivalency testing program or vocational and occupational
31 training. A regional superintendent of schools may contract
32 with a school district or a public community college district
33 to operate an alternative school. An alternative school serving

1 more than one educational service region may be established by
2 the regional superintendents of schools of the affected
3 educational service regions. An alternative school serving
4 more than one educational service region may be operated under
5 such terms as the regional superintendents of schools of those
6 educational service regions may agree.

7 Each laboratory and alternative school shall file, on forms
8 provided by the State Superintendent of Education, an annual
9 State aid claim which states the Average Daily Attendance of
10 the school's students by month. The best 3 months' Average
11 Daily Attendance shall be computed for each school. The general
12 State aid entitlement shall be computed by multiplying the
13 applicable Average Daily Attendance by the Foundation Level as
14 determined under this Section.

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

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

29 (2) (Blank).

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

32 (M) Education Funding Advisory Board.

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

1 vacancies.

2 The Education Funding Advisory Board shall be deemed
3 established, and the initial members appointed by the Governor
4 to serve as members of the Board shall take office, on the date
5 that the Governor makes his or her appointment of the fifth
6 initial member of the Board, whether those initial members are
7 then serving pursuant to appointment and confirmation or
8 pursuant to temporary appointments that are made by the
9 Governor as in the case of vacancies.

10 The State Board of Education shall provide such staff
11 assistance to the Education Funding Advisory Board as is
12 reasonably required for the proper performance by the Board of
13 its responsibilities.

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

28 (N) (Blank).

29 (O) References.

30 (1) References in other laws to the various subdivisions of
31 Section 18-8 as that Section existed before its repeal and
32 replacement by this Section 18-8.05 shall be deemed to refer to

1 the corresponding provisions of this Section 18-8.05, to the
2 extent that those references remain applicable.

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

6 (P) This amendatory Act of the 93rd General Assembly and House
7 Bill 4266 of the 93rd General Assembly make inconsistent
8 changes to this Section. If House Bill 4266 becomes law, then
9 under Section 6 of the Statute on Statutes there is an
10 irreconcilable conflict between House Bill 4266 and this
11 amendatory Act. This amendatory Act, being the last acted upon,
12 is controlling. The text of this amendatory Act is the law
13 regardless of the text of House Bill 4266.

14 (Source: P.A. 92-16, eff. 6-28-01; 92-28, eff. 7-1-01; 92-29,
15 eff. 7-1-01; 92-269, eff. 8-7-01; 92-604, eff. 7-1-02; 92-636,
16 eff. 7-11-02; 92-651, eff. 7-11-02; 93-21, eff. 7-1-03.)

17 Section 20. The Higher Education Student Assistance Act is
18 amended by changing Section 45 as follows:

19 (110 ILCS 947/45)

20 Sec. 45. Illinois National Guard grant program.

21 (a) As used in this Section:

22 "State controlled university or community college" means
23 those institutions under the administration of the Chicago
24 State University Board of Trustees, the Eastern Illinois
25 University Board of Trustees, the Governors State University
26 Board of Trustees, the Illinois State University Board of
27 Trustees, the Northeastern Illinois University Board of
28 Trustees, the Northern Illinois University Board of Trustees,
29 the Western Illinois University Board of Trustees, Southern
30 Illinois University Board of Trustees, University of Illinois
31 Board of Trustees, or the Illinois Community College Board.

1 "Tuition and fees" shall not include expenses for any
2 sectarian or denominational instruction, the construction or
3 maintenance of sectarian or denominational facilities, or any
4 other sectarian or denominational purposes or activity.

5 "Fees" means matriculation, graduation, activity, term, or
6 incidental fees. Exemption shall not be granted from any other
7 fees, including book rental, service, laboratory, supply, and
8 union building fees, hospital and medical insurance fees, and
9 any fees established for the operation and maintenance of
10 buildings, the income of which is pledged to the payment of
11 interest and principal on bonds issued by the governing board
12 of any university or community college.

13 (b) Any enlisted person or any company grade officer,
14 including warrant officers, First and Second Lieutenants, and
15 Captains in the Army and Air National Guard, who has served at
16 least one year in the Illinois National Guard and who possesses
17 all necessary entrance requirements shall, upon application
18 and proper proof, be awarded a grant to the State-controlled
19 university or community college of his or her choice,
20 consisting of exemption from tuition and fees for not more than
21 the equivalent of 4 years of full-time enrollment in relation
22 to his or her course of study at that State controlled
23 university or community college while he or she is a member of
24 the Illinois National Guard. If the recipient of any grant
25 awarded under this Section ceases to be a member of the
26 Illinois National Guard while enrolled in a course of study
27 under that grant, the grant shall be terminated as of the date
28 membership in the Illinois National Guard ended, and the
29 recipient shall be permitted to complete the school term in
30 which he or she is then enrolled only upon payment of tuition
31 and other fees allocable to the part of the term then
32 remaining. If the recipient of the grant fails to complete his
33 or her military service obligations or requirements for
34 satisfactory participation, the Department of Military Affairs

1 shall require the recipient to repay the amount of the grant
2 received, prorated according to the fraction of the service
3 obligation not completed, and, if applicable, reasonable
4 collection fees. The Department of Military Affairs may adopt
5 rules relating to its collection activities for repayment of
6 the grant under this Section. Unsatisfactory participation
7 shall be defined by rules adopted by the Department of Military
8 Affairs. Repayments shall be deposited in the National Guard
9 Grant Fund. The National Guard Grant Fund is created as a
10 special fund in the State treasury. All money in the National
11 Guard Grant Fund shall be used, subject to appropriation, by
12 the Illinois Student Assistance Commission ~~Department of~~
13 ~~Military Affairs~~ for the purposes of this Section.

14 A grant awarded under this Section shall be considered an
15 entitlement which the State-controlled university or community
16 college in which the holder is enrolled shall honor without any
17 condition other than the holder's maintenance of minimum grade
18 levels and a satisfactory student loan repayment record
19 pursuant to subsection (c) of Section 20 of this Act.

20 (c) Subject to a separate appropriation for such purposes,
21 the Commission may reimburse the State-controlled university
22 or community college for grants authorized by this Section.

23 (Source: P.A. 92-589, eff. 7-1-02.)

24 Section 99. Effective date. This Act takes effect upon
25 becoming law."