



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB3690

by Rep. Sandra M. Pihos

#### SYNOPSIS AS INTRODUCED:

105 ILCS 5/1C-1  
105 ILCS 5/14-7.02b  
105 ILCS 5/14-7.05  
105 ILCS 5/Art. 1D rep.

Amends the School Code. Removes language that provides that the Block Grants Article does not apply to the Chicago school district. Repeals the Block Grants for Chicago Article. Makes related changes. Effective immediately.

LRB098 14057 NHT 48618 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning education.

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

4 Section 5. The School Code is amended by changing Sections  
5 1C-1, 14-7.02b, and 14-7.05 as follows:

6 (105 ILCS 5/1C-1)

7 Sec. 1C-1. Purpose. The purpose of this Article is to  
8 permit greater flexibility and efficiency in the distribution  
9 and use of certain State funds available to local education  
10 agencies for the improvement of the quality of educational  
11 services pursuant to locally established priorities.

12 ~~This Article does not apply to school districts having a~~  
13 ~~population in excess of 500,000 inhabitants.~~

14 (Source: P.A. 88-555, eff. 7-27-94; 89-15, eff. 5-30-95;  
15 89-397, eff. 8-20-95; 89-626, eff. 8-9-96.)

16 (105 ILCS 5/14-7.02b)

17 Sec. 14-7.02b. Funding for children requiring special  
18 education services. Payments to school districts for children  
19 requiring special education services documented in their  
20 individualized education program regardless of the program  
21 from which these services are received, excluding children  
22 claimed under Sections 14-7.02 and 14-7.03 of this Code, shall

1 be made in accordance with this Section. Funds received under  
2 this Section may be used only for the provision of special  
3 educational facilities and services as defined in Section  
4 14-1.08 of this Code.

5 The appropriation for fiscal year 2005 and thereafter shall  
6 be based upon the IDEA child count of all students in the  
7 State, excluding students claimed under Sections 14-7.02 and  
8 14-7.03 of this Code, on December 1 of the fiscal year 2 years  
9 preceding, multiplied by 17.5% of the general State aid  
10 foundation level of support established for that fiscal year  
11 under Section 18-8.05 of this Code.

12 Beginning with fiscal year 2005 and through fiscal year  
13 2007, individual school districts shall not receive payments  
14 under this Section totaling less than they received under the  
15 funding authorized under Section 14-7.02a of this Code during  
16 fiscal year 2004, pursuant to the provisions of Section  
17 14-7.02a as they were in effect before the effective date of  
18 this amendatory Act of the 93rd General Assembly. This base  
19 level funding shall be computed first.

20 Beginning with fiscal year 2008 and each fiscal year  
21 thereafter, individual school districts must not receive  
22 payments under this Section totaling less than they received in  
23 fiscal year 2007. This funding shall be computed last and shall  
24 be a separate calculation from any other calculation set forth  
25 in this Section. ~~This amount is exempt from the requirements of~~  
26 ~~Section 1D-1 of this Code.~~

1           An amount equal to 85% of the funds remaining in the  
2 appropriation shall be allocated to school districts based upon  
3 the district's average daily attendance reported for purposes  
4 of Section 18-8.05 of this Code for the preceding school year.  
5 Fifteen percent of the funds remaining in the appropriation  
6 shall be allocated to school districts based upon the  
7 district's low income eligible pupil count used in the  
8 calculation of general State aid under Section 18-8.05 of this  
9 Code for the same fiscal year. One hundred percent of the funds  
10 computed and allocated to districts under this Section shall be  
11 distributed and paid to school districts.

12           For individual students with disabilities whose program  
13 costs exceed 4 times the district's per capita tuition rate as  
14 calculated under Section 10-20.12a of this Code, the costs in  
15 excess of 4 times the district's per capita tuition rate shall  
16 be paid by the State Board of Education from unexpended IDEA  
17 discretionary funds originally designated for room and board  
18 reimbursement pursuant to Section 14-8.01 of this Code. The  
19 amount of tuition for these children shall be determined by the  
20 actual cost of maintaining classes for these children, using  
21 the per capita cost formula set forth in Section 14-7.01 of  
22 this Code, with the program and cost being pre-approved by the  
23 State Superintendent of Education. Reimbursement for  
24 individual students with disabilities whose program costs  
25 exceed 4 times the district's per capita tuition rate shall be  
26 claimed beginning with costs encumbered for the 2004-2005

1 school year and thereafter.

