

## 99TH GENERAL ASSEMBLY

# State of Illinois

# 2015 and 2016

#### HB5801

by Rep. Bill Mitchell

## SYNOPSIS AS INTRODUCED:

New Act 105 ILCS 5/1D-1

Creates the Continuing Appropriation for School Transportation Act to require a General Revenue Fund recommendation by the Governor in the annual budget and annual General Revenue Fund appropriations by the General Assembly sufficient to fund certain transportation reimbursement claims of school districts and to require a continuing appropriation if the General Assembly fails to make sufficient General Revenue Fund appropriations. Amends the Block Grants for Chicago Article of the School Code. Removes regular and vocational transportation from the list of programs that the educational services block grant must include. Effective immediately.

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FISCAL NOTE ACT MAY APPLY

A BILL FOR

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AN ACT concerning education.

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

Section 1. Short title. This Act may be cited as the
Continuing Appropriation for School Transportation Act.

6 Section 5. Annual budget; recommendation. Beginning with 7 the Budget for fiscal year 2017, the Governor shall include a 8 General Revenue Fund recommendation to the State Board of 9 Education in the annual Budget sufficient to fund all 10 transportation reimbursement claims of school districts under 11 Section 29-5 of the School Code.

12 Section 10. School transportation; funding. Beginning 13 with fiscal year 2017, the General Assembly shall annually make 14 General Revenue Fund appropriations to the State Board of 15 Education sufficient to fund all transportation reimbursement 16 claims of school districts under Section 29-5 of the School 17 Code.

18 Section 15. Continuing appropriation. If the General 19 Assembly fails to make General Revenue Fund appropriations to 20 the State Board of Education in fiscal year 2016 or in any 21 fiscal year thereafter sufficient to fund all transportation HB5801 - 2 - LRB099 18088 NHT 42452 b

reimbursement claims of school districts under Section 29-5 of the School Code, this Act shall constitute a continuing appropriation from the General Revenue Fund of all amounts necessary for those purposes.

5 Section 90. The School Code is amended by changing Section 6 1D-1 as follows:

7 (105 ILCS 5/1D-1)

8 Sec. 1D-1. Block grant funding.

9 (a) For fiscal year 1996 and each fiscal year thereafter, 10 the State Board of Education shall award to a school district 11 having a population exceeding 500,000 inhabitants a general 12 education block grant and an educational services block grant, determined as provided in this Section, in lieu of distributing 13 14 to the district separate State funding for the programs 15 described in subsections (b) and (c). The provisions of this Section, however, do not apply to any federal funds that the 16 district is entitled to receive. In accordance with Section 17 2-3.32, all block grants are subject to an audit. Therefore, 18 block grant receipts and block grant expenditures shall be 19 20 recorded to the appropriate fund code for the designated block 21 grant.

(b) The general education block grant shall include the
following programs: REI Initiative, Summer Bridges, Preschool
At Risk, K-6 Comprehensive Arts, School Improvement Support,

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1 Education, Scientific Literacy, Substance Urban Abuse 2 Prevention, Second Language Planning, Staff Development, Assessment, K-6 Reading 3 Outcomes and Improvement, 7-12 Continued Reading Improvement, Truants' Optional Education, 4 5 Hispanic Programs, Agriculture Education, Parental Education, 6 Prevention Initiative, Report Cards, and Criminal Background 7 Investigations. Notwithstanding any other provision of law, 8 all amounts paid under the general education block grant from 9 State appropriations to a school district in a city having a 10 population exceeding 500,000 inhabitants shall be appropriated 11 and expended by the board of that district for any of the 12 programs included in the block grant or any of the board's 13 lawful purposes.

(c) The educational services block grant shall include the 14 15 following programs: Regular and Vocational Transportation, 16 State Lunch and Free Breakfast Program, Special Education 17 (Personnel, Transportation, Orphanage, Private Tuition), funding for children requiring special education services, 18 Educational 19 Summer School, Service Centers, and 20 Administrator's Academy. This subsection (c) does not relieve the district of its obligation to provide the services required 21 22 under a program that is included within the educational 23 services block grant. It is the intention of the General Assembly in enacting the provisions of this subsection (c) to 24 relieve the district of the administrative burdens that impede 25 26 efficiency and accompany single-program funding. The General

Assembly encourages the board to pursue mandate waivers
 pursuant to Section 2-3.25g.