2 The State Board of Education shall prepare vouchers equal  
3 to one-fourth the amount allocated to districts, for  
4 transmittal to the State Comptroller on the 30th day of  
5 September, December, and March, respectively, and the final  
6 voucher, no later than June 20. The Comptroller shall make  
7 payments pursuant to this Section to school districts as soon  
8 as possible after receipt of vouchers. If the money  
9 appropriated from the General Assembly for such purposes for  
10 any year is insufficient, it shall be apportioned on the basis  
11 of the payments due to school districts.

12 Nothing in this Section shall be construed ~~to decrease or~~  
13 ~~increase the percentage of all special education funds that are~~  
14 ~~allocated annually under Article 1D of this Code or~~ to alter  
15 the requirement that a school district provide special  
16 education services.

17 Nothing in this amendatory Act of the 93rd General Assembly  
18 shall eliminate any reimbursement obligation owed as of the  
19 effective date of this amendatory Act of the 93rd General  
20 Assembly to a school district with in excess of 500,000  
21 inhabitants.

22 (Source: P.A. 93-1022, eff. 8-24-08; 95-705, eff. 1-8-08.)

23 (105 ILCS 5/14-7.05)

24 Sec. 14-7.05. Placement in residential facility; payment  
25 of educational costs. For any student with a disability in a

1 residential facility placement made or paid for by an Illinois  
2 public State agency or made by any court in this State, the  
3 school district of residence as determined pursuant to this  
4 Article is responsible for the costs of educating the child and  
5 shall be reimbursed for those costs in accordance with this  
6 Code. Subject to this Section and relevant State appropriation,  
7 the resident district's financial responsibility and  
8 reimbursement must be calculated in accordance with the  
9 provisions of Section 14-7.02 of this Code. ~~In those instances~~  
10 ~~in which a district receives a block grant pursuant to Article~~  
11 ~~1D of this Code, the district's financial responsibility is~~  
12 ~~limited to the actual educational costs of the placement, which~~  
13 ~~must be paid by the district from its block grant~~  
14 ~~appropriation.~~ Resident district financial responsibility and  
15 reimbursement applies for both residential facilities that are  
16 approved by the State Board of Education and non-approved  
17 facilities, subject to the requirements of this Section. The  
18 Illinois placing agency or court remains responsible for  
19 funding the residential portion of the placement and for  
20 notifying the resident district prior to the placement, except  
21 in emergency situations. The residential facility in which the  
22 student is placed shall notify the resident district of the  
23 student's enrollment as soon as practicable after the  
24 placement. Failure of the placing agency or court to notify the  
25 resident district prior to the placement does not absolve the  
26 resident district of financial responsibility for the

1 educational costs of the placement; however, the resident  
2 district shall not become financially responsible unless and  
3 until it receives written notice of the placement by either the  
4 placing agency, court, or residential facility. The placing  
5 agency or parent shall request an individualized education  
6 program (IEP) meeting from the resident district if the  
7 placement would entail additional educational services beyond  
8 the student's current IEP. The district of residence shall  
9 retain control of the IEP process, and any changes to the IEP  
10 must be done in compliance with the federal Individuals with  
11 Disabilities Education Act.

12 Payments shall be made by the resident district to the  
13 entity providing the educational services, whether the entity  
14 is the residential facility or the school district wherein the  
15 facility is located, no less than once per quarter unless  
16 otherwise agreed to in writing by the parties.

17 A residential facility providing educational services  
18 within the facility, but not approved by the State Board of  
19 Education, is required to demonstrate proof to the State Board  
20 of (i) appropriate certification of teachers for the student  
21 population, (ii) age-appropriate curriculum, (iii) enrollment  
22 and attendance data, and (iv) the ability to implement the  
23 child's IEP. A school district is under no obligation to pay  
24 such a residential facility unless and until such proof is  
25 provided to the State Board's satisfaction.

26 When a dispute arises over the determination of the

1 district of residence under this Section, any person or entity,  
2 including without limitation a school district or residential  
3 facility, may make a written request for a residency decision  
4 to the State Superintendent of Education, who, upon review of  
5 materials submitted and any other items of information he or  
6 she may request for submission, shall issue his or her decision  
7 in writing. The decision of the State Superintendent of  
8 Education is final.

9 (Source: P.A. 95-844, eff. 8-15-08; 95-938, eff. 8-29-08.)

10 (105 ILCS 5/Art. 1D rep.)

11 Section 10. The School Code is amended by repealing Article  
12 1D.

13 Section 99. Effective date. This Act takes effect upon  
14 becoming law.