The funding program included in the educational services 3 block grant for funding for children requiring special 4 5 education services in each fiscal year shall be treated in that fiscal year as a payment to the school district in respect of 6 7 services provided or costs incurred in the prior fiscal year, 8 calculated in each case as provided in this Section. Nothing in 9 this Section shall change the nature of payments for any 10 program that, apart from this Section, would be or, prior to 11 adoption or amendment of this Section, was on the basis of a 12 payment in a fiscal year in respect of services provided or 13 costs incurred in the prior fiscal year, calculated in each 14 case as provided in this Section.

15 (d) For fiscal year 1996 and each fiscal year thereafter, 16 the amount of the district's block grants shall be determined 17 as follows: (i) with respect to each program that is included within each block grant, the district shall receive an amount 18 19 equal to the same percentage of the current fiscal year 20 appropriation made for that program as the percentage of the 21 appropriation received by the district from the 1995 fiscal 22 year appropriation made for that program, and (ii) the total 23 amount that is due the district under the block grant shall be the aggregate of the amounts that the district is entitled to 24 25 receive for the fiscal year with respect to each program that 26 is included within the block grant that the State Board of

Education shall award the district under this Section for that fiscal year. In the case of the Summer Bridges program, the amount of the district's block grant shall be equal to 44% of the amount of the current fiscal year appropriation made for that program.

6 (e) The district is not required to file any application or 7 other claim in order to receive the block grants to which it is 8 entitled under this Section. The State Board of Education shall 9 make payments to the district of amounts due under the 10 district's block grants on a schedule determined by the State 11 Board of Education.

12 (f) A school district to which this Section applies shall 13 report to the State Board of Education on its use of the block 14 grants in such form and detail as the State Board of Education 15 may specify. In addition, the report must include the following 16 description for the district, which must also be reported to 17 the General Assembly: block grant allocation and expenditures by program; population and service levels by program; and 18 19 administrative expenditures by program. The State Board of 20 Education shall ensure that the reporting requirements for the district are the same as for all other school districts in this 21 22 State.

(g) This paragraph provides for the treatment of block grants under Article 1C for purposes of calculating the amount of block grants for a district under this Section. Those block grants under Article 1C are, for this purpose, treated as

included in the amount of appropriation for the various 1 programs set forth in paragraph (b) above. The appropriation in 2 3 each current fiscal year for each block grant under Article 1C shall be treated for these purposes as appropriations for the 4 5 individual program included in that block grant. The proportion of each block grant so allocated to each such program included 6 7 in it shall be the proportion which the appropriation for that 8 program was of all appropriations for such purposes now in that 9 block grant, in fiscal 1995.

Payments to the school district under this Section with respect to each program for which payments to school districts generally, as of the date of this amendatory Act of the 92nd General Assembly, are on a reimbursement basis shall continue to be made to the district on a reimbursement basis, pursuant to the provisions of this Code governing those programs.

16 (h) Notwithstanding any other provision of law, any school 17 district receiving a block grant under this Section may classify all or a portion of the funds that it receives in a 18 particular fiscal year from any block grant authorized under 19 20 this Code or from general State aid pursuant to Section 18-8.05 21 of this Code (other than supplemental general State aid) as 22 funds received in connection with any funding program for which 23 it is entitled to receive funds from the State in that fiscal (including, without limitation, any funding program 24 vear referred to in subsection (c) of this Section), regardless of 25 the source or timing of the receipt. The district may not 26

classify more funds as funds received in connection with the 1 2 funding program than the district is entitled to receive in 3 that fiscal year for that program. Any classification by a district must be made by a resolution of its board of 4 5 education. The resolution must identify the amount of any block grant or general State aid to be classified under this 6 subsection (h) and must specify the funding program to which 7 the funds are to be treated as received in connection 8 9 therewith. This resolution is controlling as to the 10 classification of funds referenced therein. A certified copy of 11 the resolution must be sent to the State Superintendent of Education. The resolution shall still take effect even though a 12 13 copy of the resolution has not been sent to the State 14 Superintendent of Education in а timelv manner. No 15 classification under this subsection (h) by a district shall 16 affect the total amount or timing of money the district is 17 entitled to receive under this Code. No classification under this subsection (h) by a district shall in any way relieve the 18 19 district from or affect any requirements that otherwise would 20 apply with respect to the block grant as provided in this 21 Section, including any accounting of funds by source, reporting 22 expenditures by original source and purpose, reporting 23 requirements, or requirements of provision of services. (Source: P.A. 97-238, eff. 8-2-11; 97-324, eff. 8-12-11; 24 97-813, eff. 7-13-12.) 25

Section 99. Effective date. This Act takes effect upon

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1 becoming law.